

**§ 80.94**

**§ 80.94 May an agency incur costs before the beginning of the grant period?**

(a) A State fish and wildlife agency may incur costs of a proposed project before the beginning of the grant period (preaward costs). However, the agency has no assurance that it will receive reimbursement until the Regional Director awards a grant that incorporates a project statement demonstrating that the preaward costs conform to all of the conditions in paragraph (b) of this section.

(b) Preaward costs must meet the following requirements:

(1) The costs are necessary and reasonable for accomplishing the grant objectives.

(2) The Regional Director would have approved the costs if the State fish and wildlife agency incurred them during the grant period.

(3) The agency incurs these costs in anticipation of the grant and in conformity with the negotiation of the award with the Regional Director.

(4) The activities associated with the preaward costs comply with all laws, regulations, and policies applicable to a grant-funded project.

(5) The agency must:

(i) Obtain the Regional Director's concurrence that the Service will be able to comply with the applicable laws, regulations, and policies before the agency starts work on the ground; and

(ii) Provide the Service with all the information it needs with enough lead time for it to comply with the applicable laws, regulations, and policies.

(6) The agency must not complete the project before the beginning of the grant period unless the Regional Director concurs that doing so is necessary to take advantage of temporary circumstances favorable to the project or to meet legal deadlines. An agency completes a project when it incurs all costs and finishes all work necessary to achieve the project objectives.

(c) The agency can receive reimbursement for preaward costs only after the beginning of the grant period.

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**§ 80.95 How does an agency receive Federal grant funds?**

(a) A State fish and wildlife agency may receive Federal grant funds through either:

(1) A request for reimbursement; or

(2) A request for an advance of funds if the agency maintains or demonstrates that it will maintain procedures to minimize time between transfer of funds and disbursement by the agency or its subgrantee.

(b) An agency must use the following procedures to receive a reimbursement or an advance of funds:

(1) Request funds through an electronic payment system designated by the Regional Director; or

(2) Request funds on a standard form for that purpose only if the agency is unable to use the electronic payment system.

(c) The Regional Director will reimburse or advance funds only to the office or official designated by the agency and authorized by State law to receive public funds for the State.

(d) All payments are subject to final determination of allowability based on audit or a Service review. The State fish and wildlife agency must repay any overpayment as directed by the Regional Director.

(e) The Regional Director may withhold payments pending receipt of all required reports or documentation for the project.

**§ 80.96 May an agency use Federal funds without using match?**

(a) The State fish and wildlife agency must not draw down any Federal funds for a grant-funded project under the Acts in greater proportion to the use of match than total Federal funds bear to total match unless:

(1) The grantee draws down Federal grant funds to pay for construction, including land acquisition;

(2) An in-kind contribution of match is not yet available for delivery to the grantee or subgrantee; or

(3) The project is not at the point where it can accommodate an in-kind contribution.

(b) If an agency draws down Federal funds in greater proportion to the use of match than total Federal funds bear