



U.S. FISH AND WILDLIFE SERVICE TRANSMITTAL SHEET

PART 522 FW 16	SUBJECT State Grant Programs Preagreement Costs	RELEASE NUMBER 465
FOR FURTHER INFORMATION CONTACT Division of Federal Assistance		DATE 10/13/05

EXPLANATION OF MATERIAL TRANSMITTED:

This chapter provides guidance for the approval of eligible preagreement costs for grants awarded through the Sport Fish and Wildlife Restoration Programs, the State Wildlife Grants Program (nontribal elements), and the Lanowner Incentive Program (nontribal elements).

DIRECTOR

FILING INSTRUCTIONS:

Remove:

Insert:

None

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**FISH AND WILDLIFE SERVICE
STATE GRANT PROGRAMS**

State Grant Programs

Part 522 Federal Assistance Program Guidance

Chapter 16 Preagreement Costs

522 FW 16

16.1 What is the purpose of this chapter? This chapter provides guidance for the approval of eligible preagreement costs for grants awarded through the Sport Fish and Wildlife Restoration Programs, the State Wildlife Grants Program (nontribal elements), and the Landowner Incentive Program (nontribal elements).

16.2 To whom does this chapter apply? This chapter applies to all Service personnel who administer grants funded through the Sport Fish and Wildlife Restoration Programs, the State Wildlife Grants Program (nontribal elements), and the Landowner Incentive Program (nontribal elements).

16.3 What are the authorities for this chapter?

A. 16 U.S.C. 777.

B. 16 U.S.C. 669.

C. State Wildlife Grants Program: P.L. 106-291 (Department of the Interior and Related Agencies Appropriations Acts for FY 2001 -- Land Conservation, Preservation and Infrastructure Improvement), P.L. 107-63, P.L. 108-7, P.L. 108-108, P.L. 108-447 (Department of the Interior and Related Agencies Appropriations Acts for FY 2002-2005 -- State and Tribal Wildlife Grants).

D. Landowner Incentive Program: P.L. 108-7, P.L. 108-108, P.L. 108-447 (Department of the Interior and Related Agencies Appropriations Acts for FY 2003-2005 -- Landowner Incentive Program).

E. OMB Circular A-87, Attachment B (31).

F. 50 CFR 80.11.

G. 50 CFR 80.15(c).

H. 43 CFR 12.62.

16.4 What are preagreement costs? Preagreement costs are any grant-associated costs incurred prior to the effective date of a grant agreement.

16.5 Can the Service reimburse a State for costs incurred prior to the effective date of a grant agreement? Yes. It is the general policy of the Service to fund eligible projects prospectively for activities commencing after the effective date of an approved grant. However, when a State demonstrates in a grant proposal that preagreement activities were necessary and reasonable for accomplishing the overall grant objectives and would have been approved had they occurred within the grant period, the Service will approve such costs as part of the grant agreement. Until costs incurred prior to

the effective date of a grant are incorporated as part of an approved grant agreement, States have no assurance that the Service will reimburse such costs. Any preagreement activities that are eligible for funding as part of an approved grant must be included in all regulatory compliance processes that are required for the Federal action of approving the grant.

16.6 Can an entire project be funded retrospectively as preagreement costs? No. As stated in paragraph 16.5, it is the Service's policy that grants be funded prospectively. Funding an entire project retrospectively is inconsistent with this policy.