

FEDERAL RECREATIONAL TRAIL PROGRAM TRAIL GRANTS

2022 Program Manual



In Partnership With
Minnesota Recreational Trail
Users Association (MRTUA)

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I. PROGRAM INTRODUCTION

The Infrastructure Investment and Jobs Act extended the FY2021 levels through FY2022 and reauthorized the Recreational Trails Program for Federal fiscal years 2023 through 2026. This program was previously funded through the Fixing America's Surface Transportation (FAST) Act.

The Recreational Trails program provides financial assistance for the development and maintenance of recreational trails and trail-related projects and provides funding from the Federal Highway Trust Fund in acknowledgment of off-road recreational fuel use.

Grants are awarded for nearly any trail related project that is solely located within the state of Minnesota. The priorities for each year are developed by the Minnesota Recreational Trail Users Association (MRTUA) and vary from one grant round to the next. The priorities for the current year are included in section IV of this manual. The eligible project categories are included in section III of this manual.

This program is unique in that, legislatively it is specified that the funds must be expended for projects that are strictly motorized as well as projects that are strictly non-motorized, while at the same time encouraging the development of projects that provide for both. The law specifies that 30 percent of the funds must be used for motorized projects, 30 percent for non-motorized, and 40 percent for projects that can be utilized by both.

Private non-profits and other trail organizations are encouraged to work with Federal, State, and local government agencies to develop applications. The goal of the State and MRTUA is to foster cooperative efforts between these groups for long-term development, enhancement and management of recreational trails in Minnesota.

This program was first funded in 1991 through the Intermodal Surface Transportation Efficiency Act (ISTEA) and was called the National Recreational Trails Fund. Since that time, this program has funded 700 trail projects in Minnesota.

Contact Information:

Minnesota Department of Natural Resources
Division of Parks and Trails
500 Lafayette Road, Box 39
Saint Paul, MN 55155

Daniel Golner, Grant Coordinator
Daniel.golner@state.mn.us or (651) 259-5599

II. IMPORTANT ITEMS YOU NEED TO KNOW

A. How to Apply

- Funding for 2022 is approximately \$2.4 million.
- **All applications must be received electronically by February 25th, 2022.**
- Applications are to be submitted electronically in one ‘.pdf’ format by the due date above. Paper submission of applications will not be accepted. To submit the application, email a pdf version of the application and attachments to Trailgrants.DNR@state.mn.us. This is the official submittal email box. Submitting to any other email will not be accepted. Format the entire application, including all attachments, as one pdf document with all pages 8 ½” by 11” in dimension. After submission, make sure you have received a confirmation email that your application has arrived in a useable format by the due date. **A confirmation email should arrive within one business day after you have submitted your application and after it is reviewed for readability.** Each email is opened to insure files are readable and then followed with a confirmation email. Applications submitted in an unusable format will NOT be considered for funding. If there are any questions about submitting the application please contact program staff.
- Grant awards will be announced by June 2022.
- **Funds will first be available no earlier than mid-October 2022 to start the contracting process.** This means projects funded in this grant round will not have a contract in place before October and thus cannot begin the project prior to this date (see B. Grant Timeline section). **Do not incur any costs that you plan to have reimbursed by the grant or included as part of the required cash match until after a grant contract has been processed for your project.**
- All local units of government (typically cities, counties, and townships) are eligible to apply. Also, user groups and/or trail organizations may apply, but only in coordination with a local unit of government per legislation. **Funding is only available to a local unit of government.**
- The maximum permissible request is \$150,000. The minimum is \$2,500.
- Projects require 25% secured or Grant in Aid matching funds.
- These grants are 75/25 “cash match” reimbursement grants. That means the GRANTEE must complete the project and fully pay for it, produce documentation that shows actual expenditures and proper procurement process has been followed.
 - **Neither this funding source, nor the match can be used for in-house labor services and/or to meet existing payroll (see Section III, D. Non-eligible Reimbursement Costs for additional ineligible costs).**
 - Only contract services, materials, and supplies are reimbursable.
 - If pre-approved, in-kind match including unpaid unskilled volunteer labor at a rate of \$20.00 per hour, or materials, services, or skilled labor donated to the project at no charge are eligible. See in-kind match section of this manual.

- All projects awarded through this grant round must be completed by **June 30, 2024**, and immediately available for use to the general public for no less than 20 years.
- If land is purchased with these funds, it is required that a “Twenty-Year Easement for Recreational Trail Purposes” is attached to the deed. Also the property must be appraised by a state certified appraiser and in accordance with DNR and Federal requirements. Please see land acquisition and appropriate land appraisal requirements in this manual.
- Applicants are required to design and construct their trail to meet ADA standards, unless it meets an ADA exemption. The applicant must site the exemption from ADA in the application for it to be considered, otherwise provide details and list design specifics in the ADA question of the application in how the project will meet ADA requirements. Do not just state the trail project will be ADA compliant. This is an insufficient answer.
- If your project is selected, and the project will need to be evaluated for applicability of environmental review under [Minnesota Rules, Chapter 4410](#). The local unit of government listed in the application is considered the Responsible Governmental Unit (RGU). Mandatory EAW categories are described at Minnesota Rules, 4410.4300. Exemptions from environmental review are described at Minnesota Rules, 4410.4600. Verify if your project is or is not exempt.
- All facilities that are funded through this program also require a commitment from the applicant that the trail will be open and available for use, as well as maintained, for no less than twenty years and should be stated in their resolution.
- Each proposal must specifically and directly address each requirement and criterion to qualify and receive consideration. If one section of the application is not addressed, the application will not be reviewed for consideration.
- All pages and attached maps must be **8 1/2 X 11 inches ONLY** and maps must follow color code system.
- Read each question thoroughly to make sure each part of a question is answered. Do not answer a question inside the same box as the question. Use the blank box associated with each question for the response.
- When identifying recreation use for your project, make sure to only mark the existing or proposed uses of the trail under primary use. Your selections affect if your project will be classified as motorized, non-motorized, or joint motorized/non-motorized.
- Secondary usage to be considered must meet the following criteria:
 - The secondary use needs to be a regular use and **not an incidental use**.
 - It needs to be open to the secondary use for a significant portion of that secondary use’s season.
 - It should include a letter of support from the recognized user group indicating that this project would be a sought after project location for their user group.
 - Trail projects should have all the primary and secondary usages identified on trailhead signs, trail signs and trail maps.
- [Federal Recreational Trail Program](#) application.

B. Grant Timeline

Grant Application Timeline

Mid-December 2021	→	Grant application materials available on the DNR website
February 4, 2022	→	Draft applications due if grant applicant seeks comments by Grant Coordinator (not required)
February 25, 2022	→	Grant application due date; Applications will NOT be accepted after this date.
February 25 - June 2022	→	Application review and selection process.
June 2022	→	Grant applicants are notified of the results. All grant applicants will be sent a letter if they are awarded a grant or not. Copy of the notification letter will also be sent to the applicant partner, if applicable. Awarded grantees then will follow the timeline below.

Awarded Grant Timeline

Selected projects are tentatively awarded in June. The awarded list is sent to FHWA for final approval. These grant funds are based on FFY which starts in October. Funds are not available until after the start of the FFY and after FHWA final approval.

June 2022	→	Award letter received! Congratulations! Required documentation checklist also included with notification letter.
June - November 2022	→	Grantee must begin work on the required documentation checklist items. All items must be completed in order to receive a grant contract. Such items include: <ul style="list-style-type: none"> • Natural Heritage determination letter • MnDOT Cultural Resources Archeological Review determination letter • Water Wetland review • Land Certification • Environmental Quality Board determination letter • Environmental Assessment Statement completed
October/November 2022	→	DNR receives authorization through a DNR contract with FHWA approving the awarded grantee projects.
November-December 2022	→	Grantees who have received final DNR approval of their required documentation will have their contract written in October/November after FHWA approval. No work must be done on the project, that the grantee expects reimbursement, until there is a fully signed contract in hand.
December 2022 – June 30, 2024	→	Grantee completes required documentation to receive a contract; Grantee must complete the project by 6/30/2024.

C. Buy America Provision [Requirement](#)

Trail projects must abide by the Buy America provision requirement (link above) for construction grants through FHWA policy. This applies to any project that uses iron and steel products. Specifically, any project that permanently incorporates steel or iron products in the project (such as steel I-beams for bridges) or purchases a piece of equipment used for trail construction or maintenance (such as a groomer) must ensure that the product or equipment is domestically produced. Reimbursement requests will require a Buy America certification in order to receive reimbursement from a grant.

Review [the Construction Program Guide to Buy America](#) for FHWA's policy. FHWA also has a link to the [Fixing America's Surface Transportation \(FAST\) Act](#) legislation which currently funds this program. Review the "[Side-by-Side Comparison Information Sheet](#)" and [Buy America Questions and Answers](#) about how Buy America applies to FHWA funded projects.

Buy America

The Secretary of Transportation shall not obligate any funds unless steel, iron, and manufactured products used in such project are produced in the United States.

Applies to iron and steel products and their coatings that are to be permanently incorporated into the project. The FHWA, in its 1983 rulemaking, determined that Buy America did not apply to raw materials and waived its application to manufactured products, although in the statute, based on the public interest. Lack of adequate domestic supply resulted in a 1995 nationwide waiver for iron ore, pig iron, and reduced/processed/pelletized iron ore. In 1994, a nationwide waiver for specific ferryboat parts came into effect.

Other

Labor costs involved in final assembly are not included in calculating the cost of components. U.S. international obligations (World Trade Organization Government Procurement Agreement, U.S. Free Trade Agreements, U.S. - EC Exchange of Letters [May 15, 1995], and Canada-U.S. Agreement on Government Procurement) do not apply.

III. PROJECT ELIGIBILITY, TRAIL & EQUIPMENT FRTP

A. Eligible Program Projects

- Construction of trails on federal (with limitations), state (with limitations), county, municipal or private lands where a twenty year easement for the purpose of the project can be obtained.
- Development of urban trail linkages near homes and workplaces.
- Contracted maintenance of existing recreational trails.
- Development of permanent trailside and trailhead facilities (e.g., drainage, crossings, stabilization, parking, signage, controls, open-sided shelters, water, and sanitary facilities).
- Provision of features that facilitate access and use of trails by persons with disabilities.
- Land acquisition from willing sellers, where value is established by a licensed and certified federal appraiser (and whose conclusions of value are certified by the State), and only if twenty-year easements for recreation trail purposes is conveyed to the state. See land acquisition and appraisal section.
- Purchase of equipment (e.g., trail groomers) see the equipment grant application and corresponding manual.

B. Eligible Reimbursement Costs

- Advertising costs solely for (1) Recruitment of personnel; (2) Solicitation of bids; and (3) Disposal of scrap materials.
- Capital and labor expenditures for facilities, equipment and other capital assets.
- Materials and/or supplies.
- Freight transportation expenses.
- Professional services and Project administration costs provided that they do not exceed 20 percent of the total cost of the project.
- In-kind match, including unpaid skilled volunteer labor at a rate of \$20.00 per hour (for trail grants), or materials, services, or skilled labor donated to the project at no charge. **These are only eligible for in-kind match and not for reimbursement.**
- Any cost not defined as an eligible cost or not included in the approved Application shall not be paid from funds committed to the project, unless the Department has provided written authorization.

C. Non-eligible Projects

Non-eligible projects include but are not limited to the following:

- Condemnation of any kind, including costs associated with, or reimbursement for projects associated to condemnation.
- Construction of trails within federally designated wilderness areas (with some exceptions).
- Upgrading, expanding, or otherwise facilitating motorized use or access to trails predominantly used by non-motorized trail users on which motorized use is either prohibited or has not occurred.
- Construction of ordinary sidewalks.
- Planning projects that are preliminary to construction of any trail projects.
- Improvements on highways or other roadways, including but not limited to, lighting, striping, and shoulder work.
- For projects located on **School Trust Lands**, contact Grant Administrator.

D. Non-eligible Reimbursement Costs

Including all costs not defined as eligible costs, but not limited to the following:

- Any expenditure that occurs before the effective date of this agreement.
- Fund raising.
- Taxes, except sales tax on goods and services.
- Insurance, except title insurance.
- Attorney fees.
- Loans, grants, or subsidies to persons or entities for development.
- Bad debts, late payment fees, finance charges or contingency funds.
- Interest, investment management fees.
- Lobbyists.
- Political contributions.
- Wages and expenses of Sub grantee's employees.
- Fringe benefit costs of Sub grantee's employees.
- Land appraisals.
- Entertainment, gifts and prizes, food and refreshments.
- Purchase of phones, computers, tablets or audiovisual equipment.
- Memberships (including subscriptions and dues), publications, periodicals and other subscription fees.
- Agency advertising and marketing expenses.
- Office Rental Fees, and Overhead and Indirect Expenses (including, but not limited to office or storage space rental, utility expenses, copier rental, phone bills, office materials and supplies).

IV. MRTUA'S PRIORITIES

The Minnesota Department of Natural Resources (DNR) has been designated by the Governor to oversee distribution of these funds. The DNR is advised in the distribution of these funds by the state's trail advisory board, the *Minnesota Recreational Trail Users Association (MRTUA)*.

The Board is made up of thirty members. There are three representatives from each of the ten identified trail user groups (hiking, bicycling, mountain bicycling, in-line skating, horseback riding, cross-country skiing, snowmobiling, off-highway motorcycling, all-terrain vehicle riding, four-wheel drive truck driving). The Board meets three times annually to discuss project funding, updates to existing grants, priorities for future grant rounds, and other relevant trail issues.

This year's priorities for funding are as follows:

- Projects that accommodate both motorized and non-motorized uses, including same-season access corridors.
- Projects that involve youth corps workers such as Conservation Corps Minnesota & Iowa will be given special consideration.
- For all-terrain vehicle, off-highway motorcycle, off-road 4x4 vehicle, and snowmobile projects, priority will be given to trail acquisition and purchase of permanent easements, to trail development and trail linkages to existing systems over equipment purchases.
- For all horse, in-line skate, cross-country ski, hike, and bicycle, priority will be given to trail linkages and restoration to existing trail systems, necessary trail facilities, trail signage to improve safety, and trail maintenance equipment.
- For mountain bicycle projects, the development of new single track trail systems, located in areas of high user demand, in partnership with city, county, and state land managers will be given priority.
- Projects that provide recreational opportunities in underserved areas.

V. TRAIL DESIGN REQUIREMENTS

All paved multi-use bicycle/pedestrian trails must be 10 feet in width to be considered for funding through this program. Very short distance exceptions might be allowed on a case by case basis and limited in distance (i.e. 20-30 feet for example). Do not submit a trail project with the intention that there will be an exception. Make sure your whole paved trail can be 10 feet wide before applying.

With regards to bicycle trails, applicants will be required to conform to recommendations contained within the 2019 [“Federal Highway Administration Bicycle and Pedestrian Planning, Program, and Project Development”](#) developed by the Minnesota Department of Transportation, with the exception that all paved bicycle trails must be 10 feet wide versus the minimum 8 feet wide mentioned in this manual.

For other uses, applicants must follow the *“Trail Planning, Design, and Development Guidelines”* developed by the Minnesota Department of Natural Resources – Parks and Trails Division. The guidelines are available at the [Minnesota’s Bookstore](#) or 1-800-657-3757.

Applicants are also encouraged to follow recommendations made in *“Designing Sidewalks and Trails for Access, Part II of II: Best Practices Design Guide”* produced by the Federal Highway Administration.

When developing natural surface trails, applicants are encouraged to follow principles outlined in “Guidelines for a Quality Trail Experience”.

Applicants are required to address the American with Disabilities Act under the Evaluation Criteria Section of the application. The *ADA Accessibility Guidelines for Outdoor Developed Areas*, and the *ADA and ABA Accessibility Guidelines for Buildings and Facilities* can be found on the Federal Access Board website. Successful applicants are required to design and construct their trail to meet ADA standards.

- The following guidelines will help you design your facilities. Copies can be ordered from the [U.S. Access Board](#) at (800) 872-2253, or downloaded from their website. Below are links directly to specific guidelines:
- [ADA Standards](#) and [ABA Guidelines and Standards](#) (For buildings and certain recreation facilities including playgrounds, recreational boating facilities, and fishing piers).
- [Outdoor Developed Area](#) (For outdoor developed areas such as campgrounds, picnic areas, trails, and beaches).

VI. LAND ACQUISITION OR EASEMENT REQUIREMENTS

When applying for a grant for land acquisition or easement, the application requires a reasonable market estimate. A full appraisal is not required to apply for a grant. If your **application is approved for funding** to purchase land or an easement, a full appraisal will then be required and must meet USPAP, DNR and UASFLA standards and pre-approved prior to purchase in order for the purchase to be eligible for reimbursement. Easements must include a term of no less than 20 years in the purchase agreement. This length of time is not negotiable. Any time length less than 20 years will not be reimbursable.

The following is done only if your trail project is awarded a grant and is approved for acquisition or easement purchase:

Prior to contacting and hiring a licensed appraiser to conduct an appraisal of the property, you must contact the DNR Appraisal Management Unit https://www.dnr.state.mn.us/lands_minerals/appraisal_mgmt.html to provide assistance. The appraisal will need to be completed to meet USPAP, DNR and UASFLA appraisal standards and the DNR must be named as an intended user of the report. If you are acquiring an easement, the appraiser will also need to be provided a final copy of the easement language you plan to acquire. A State Certified General Real Property Appraiser competent to appraise property to Federal Standards must conduct the appraisal. There are a limited number of appraisers that are certified to conduct appraisals to meet the federal standards. The DNR Appraisal Management Unit can provide you a list of appraisers that have indicated that they are competent to complete these appraisals. The requirements are also located on the [DNR Appraisal Management](#) website.

Once you have received a completed a land appraisal, it must be submitted to the DNR for appraisal review and approval before the land can be purchased with grant funds. The costs associated with a land appraisal are not eligible for reimbursement through the grant program. Therefore, it is important that the land appraisal be done correctly and with a qualified appraiser, to avoid the additional charges that would result if the appraisal were rejected by the DNR. The DNR review of land appraisals are done at no cost to the grantee. Once the DNR has approved the appraisal, grant funds can be reimbursed towards the cost of the land purchased.

Upon the purchase of land it is required to have a “Twenty-Year Easement for Recreational Trail Purposes” at a minimum that must be attached to the deed (this easement must be the same as the easement provided to the appraiser) for the land and submitted deed documentation to be approved for reimbursement.

VII. IN-KIND MATCH REQUIREMENTS

In-kind match is allowed to count toward the grant project's total cost if properly documented and pre-approved. Eligible in-kind match includes unpaid unskilled volunteer labor or materials, services, or skilled labor donated to the project at no charge.

In-Kind Volunteer Labor Match

In-kind volunteer unskilled labor may be used as a match to the project at an hourly rate of \$20.00. Each volunteer must complete and sign the Volunteer Labor Record Form. In this form, the volunteer must record the date, description of work, hours worked, and total value at the \$20.00 hourly rate. If crews are used, the crew leader can complete a single worksheet for the entire crew, but must include a list of each crewmember. In addition, the Volunteer Labor Summary Form must be completed and is used to summarize the Volunteer Labor Record Forms.

If non-professional unskilled labor is paid, the maximum reimbursement hourly rate is also \$20.00. Non-professional unskilled labor is any person being paid that has not been hired through an official company to complete work. This includes club members, volunteers, non-youth corps groups, etc. that are being paid to do trail work.

In-Kind Materials, Services, and Skilled Labor Match

Individuals, organizations, or businesses may contribute goods or services to complete the grant project that are an eligible in-kind match toward the grant. To receive credit for this type of donation, the donor must provide an invoice for the material or service with a notation on the invoice identifying the value of the donation. Donations of services or skilled labor should be valued at rates typically charged for such work in the area. Each donation invoice must be recorded on the Billing Data Sheet and a copy of the invoice must be included with each reimbursement request.

VIII. SAMPLE RESOLUTION

WHEREAS, the City of Sunnybrook supports the grant application made to the Minnesota Department of Natural Resources for the Federal Recreational Trail Program. The application is to construct five (5) miles of paved trail for the Sunnybrook Recreational Trail System. The trail system is located within 30 acres of Sunnybrook Park, and

WHEREAS, the City of Sunnybrook recognizes the twenty-five (25) percent match requirement for the Federal Recreational Trail Program, and has secured the matching funds

NOW, THEREFORE, BE IT RESOLVED, if the City of Sunnybrook is awarded a grant by the Minnesota Department of Natural resources, the City of Sunnybrook agrees to accept the grant award, and may enter into an agreement with the State of Minnesota for the above referenced project. The City of Sunnybrook will comply with all applicable laws, environmental requirements and regulations as stated in the grant agreement, and

BE IT FURTHER RESOLVED that the applicant has read the Conflict-of-Interest Policy contained in the Trail Program Grant Manual and certifies it will report any actual, potential, or organizational conflicts of interest upon discovery to the state related to the application or grant award.

BE IT FURTHER RESOLVED, the City Council of the City of Sunnybrook names the fiscal agent for the City of Sunnybrook for this project as:

Jane Doe
Director of Finance/Treasurer
City of Sunnybrook
1111 Happy Trails Avenue
Sunnybrook, MN 59985

BE IT FURTHER RESOLVED, the City of Sunnybrook hereby assures the Sunnybrook Recreational Trail will be maintained for a period of no less than 20 years as required by the Federal Recreational Trail Grant Program.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SUNNYBROOK THIS _____ DAY OF _____, 2022.

JOHN DOE - MAYOR

ATTEST:

MARY DOE - CITY CLERK

IX. OTHER PROGRAM REQUIREMENTS

A. Grants and Public Information

Under [MN Statute 13.599](#), responses to a request for proposal are nonpublic until the application deadline is reached. At that time, the name and address of the grantee, and the amount requested becomes public.

After the application evaluation process is completed, data (except trade secret data) becomes public. Data created during the evaluation process is nonpublic until the negotiation of the grant agreement with the selected grantee(s) is completed, which includes the selected grantee(s) application.

[MN Statute 13.44](#) categorizes estimated or appraised value of real property prior to purchase and sale as confidential data on individuals or protected nonpublic data. See also Minnesota Government Data Privacy Act for more information. This information, along with corresponding budget information, will be redacted from the applications before making them public.

B. Reporting Requirements

It is the policy of the State of Minnesota to monitor progress on state grants by requiring grantees to submit written progress reports at least annually until all grant funds have been expended and all of the terms in the grant agreement have been met. A progress report form will be provided by program staff. Grant payments shall not be made on grants with past due progress reports unless program staff have given the grantee a written extension.

C. Monitoring Requirements

It is the policy of the State of Minnesota to conduct at least one monitoring visit per grant period on all state grants of over \$50,000 and to conduct at least annual monitoring visits on grants of over \$250,000.

D. Conflict of Interest

It is the policy of the State of Minnesota to work to deliberately avoid actual and potential conflict of interests related to grant making at both the individual and organizational levels. A conflict of interest occurs when a person has actual or apparent duty or loyalty to more than one organization and the competing duties or loyalties may result in actions which are adverse to one or both parties. A conflict of interest exists even if no unethical, improper or illegal act results from it.

Actual Conflict of Interest:

An actual conflict of interest occurs when a person's decision or action would compromise a duty to a party without taking immediate appropriate action to eliminate the conflict. Examples include, but are not limited to:

- One party uses his or her position to obtain special advantage, benefit, or access to the other party's time, services, facilities, equipment, supplies, badge, uniform, prestige, or influence.
- One party receives or accepts money (or anything else of value) from another party or has equity or a financial interest in or partial or whole ownership of the other party's organization.
- One party is an employee, board member or family member of the other party.

Potential Conflict of Interest:

A potential conflict of interest may exist if a person has a relationship, affiliation, or other interest that could create an inappropriate influence if the person is called on to make a decision or recommendation that would affect one or more of those relationships, affiliations, or interests. For example, when one party serves in a volunteer capacity for another party, it has the potential to, but does not necessarily, create a conflict of interest, depending on the nature of the relationship between the two parties. A disclosed potential conflict of interest warrants additional discussion in order to identify the nature of the relationship, affiliation, or other interest and take action to mitigate any potential conflicts.

Organizational Conflict of Interest:

A conflict of interest can also occur with an organization that is a grant applicant in a *competitive grant* process or grantee of a state agency.

Organizational conflicts of interest occur when:

- A grantee's objectivity in carrying out the grant is impaired or compromised due to competing duties or loyalties
- A grantee, potential grantee or grant applicant has an unfair competitive advantage through being furnished unauthorized proprietary information or source selection information that is not available to all competitors.

The Grantee, by signing a grant contract with the State, must certify it has read and understands the Office of Grants Management [Conflict of Interest Policy 08-01](#), will maintain an adequate Conflict of Interest Policy and, throughout the term of the contract, monitor and report any actual, potential, or perceived conflicts of interest to the State.

E. Non-Government Organizations

[Grants Management Policy 08-06 Financial Review of Nongovernmental Organizations](#) is the policy of the State of Minnesota to make grants to nongovernmental organizations that are financially stable enough to carry out the purpose of the grant. Before awarding a grant of over \$25,000 to a nongovernmental organization, Minnesota state agencies must assess a recent financial statement from that organization. Items of significant concern must be discussed with the grant applicant and resolved to the satisfaction of state agency staff before a grant is awarded. A state agency staff must review at least one of the following documents before awarding a grant: an internal financial statement, an IRS Form 990, or a certified financial audit.