

Welcome

GALVESTON DISTRICT Work-In-Kind Management

Presented By: Val Miller
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IN-KIND CONTRIBUTION CREDIT PROVISIONS OF SECTION 221(a)(4) OF THE FLOOD CONTROL ACT OF 1970

- The Section 221 crediting provisions apply to the study, design, and construction of water resources development projects authorized in the Water Resources Development Act (WRDA) of 1986 or later laws, including projects initiated after November 16, 1986 without specific authorization in law
- Section 221 is a comprehensive authority that addresses the affording of credit for the value of in-kind contributions provided by a non-Federal sponsor toward its required cost share (excluding the required 5 percent cash for structural flood damage reduction projects and the additional 10 percent cash payment over 30 years for navigation projects) if those in-kind contributions are determined to be integral to a study or project.
- Types of In-Kind Contributions. The types of in-kind contributions eligible for credit include planning activities (including data collection and other services needed for a feasibility study); design related to construction; and construction (including management; mitigation; and construction materials and services).



Requirements to provide Work-in-Kind

- Execution of Federal Cost Sharing Agreement (FCSA) for Studies.
- Execution of a Planning Engineering and Design (PED) Agreement or Planning Partnership Agreement (PPA) for construction projects.
- Execution of an Memorandum of Understanding - Section 221 provides that any construction work that has not been carried out as of November 8, 2007 is eligible for credit only if the non-Federal sponsor executes an agreement with the Secretary prior to carrying out such work. For purposes of Section 221 crediting only, construction work means initiation of construction using the non-Federal sponsors labor force or issuance of the notice to proceed for such construction if undertaken by contract.
- Work must be integral to the study or project the material or service must be part of the work that the Federal Government would otherwise have undertaken for the study or for construction of what is ultimately determined to be the Federal project.
- Work-in-Kind allowances are established in the Project Management Plan (PMP). The amount of credit for in-kind contributions that can be afforded under a FCSA, PED or PPA is limited to the amount of the non-Federal sponsor's cost share under that agreement.



Work-in-Kind Submission Requirements

- Work in Kind credit packages must be submitted to the USAGE Project Manager (PM) in accordance with the cost share agreement and include supporting auditable documentation. The PM will coordinate the review and approval of crediting documentation.
- The Non Federal Sponsor (NFS) will submit a WIK Status Report every 90 days. The status report will state if credits were earned during the period and if so, how much.
- NFS will submit an auditable package requesting earned in-kind credit as agreed to, based on the completion of work (task or phase). Submittals of credit packages by third parties will not be accepted. Interval for submission will not exceed 6 months from the incurrence of in-kind expenses/costs.



Documentation Requirements

- **Cover letter.** The NFS shall provide a cover letter to accompany all requests for credit. This letter will reference the project name and applicable cost share agreement. This letter should also include the total amount of credit requested and the period of performance for the credit.
- **Summary of requested costs.** The documentation shall include a summary of expenditures that comprise the credit request. This summary can be in the form of a spreadsheet, a printout from an accounting system or other automated program. The Project Manager and Cost Share Program Analyst will provide the format and level of detail for the report. The summary of expenditures should break out charges by activities identified in the PMP.
- **Support documentation.** The support documentation should describe the work performed and provide sufficient detail to determine if the work effort represented is reasonable in scope and cost, integral to the project, and allowable per the cost share agreement. Types of acceptable documentation include, but are not limited to: contract authorization forms, contracts, invoices with explanations of services or materials purchased, checks paid for all invoices, monthly project summary sheets, labor reports showing charges to the project, approved fringe benefits and overhead rates, cost engineering estimates agreed upon by both parties during a technical review. Receipts are payments are required for all reimbursements for travel expenses & meals.



Examples of WIK Activities

- Preparation of required compliance documentation for National Environment Policy Act (NEPA) and other applicable Federal and State laws.
- Preparation of portions of feasibility reports.
- Environmental assessments and related documentation.
- Activities including, but not limited to, adaptive assessment, monitoring, development, refinement and review of system level analytical model tools, and continuing refinement.
- Gathering technical data used for surveys, economic analysis, design, real estate, and environmental assessment.
- Scheduling of report and work products.
- Reviewing government prepared documents, reports, and plans and specifications.
- Defining anticipated real property and relocation requirements.
- Providing input to and reviewing the Project Management Plan preparation.

Cost associated with activities required to comply with permit conditions during construction.



Activities Ineligible for WIK Credit

- Betterments that are defined as changes in the design and construction of an element of a project resulting from the application of standards that the Government determines exceed those that the Government would otherwise apply for accomplishing the design and construction of that element.
- Lobbying efforts.
- Activities funded with Federal program funds of another Federal agency unless the Federal agency providing the Federal portion of such funds verifies in writing that the expenditure of the funds for the USAGE purpose is expressly authorized by Federal law.
- Activities credited to other USAGE studies or projects.
- Activities that will create a hazard.
- Activities conducted to determining compliance with environmental laws.
- Activities that are determined to be environmentally unacceptable.
- Activities that are not in compliance with Federal laws, regulations, and policies.
- Activities that are considered to be inherently governmental responsibilities.
- Audits and Study Coordination Team. The Non- Federal Sponsor's costs for audits and participation on the study coordination team are not included in the calculation of the shared study costs.
- Determining the required LERRD and its value for crediting

