

OFFICE OF THE GOVERNOR

ROBERT BENTLEY
GOVERNOR



ALABAMA DEPARTMENT OF ECONOMIC
AND COMMUNITY AFFAIRS

JIM BYARD, JR.
DIRECTOR

STATE OF ALABAMA

July 15, 2013

ALABAMA RECREATIONAL TRAILS PROGRAM
POLICY LETTER NUMBER 1

TO: Persons Interested in State
Recreational Trails Program

FROM: Jim Byard, Jr. 
Director

RE: POLICY ON REIMBURSEMENTS FOR ELIGIBLE COSTS THROUGH
THE RECREATIONAL TRAILS PROGRAM

The Recreational Trails Program (RTP) is a reimbursement grant. Generally, a RTP subrecipient incurs an eligible cost, pays the invoice, and submits a reimbursement request to ADECA for 80 percent of the amount paid by the subrecipient, up to the federal award total. The balance of 20 percent of eligible costs is recorded as match. In some cases, eligible costs are incurred through the donations of materials, activities of volunteers, and in-kind labor. In most cases, these in-kind materials and services are provided concurrently with the activities to be reimbursed. Therefore, the value of those in-kind materials and services is recorded as match cost.

While volunteer labor can be considered as in-kind match, ADECA does not reimburse subrecipients for the value of donated labor, material or volunteer labor in accordance with OMB Circular A-87. As such, subrecipients should be careful to design projects that will incur expenses under reimbursable services and in-kind materials and services concurrently so that the 80/20 ratio can be maintained. ADECA does not reimburse more than 80 percent of eligible costs.

On a case-by-case basis, RTP staff may request the ADECA Director's approval for a modification to the standard reimbursement methods described above. When in-kind match activities will not occur until after the reimbursable activities are in process or completed, a subrecipient may receive permission to use the retainage method for incurring and reporting the matching share. In this method, the subrecipient pays 100 percent of the eligible costs, submits a reimbursement request to ADECA for 80 percent, and certifies to ADECA that the remaining 20 percent will be liquidated by

ALABAMA RTP Policy Letter Number 1
Page 2
July 15, 2013

subsequent in-kind match. Once the in-kind match has been either incurred or donated and reported to ADECA, the subrecipient may request reimbursements for the remaining 20 percent of funds previously expended. By the end of the grant period of performance the 80/20 ratio must be maintained.

This method of reimbursement requires approval in writing from the ADECA Director.

Effective Date: Immediately