



Maryland Heritage Areas Authority Grants Program

FY 2025 GRANTS MANUAL

Maryland Heritage Areas Authority
Maryland Historical Trust
100 Community Place
Crownsville, MD 21032
mht.maryland.gov

Ariane M. Hofstedt
Administrator
410-697-9586
ariane.hofstedt@maryland.gov

Andrew Arvizu
Assistant Administrator
410-697-9514
andrew.arvizu@maryland.gov

Martha Waldron
Assistant Administrator
410-697-9555
martha.waldron@maryland.gov

Table of Contents

GETTING STARTED	3
<i>Orientation Session and Quiz</i>	<i>3</i>
<i>Project Summary Sheet</i>	<i>3</i>
<i>Grant Agreement and SDAT</i>	<i>4</i>
<i>Scope of Work</i>	<i>5</i>
<i>Project Budget.....</i>	<i>5</i>
<i>Project Timetable</i>	<i>6</i>
<i>Minority Business Enterprise Plan</i>	<i>6</i>
<i>MHT Project Review</i>	<i>6</i>
<i>Easement Conveyance and Review</i>	<i>7</i>
POLICIES.....	8
<i>Indirect Costs.....</i>	<i>8</i>
<i>Procurement.....</i>	<i>8</i>
<i>Recognition of Support *NEW* Language</i>	<i>9</i>
<i>Review of Draft Materials</i>	<i>10</i>
<i>Amendments and Extensions</i>	<i>10</i>
<i>Amendment Request Email.....</i>	<i>10</i>
<i>Insurance.....</i>	<i>11</i>
PROGRESS REPORTS AND REQUESTS FOR PAYMENT.....	12
<i>Mid-Project and Final Reports.....</i>	<i>12</i>
<i>Payment Schedule</i>	<i>12</i>
FINANCIAL DOCUMENTATION.....	15
<i>Documentation of Expenses.....</i>	<i>15</i>
<i>Financial Spot Checks and Submitting Proof of Project Expenses</i>	<i>15</i>
RESOURCES.....	17
APPENDIX A – SAMPLE PROJECT SUMMARY SHEET	20
APPENDIX B – EASEMENT REQUIREMENTS	22
APPENDIX C – INSURANCE REQUIREMENTS	24
APPENDIX D – SAMPLE REQUEST FOR PAYMENT.....	26

GETTING STARTED

Congratulations! You have been awarded a grant from the Maryland Heritage Areas Program which is governed by the Maryland Heritage Areas Authority (MHAA) and administered by the Maryland Historical Trust (MHT). MHAA provides targeted financial and technical assistance within thirteen locally designated Heritage Areas, each of which has a distinct focus or theme that represents a unique aspect of Maryland's character. Together, MHAA, the Heritage Areas, and local partners such as yourself, support the economic well-being of Maryland's communities by promoting, sustaining, and creating place-based experiences for visitors and residents alike.

Orientation Session and Quiz

The first thing you need to do is complete a mandatory orientation training session followed by a brief quiz. Both are offered online and can be completed in your own time. The orientation session is provided via a pre-recorded video and the quiz is to be completed using a Google Form. **All grant recipients MUST complete the orientation session and quiz by August 31, 2024.** The link to this year's orientation session can be found here: <https://youtu.be/0t2WlmUMpz8>

The link to this year's quiz can be found here: <http://tiny.cc/MHAAOrientationQuizFY25>

Project Summary Sheet

Once you have completed the online virtual orientation session and quiz the next thing you need to do is **fill out the Project Summary Sheet**. You can do this by logging in to your MHT grant account online by going to <https://mht.maryland.gov> and clicking the "My Grant Account" blue button at the top on the right side of the page under the main banner. Then look under the "Requirements" tab and select "Project Summary Sheet." Note who your Project Monitor is, as that is the person you will communicate with while working on your project. **You MUST submit the Project Summary Sheet, even if there are no changes by August 31, 2024**, as without this form, we cannot begin to draft your Grant Agreement. The faster you complete this step, the sooner you'll receive your Grant Agreement electronically for signature.

IMPORTANT: Be sure to **check the box at the top of the Project Summary Sheet indicating that you have completed the mandatory orientation session online and quiz**. This is a required field, and you cannot submit your Project Summary Sheet without completing it.

Take a few minutes to review the information on the sheet to make sure it is still up to date and accurate. If you need to make changes to the Scope of Work, or any other information on the sheet, you can do so in the fields provided (or at the bottom of the form). There is also an opportunity to upload documents as part of this form, however, it is not required if no changes have occurred.

You will see the Project Start Date and Project End Date listed. The start date is the day you are

allowed to begin incurring grant and match expenses and will be the same for every project that is funded in a given grant round. The end date will vary project to project and is when you expect to finish your project. Any expenses incurred outside of those two dates are not eligible for inclusion. Any potential changes that you need to make to your Project Timetable can be listed in the “Notes” section of the Project Summary Sheet.

Please pay special attention to the section titled “Easement and Preservation Requirements/Special Conditions.” If there are requirements or conditions listed, you need to make sure you address them immediately. Some may have a deadline associated with them, others must be completed before you begin work on the project. For more information, see the “MHT Project Review” section below.

See **Appendix A: Sample Project Summary Sheet**.

Grant Agreement and SDAT

Once you have completed your Project Summary Sheet online and any other outstanding compliance requirements, MHAA/MHT staff will begin generating your **Grant Agreement**. As a result of the volume of grants that MHAA awards, please be aware that you may not receive your Grant Agreement for signature until **late fall or early in the new year**.

The Grant Agreement is the legal contract between your organization and the State of Maryland. Be sure to review the entire document with your team, paying special attention to **the Scope of Work, Project Budget, Project Timetable, and Easement and Preservation Requirements** of your grant.

The Grant Agreement must be signed by someone who is legally authorized to enter into contracts for your organization. If you are not sure who is legally authorized, check your organizational bylaws. For Grantees that are nonprofit organizations, this will most likely be the director/president of the Grantee’s board, an elected officer of the Grantee’s board, or the executive director/president of the nonprofit organization that has have been appointed and authorized by the Grantee’s bylaws. For local, state, and federal agencies and/or jurisdictions, authorized individuals may include, but are not limited to, city managers, mayors, city administrators, commissioner presidents, agency heads, and town administrators. If it is not clear that the representative has the legal authority to sign this Agreement on behalf of Grantee, additional documentation will be required.

You must be in good standing with SDAT - State Department of Assessment and Taxation (or qualified to do business in Maryland if your organization is located outside the state) to have your Grant Agreement executed. If you are not in good standing, it is usually an easy fix (and can sometimes be done online), but you will need to resolve the issue before we can issue your Grant Agreement. You can check your status at <http://www.dat.maryland.gov/> by going to “Online Services” and clicking “Search the Business Database” in the left sidebar.

Scope of Work

Your Scope of Work as listed in the Grant Agreement conveys **exactly what work can take place as part of your grant**. The Scope of Work is based on the project budget you provided in your original application and takes the form of a narrative list of items in the following format:

The Project involves ... (a brief description of the project). The Grant and the Match may support the costs of ... (items that can be grant-funded or match funded). The Match may also support ... (items that may only be funded with matching dollars).

Over the course of your grant, you may only spend grant funds and matching funds on items listed in your Scope of Work. If you need to add or remove items from your Scope of Work, you must reach out to your Project Monitor in advance. If you don't get prior approval, you risk not having those expenditures covered in the grant project. You are, however, **welcome to spend any amount of money on each of the items listed in your approved Scope of Work**, provided you fulfill your one-to-one match requirement, don't spend grant funds on match-only items, do not exceed your approved grant amount, spend funds on all of the items in your Scope of Work, do not spend grant or match on funds outside the approved Scope of Work, and successfully complete your project and deliverables.

Project Budget

The Project Budget section of the Grant Agreement will only show the value of your **"MHAA Grant" award and your "Match" (or grantee's contribution) and "Total MHAA Project Budget."** The Total MHAA Project Budget is the combined total of MHAA grant and match - it does NOT include other project costs. Other project costs are any additional costs incurred beyond your grant and one-to-one match requirement. **Your approved budget line items will be listed in the Scope of Work.**

Please keep in mind that **every MHAA grant can only be spent on the items listed in the Scope of Work and requires a one-to-one match**, which can be made of any combination of cash and in-kind contributions. **In-kind contributions** are defined as any professional materials or services that are donated or discounted to the project, as well as volunteer time for work associated with the project.

Please **review the list of items in your Scope of Work carefully** as any expenses in your original application that were deemed ineligible during the review process will not be included and this may require you to revise your project.

MHAA staff encourages grantees to devise their own consistent method for tracking all of the expenses associated with the list of items in the approved Scope of Work, including any other project costs which will need to be reported when requesting a payment of funds. For more information, see "Progress Reports and Requests for Payment" section below.

Project Timetable

The Project Timetable listed your Grant Agreement includes a Project Start Date, which is the same for all grantees; the Mid-Project Report Due Date, which vary; the Project End Date; and the Final Report Due Date.

The **Project Start Date** is the date the grant was awarded and approved by the Maryland Heritage Areas Authority and is the first day you can incur grant and matching contribution expenses. Even if your project will not start right away, your Project Start Date stays the same. For all FY25 grants the Project Start Date is July 11, 2024

The **Project End Date** is the last day you can incur grant and matching contribution expenses. Any expenses incurred after this date are ineligible. If at any point you think you will not be able to finish your project by the Project End Date, email your Project Monitor and request an extension. Project End Dates will vary based on the circumstance of each project and grantee; however, the default timeframe for a typical grant is 2 years.

For more information on the Mid-Project and Final Reports, see “Progress Reports and Requests for Payment” section below.

Minority Business Enterprise Plan

If your organization received a capital grant of \$90,000 or more, you will be required to complete a Minority Business Enterprise Plan (MBE) when you sign your Grant Agreement. In the MBE, the minimum MBE goal established for each project is 29% of the MHAA grant amount. By completing the MBE Plan your organization is verifying that it will use your best efforts to achieve MBE participation at or above the minimum requirement to recruit and/or hire an MBE firm or multiple MBE firms for some, or all, of your project.

Updates on MBE contracts and subcontracts awarded should be provided in both the Mid-Project and Final Report forms. If for some reason utilizing a MBE firm is not feasible for your project, you should explain why in your Mid-Project and Final Reports.

MHT Project Review

Prior to the award of your grant, **your project was reviewed by MHT Compliance staff to assess its effect on National Register and National Register-eligible historic properties.** This is required of all projects that receive Maryland state funding, including MHAA grantees, under *Sections 5A-325 and 5A-326 of the State Finance and Procurement Article* (see <https://mht.maryland.gov/Pages/projectreview/project-review.aspx>). If MHT requires additional information to complete the review of your project, that information is listed under “Easement and Preservation Requirements/Special Conditions” on your Project Summary Sheet and the “Easement and Preservation Requirements” section of your Grant Agreement. If you need to provide MHT with

additional information, you must do so prior to beginning work. **If MHT staff have placed easement and preservation requirements on your project as a result of the project review, you must adhere to those requirements or risk forfeiting your grant award.** If you make substantial changes to the scope of your project, you may need to have MHT Compliance staff review your project again.

Projects that take place on properties that have existing preservation easements, or for which a preservation easement is required, will be reviewed by MHT Easement staff through a separate process. For more information, see “Easement Conveyance and Review” section below.

Easement Conveyance and Review

If your project takes place on a **property on which MHT holds an existing preservation easement, you must ensure that you have approval from the Director of MHT** before starting the project and receiving your first grant payment. If you have not already done so, be sure to submit a “Historic Preservation Easement Program Change/Alteration Request Application” form with as much detail as possible. The form is available on the MHT website at <https://mht.maryland.gov/Pages/easement/easement-existing.aspx>.

If your project property does not currently have an easement on it, but a **preservation easement is a condition of your grant award, you must convey the easement to MHT before receiving your final grant payment.** In addition, you must seek approval from the MHT Director for all proposed work, prior to beginning that work, as if the easement were already in place. If an easement is required for your project, you will receive a complete Easement Conveyance Packet from MHT Easement staff.

See **Appendix B: Easement Requirements** for additional information.

POLICIES

Indirect Costs

Indirect costs are those operating costs that are for the joint benefit of both the grant project and your other organizational activities. Indirect costs are frequently referred to as **overhead, operating, or administrative costs, and can include rent, utilities, salaries, personnel costs, and professional service fees.**

Maryland law and MHAA's policy regarding indirect costs allow nonprofit organizations¹ who are completing MHAA Non-Capital projects to include indirect costs in their grant budgets. **Indirect costs are limited to 10% or less of the total grant award amount, and the grantee must still be able to complete the entire project using the remaining funds.** If you choose to include indirect costs in your budget, your grant amount will not change. Indirect costs must come out of grant funds, not your matching contribution. If your approved Scope of Work does not currently include indirect costs and you would like to add them, please contact your Project Monitor to discuss a budget amendment. Please note, that you are **required to retain financial documentation for up to three years on indirect costs.**

Procurement

You are expected to ensure that costs for goods and services obtained to carry out the project are reasonable and customary for the type of work performed and materials purchased. You must follow the procurement guidelines for your type of organization, as detailed below.

Government agencies: Government organizations should follow your normal procurement procedures and must be able to document that applicable procurement procedures were followed, if requested by MHAA staff.

Nonprofits: Nonprofit organizations should use a procurement process that allows you to obtain project goods and services at reasonable and customary prices and must be able to document that expenditures are reasonable and customary, if requested by MHAA staff.

Procurements greater than \$5,000 and less than \$10,000: You are strongly encouraged to obtain written bids from two or more vendors for any goods and services for which costs are expected to be greater than \$500 but not more than \$10,000.

¹ This does not include grants to heritage area management entities, or grants to nonprofit organizations that were awarded before October 2018. Alternatively, if a nonprofit organization completing an MHAA Non-Capital has a negotiated federal rate, the organization can use that rate.

Procurements greater than \$10,000: If costs for goods or services from any one vendor are expected to exceed \$10,000 written bids from at least three vendors must be obtained. You must be able to provide documentation that at least three written bids were obtained, if requested by MHAA staff.

When bids are obtained, grant recipients are not required to select the lowest bid but must be able to provide documentation on why a vendor other than the low bidder was selected and what criteria other than the most favorable bid price were considered.

Sole-source procurement of goods and services should not be utilized unless there is a demonstrable and justifiable need, and it can be demonstrated that competitive procurement is impractical because only one product or service vendor can meet specific project requirements. As with all procurements, expenditures must be reasonable and customary for the type of goods and services being obtained. If requested by the Grantor, grant recipients must be able to document project requirements that justified the sole- source procurement and that expenditures are reasonable and customary for the goods and services obtained.

Recognition of Support *NEW* Language

It is important to **acknowledge the support of MHAA when talking about your grant-funded project, and when producing materials** that were supported by your grant. At a minimum, you should include either the MHAA logo, or the following statement. Please note as of FY25, the required acknowledgement language has been shortened to read as follows:

This project has been financed in part with State funds from the Maryland Heritage Areas Authority but does not necessarily reflect its views or policies.

MHAA's logo can be downloaded here: <https://mht.maryland.gov/PublishingImages/MHAA/MHAA-Logo.png>. Email your Project Monitor if you require a higher quality version.

It is important to remember that acknowledgement of support does not just mean on printed materials. In addition to including the logo and/or the MHAA statement on brochures, websites, and signage, you must also **include acknowledgement of MHAA support for construction projects, exhibits, trails, and other projects**. This can take the form of an acknowledgements panel that is installed at the location of the MHAA-funded work, a sign with the MHAA logo, or some other way to show that the completed project was funded in part by MHAA. You will be asked to include evidence of this acknowledgement in your final report.

Please also remember to **acknowledge MHAA support when you are speaking to the press**, issuing press releases, or discussing the project with the public. If you aren't sure how to incorporate acknowledgement into your project, contact your Project Monitor to discuss your options. Don't forget to also **acknowledge the technical support of your local heritage area** management entity by including their logo as well.

Review of Draft Materials

Prior to producing materials funded as part of your grant project, you **must obtain approval from your Project Monitor**, who will be reviewing them to ensure the content is up to MHAA's standards, that you have properly acknowledged MHAA support, and that the materials are acceptable based on your approved Scope of Work. This includes, but is not limited to, drafts of brochures, wayside panels, web pages, video scripts, advertisements, press releases, and signage.

Be sure to give your Project Monitor plenty of time, preferably 1 – 2 weeks, to review the materials. Do not send them for review an hour before you need to finalize them.

Amendments and Extensions

You may find that your project does not play out in the way you had planned when you originally submitted your grant application. This is not unusual. If you find that you are getting off track with your Scope of Work or Timetable reach out to your Project Monitor as soon as possible to discuss your options. If your Project Monitor determines that an amendment or extension is warranted, they will work with you to finalize the details of the changes that are needed and will work with you on an extension or an amendment to your grant.

If you need more time to complete your project or to add/remove items from your Scope of Work, you will need to request an amendment from your Project Monitor via an email explaining the reasons for the need. See the list of information you should include in your email in the “Amendment Request Email” section below.

Once approved, your Project Monitor will send you an email granting your extension and/or amendment. **You will have 10 days in which to reject the extension and/or amendment. After that, it is considered accepted.** Note that if your Project Monitor has not heard from you and your Project End Date is approaching, they may proactively implement an extension.

If the changes needed are major (adding major new elements to the Scope of Work), approval of those changes will need to be approved by the Maryland Heritage Areas Authority directly. Your Project Monitor can help you with that process.

Amendment Request Email

Requests to extend your Mid-Project or Final Report due dates, your Project End Date, or to amend your Scope of Work are considered on a case-by-case basis. **All requests must be submitted in writing via email to your Project Monitor before your Project End Date** (at least 2 or more weeks prior to the deadline). Please provide the following information:

1. **Fiscal Year** the grant was awarded and the name of the grant project;
2. **Name and address** of the grant recipient;

3. The **reasons for requesting** an extension/amendment;
4. The **current Project End Date** as specified in the Grant Agreement, or if an extension was previously approved, the current end date;
5. A **revised Scope of Work** (if applicable)
6. The **revised Project Timetable** (if applicable)
7. The **new Project End Date** that you are requesting (generally extensions of more than 1 year will not be approved but can be considered).

The **timely completion of grant projects is critical** not only for the development of heritage tourism products across Maryland, but to the continued support of the Maryland Heritage Areas Program by our elected officials. Failure to complete grant projects by the date specified in the Grant Agreement, or by the date specified in an approved grant extension, may result in cancellation of the grant and the rescinding or recovery of funds for uncompleted portions of the project. Your assistance in closing or extending any soon to be overdue grants with your organization is appreciated.

Insurance

You are **required to maintain certain levels of insurance** coverage in relation to your grant-funded project. See **Appendix C: Insurance Requirements** for details on those requirements. You must provide proof of insurance if requested by MHAA/MHT staff.

PROGRESS REPORTS AND REQUESTS FOR PAYMENT

Mid-Project and Final Reports

For most projects, you will be required to submit two reports through the online grants management system: **the Mid-Project Report and the Final Report**. You can access both of these via the online MHT/MHAA Grants Portal at <https://mht.maryland.gov> by clicking the “My Grant Account” button at the top on the right side of the page under the main banner, then look under the "Requirements" tab.. You will then click on the “Requirements” tab which should show you the available reports for your project. If you are having problems finding your report forms, please contact your Project Monitor, as the forms may be in another member of your organization’s online account.

A Mid-Project Report must be submitted at roughly the mid-point of your project. Once the project is complete, and all work finished, you will also need to submit a Final Report. **The deadlines for both reports are listed under Project Timetable in your Grant Agreement**. If you are not able to complete a report on time, be sure to let your Project Monitor know, and request an extension if you are behind schedule.

In addition to answering the questions on the report forms, you will want to **upload supporting materials for your reports**, including photographs of the work, drafts and final versions of all work products, and other documentation that the project is underway at the mid-point, and completed at the end point.

Failure to submit the Final Report may result in the forfeiture and/or recapture of Grant funds.

Payment Schedule

For most grants, **you will receive three payments, or disbursements**. After you have fulfilled all outstanding Easement and Preservation Requirements ² and the Grant Agreement has been signed by all parties and executed, you should expect to receive your first payment within about 60 days. The amount of the payment will be determined by your Project Monitor. **Typically, you will receive 50% of your total award in your first payment. Then your second and third payments would each be 25%.** Under certain circumstances, your Project Monitor may alter the number or percentage of payments. If you feel that your payment schedule may require alteration, please reach out to your Project Monitor.

You must be in good standing with the Maryland State Department of Assessment and Taxation in order to receive a payment. If you are not in good standing, and owe the State of Maryland money or

² Your first payment will not be disbursed until after you have successfully completed any MHT Preservation Easement review requirements, if applicable.

filings, you risk having your grant payment recaptured, so it is a good idea to check your status every time you submit a request for payment. You can check your status at <http://www.dat.maryland.gov/> by going to “Online Services” and clicking “Search the Business Database” in the left sidebar.

To receive the **second payment, you should be able to certify that you have spent 50% of your total project costs** (which is the grant and matching amounts combined). You are then eligible to receive an additional 25% on top of the 50% that you received at the start of the project. Your Project Monitor will determine if you have expended a sufficient amount of your grant and/or matching funds to receive your second payment, based on your project details.

The **third payment is considered reimbursable**, meaning you must certify that you have incurred all remaining project expenses to request the third and final payment. Your final payment will be the balance of funds available (typically 25%), based on your final expenditures, and will not be issued until all project expenses have been incurred, all work products are finished and approved by MHAA/MHT staff, and your Final Report has been submitted.

MHAA reserves the right to withhold payment of grant funds if you have not incurred sufficient project expenditures by the date of the Request for Payment.

To receive your second and third payments, you must: 1) **complete your Mid-Project Report** (for the second payment) or **Final Report** (for the third payment); and 2) submit the **Request for Payment form**. All can be accessed via your online MHT/MHAA Grants Portal at <https://mht.maryland.gov> (see above section for access instructions). **As of FY 2023, a new Request for Payment form was put into effect** that is located on the second page of your online Mid-Project Report and Final Report. For more information, see “Requests for Payment Form” section below.

Please note, if you have not incurred sufficient expenditures or chose not to request a payment at the same time you are submitting your Mid-Project Report, you can just submit your report, leave the Request for Payment form blank, and request payment at a later date. To do so, simply contact your Project Monitor who will open the Request for Payment form up for resubmission.

When reviewing your Request for Payment, MHAA will consider the following:

- **Is the cost eligible?** – Has it been incurred in the grant period? Is it related to the approved Scope of Work as outlined in your Grant Agreement?
- **Is the cost necessary?** – If there were no grant funds involved, would the cost have had to be incurred, or incurred at the amount stated?
- **Is the cost reasonable?** – Is it in line and reasonable with costs for the same item or service in your area?

Once approved by MHAA/MHT, **payment requests to grantees are generally processed within approximately 30- 60 days.**

Request for Payment Form

The **Request for Payment form**, can be found on the second page of the online Mid-Project and Final Reports (accessed via the MHT/MHAA Grants Portal at https://www.grantrequest.com/SID_1777?SA=AM). Grantees are required to complete the Request for Payment form online when requesting a payment of funds. In the form grantees are **NOT required to report against individual budget line items (as in previous years)**, instead you will be asked to provide the following totals and information:

- **Total Grant Funds Expended to Date:** this is the amount of MHAA grant funds you have spent against approved line items in the Scope of Work.
- **Total Match Funds Expended to Date:** this is the amount of match funds you have spent against the approved line items in the Scope of Work.
- **Total Other Project Costs Expended to Date:** any additional project costs incurred beyond your grant and one-to-one match requirement.
- **Amount Requesting:** this is the amount of funds you are requesting be disbursed (typically 25% of your grant award).
- **Name, Title, and Date:** of authorized signatory submitting the request.

IMPORTANT: Be sure to **check the box** formally certifying that the information you provided is correct and within your approved Scope of Work (the box is located directly below where you will be indicating the amount you are requesting).

In addition to the above information, MHAA will fill in the following items on the form:

- Tax ID and Legal Name of Organization
- MHAA Project Monitor Name and Email
- Approved Total Grant Amount
- Approved Total Match Amount
- Approved Other Project Costs

There is also a “State Use Only” section at the bottom of the page that will be completed by MHAA/MHT staff at a later date.

As stated earlier, **grantees are allowed to spend any amount of money on each of the items listed in your Scope of Work**, provided you fulfill your one-to-one match requirement, don’t spend grant funds on match-only items, do not exceed your approved grant amount, spend funds on all of the items in your Scope of Work, do not spend grant or match on funds outside the approved Scope of Work, and successfully complete your project and deliverables. **To report accurate and up-to-date totals, MHAA staff encourages grantees to devise their own consistent method for tracking the expenses associated with the list of items in the approved Scope of Work.** See Appendix D for a sample of the new Request for Payment form.

FINANCIAL DOCUMENTATION

The following guidelines will help you understand the types of records MHAA/MHT expects you to retain and provide upon request to document your grant expenses, as well as some suggestions to help make the documentation process easier as the project progresses.

Documentation of Expenses

You must retain records that show proof of all project expenses, both grant-funded and matching funds , for up to three years and provide them upon request.

For **cash expenses**, retain copies of your invoices, receipts, timesheets (if your grant allows staff time as cash match) and/or contracts supporting the cost breakdown in your approved Scope of Work. Documentation should show what was purchased or funded, when it was purchased, or when the work was completed, and how much it cost. QuickBooks and other accounting system printouts are accepted as proof of expenditure for payroll expenses.

For **donated or discounted services or materials** (such as paint, photography, architectural fees, etc.), vouchers or other official documentation, signed by the appropriate person must be retained to verify what the goods or services being claimed were and what they were valued according to reasonable market rate costs. If included in your approved Scope of Work, **staff and/or volunteer time contributions must also be documented** by a timesheet or spreadsheet that includes the rate used to calculate the value. A sample volunteer log can be found under the “MHAA Guidelines and Resources” webpage here <https://mht.maryland.gov/Pages/MHAA/heritage-areas-resources.aspx>.

The value of unpaid volunteer time can be calculated by using the current Maryland hourly rate as determined by Independent Sector (http://independentsector.org/volunteer_time). You should always check Independent Sector’s website for the most up-to-date hourly rate before submitting a request for payment as it changes. Please note, in order to see the Maryland rate, you must provide your name, email address and organization. If you are not comfortable doing that, email your Project Monitor and they can provide you with the current information.

For **property acquisition**, grantees have two options: 1.) get reimbursed for the property purchase after the purchase is complete, or 2.) make arrangements with your Project Monitor to have a joint check issued directly to you and the title company and delivered to the title company at settlement. If you choose to have a check issued to the title company, you will be required to provide proof of title work, insurance, and a purchase agreement before the check will be issued.

Financial Spot Checks and Submitting Proof of Project Expenses

A small percentage of MHAA’s grantees each fiscal year will be randomly selected for “spot check” and required to provide financial documentation of their expenses. If selected, you will need to submit

those materials as part of your Final Report. If your project is selected, you will be notified prior to submission of your Final Report that you must include, in addition to a Request for Payment form, all proof of project expenses, both grant-funded and matching funds.

Regardless of whether or not you are required to submit proof of grant expenses to MHAA, you still must retain these records, as your files are subject to state audit and must be retained for three years from the Project End Date.

Failure to submit documentation upon request could result in recapture of your grant funds and cancellation of your grant. It is critical that you retain these records and provide them upon request.

Even if you are asked to provide financial documentation, **you do NOT need to submit proof of payment** (i.e., copies of bank statements, cancelled checks, and/or credit card statements) for project expenses. As standard accounting practice, however, we **encourage you to retain that documentation for your records.**

What to Submit for Financial Spot Checks:

- Proof of expenditure documents that are clearly labeled by category line item in your Scope of Work (e.g. invoices, receipts)
- If we add all the invoices and receipts together, they should equal the line items' actual expenditure amounts that you put on your Request for Payment Form
- Volunteer and staff time sheets and paystubs (if applicable)
- Printouts from QuickBooks or other accounting software
- Documentation that matches the amounts reported in the individual budget line items in your Scope of Work

Conclusion

Congratulations again on receiving a grant from MHAA! The staff is looking forward to working with you to ensure that you are good stewards of State funds, and your project is completed successfully. If you have additional questions, please do not hesitate to contact your Project Monitor or any member of the MHAA staff using the contact information provided on the cover page.

RESOURCES

The following listing of helpful resources is meant to serve as a starting place for a variety of questions that may arise, related to your grant project. Always feel free to contact your Project Monitor and your local heritage area for technical assistance.

I need to know about Historic Preservation	... where do I find this information?
General preservation principles; how MHT evaluates changes to historic properties	The Secretary of the Interior’s Standards http://www.nps.gov/tps/standards.htm
Specifics of preservation “best practice”, for example, guidance on how to repoint masonry or restore plaster, or how to adapt for accessibility, among other subjects	National Park Service Preservation Briefs http://www.nps.gov/tps/how-to-preserve/briefs.htm
I need technical preservation advice above and beyond the written materials referenced above. Can MHT help?	Yes, MHT offers technical preservation assistance through the Office of Preservation Services. Contact your Project Monitor for more information.
Lead Paint	http://www.epa.gov/lead/ http://mde.maryland.gov/programs/Land/LeadPoisoningPrevention/Pages/index.aspx
Easements	https://mht.maryland.gov/Pages/easement/easement.aspx
What is a preservation easement? Do you have a sample easement?	MHT Easement Conveyance Packet https://mht.maryland.gov/Documents/easement/easement_procedures_conveyance_grants_term.pdf

What documents do I need to provide to MHT so MHT can create an easement on my property?	MHT Easement Conveyance Frequent Asked Questions https://mht.maryland.gov/Documents/easement/easement_conveyanceFAQ.pdf
How do I get MHT's approval for changes to an easement property?	MHT Application for Change/Alteration to Easement Property https://mht.maryland.gov/Documents/easement/Easement_Change_Alteration_Application_FILLABLE.pdf
When will MHT's Easement Committee meet to review my application? When are applications due?	Easement committee meets approximately every three weeks. The dates are posted annually with a link on this page: https://mht.maryland.gov/Pages/easement/easement.aspx
Hiring an architect, engineer, contractor, or consultant	Be sure to follow the procurement requirements listed on Page 8.
Does MHT have a list of consultants and contractors?	The Maryland Association of Historic District Commissions (MAHDC) maintains a directory online: http://mahdc.org/contractor-directory/ Preservation Maryland maintains a directory online: http://preservelist.org/

Grant Financial & Reporting Requirements	
Where do I submit MHAA reports and/or request a payment of funds?	You can access MHAA reports (which include the Request for Payment form which is used for requesting funds) in the Maryland Historical Trust Online Grants Portal here: https://www.grantrequest.com/SID_1777?SA=AM
How do I check if I'm in good standing with the State Department of Assessment and Taxation?	Visit https://dat.maryland.gov/Pages/default.aspx and click on "Search the Business Database."

How do I sign up for Direct Deposit?	To sign up for direct deposit with the state, go to the following website: https://www.marylandtaxes.gov/divisions/gad/ef-t-program.php If you have issues with the website, call the Comptroller at 1-888-784-0144 and select option 7 from the menu.
--------------------------------------	---

Other Funding Sources for Preservation Projects	https://mht.maryland.gov/Documents/grants/Grants_Funding_Sources.pdf
Where do I find information about best practices for oral history projects?	https://www.oralhistory.org/about/principles-and-practices-revised-2009/
Where do I find information about best practices for museums?	https://www.aam-us.org/programs/toolkits/
Where do I find information about best practices for designing wayside exhibits (also called interpretive signs)?	https://www.nps.gov/subjects/hfc/upload/Wayside-Guide-First-Edition.pdf
Where do I find resources about the Indigenous Peoples of Maryland?	Whose land am I on (Indigenous-led interactive mapping resource)? https://native-land.ca/ Resources related to Indigenous peoples of Maryland: https://goci.maryland.gov/maryland-commission-on-indian-affairs/

APPENDIX A – SAMPLE PROJECT SUMMARY SHEET

Project Summary

Attachments

Review My Requirement

Project Summary

Printer Friendly Version | E-mail Draft

* Required before final submission

Please review the following information. If any of the information is incorrect, please make the changes necessary in the corresponding text box, or in the Notes field at the bottom of the page. The information provided in this document will form the basis of your grant agreement. Please be sure to submit the form, even if there are no changes. If you are receiving a reduced award, please be sure to upload a new version of your project budget reflecting that reduction.

Grantee Organization:

Project Contact:

Your Project Monitor:

Project Title:

Scope of Work:

Proposed Changes to Scope of Work:

Word count of 250

Grant Award: Required Total Match:

Deliverables:

Revised Deliverables:

Word count of 250

Project Start Date: **Project End Date:**

Compliance Review Required?

No

Easement or Easement Modification Required?

No

Easement Review Required?

No

Special Conditions

Notes:

Use this field to provide any additional information, or to update fields that are not editable above. If there are no changes needed, indicate that here.

Word count 0 of 500

Save & Finish Later

Next

APPENDIX B – EASEMENT REQUIREMENTS

If your Grant Agreement indicates that you must convey an easement or preservation agreement as a condition of your grant award (check your Grant Agreement, **Easement and Preservation Requirements**), the following information will apply to your project.

As a condition of payment of your grant, you may be required to execute, or have the owner of the property where the project is taking place to execute, one of the following agreements:

- A Deed of Preservation Easement Agreement (an “Easement”), or a modification to an existing Easement (a “Modification”) encumbering the historic real property assisted by the grant; or
- A preservation and maintenance agreement (a “Preservation Agreement”), or a modification of an existing Preservation Agreement (also a “Modification”), for historic property other than real property.

“Historic property” means a site, building, structure, monument, or object which is individually listed in, or is individually eligible for listing in the Maryland Register of Historic Properties.

The Easement or Preservation Agreement requires that you or the owner of the project property:

- maintain the project and the project property in good order, condition and repair;
- permit MHT to enter upon and inspect the project during construction;
- prevent any waste of the project property; and
- prevent any demolition or modification of the improvements on the project property without MHT’s prior written consent.

If you or the owner of the project property are required to execute an Easement or Modification, you or the property owner must also provide the following documentation:

- an owner’s policy of title insurance for the project property, along with a bring to date title search updating the policy to the date of the Easement, satisfactory in form and content to MHT and its legal counsel;
- evidence of property/hazard insurance, commercial general liability or other insurances coverages in accordance with the insurance requirements set out in this Manual;
- evidence that the Easement or Modification has been recorded among the applicable land records of the county in which the project property is located; and

- any other instrument or document required by MHT, including the subordination of any encumbrances with respect to the project property which are prior to the lien of the Easement, and the foreclosure of which could extinguish the Easement.

The Easement requirements include the following:

- The Easement will have a term of duration equal to the longer of (i) fifteen years or (ii) one year for every \$5,000 increment of the Grant, or portion thereof, as further described in your Grant Agreement, if applicable;
- If there are no prior existing liens on the project property, the Easement must be a first lien encumbrance with respect to the project property, prior to all other liens; and
- You must reimburse MHAA all Grant funds that have been disbursed if the Easement is determined, by court finding or otherwise, to be not legally enforceable by MHT for any reason, and you will not be entitled to payment of any further Grant funds.

If you or the property owner executes a Preservation Agreement, Grantee must provide, or cause the owner of the Property to provide the following documentation:

- evidence of property/hazard insurance, commercial general liability or other insurances coverages in accordance with the insurance requirements set out in this Manual; and
- Any other instrument or document requested by MHT.

An existing Easement or Preservation Agreement that is satisfactory to MHT may satisfy these requirements.

APPENDIX C – INSURANCE REQUIREMENTS

As a condition of payment of a capital grant, you must carry, and may be required to provide evidence of the following insurance coverages satisfactory to MHT with respect to the property where the project will take place.

Insurance coverages must be provided by a company that is registered with the Maryland Insurance Agency and authorized to do business in the State.

If you are a government entity, the insurance requirements may be satisfied through evidence of a self-insurance program satisfactory to MHT.

Hazard Insurance

You must carry, and may be required to provide evidence satisfactory to MHT that the project property is insured against loss or damage by fire and such other hazards, casualties, and contingencies as may be required from time to time by MHT, in amounts satisfactory to MHT, but not less than the total amount of the Grant plus the outstanding principal balances of any mortgages on the property.

You must have the hazard insurance policy endorsed to add MHT as an additional insured (but without obligation on the part of MHT to make premium payments), with rights to prior notice of policy cancellation.

You must maintain property insurance on the project property from the Project Start Date throughout the term of the Easement, Preservation Agreement or Modification, as applicable. If requested by MHT, you must submit evidence of such insurance coverage to MHT.

Commercial General Liability Insurance

You must carry insurance and may be required to provide evidence satisfactory to MHT that the project property is insured, under a comprehensive general liability insurance in amounts satisfactory to MHT.

You must have the comprehensive general liability insurance policy endorsed to add MHT as an additional insured (but without obligation on the part of MHT to make premium payments), with rights to prior notice of policy cancellation.

You must maintain comprehensive general liability insurance on the project property from the Project StartDate throughout the term of the Easement, Preservation Agreement or Modification, as applicable. If requested by MHT, you must submit evidence of such insurance coverage to MHT.

Flood Insurance

If your project property is located in a 100-year flood plain, you must carry, and may be required to provide evidence satisfactory to MHT that the Property has flood insurance.

You may be required to provide evidence showing whether the project property is located in a 100-year flood plain, as designated by the United States Department of Housing and Urban Development.

If the project property is located in a 100-year flood plain, you must obtain flood insurance coverage in amounts satisfactory to MHT.

You must have the policy endorsed to add MHT as an additional insured (but without obligation on the part of MHT to make premium payments), with rights to prior notice of policy cancellation.

You must maintain flood insurance on the project property from the Project Start Date throughout the term of the Easement, Preservation Agreement or Modification, as applicable. If requested by MHT, you must submit evidence of such insurance coverage to MHT.

General Contractor's Insurance

You must carry and may be required to provide evidence satisfactory to MHT of general contractor's insurance coverage for comprehensive public liability, property damage liability/builder's risk, and workers' compensation in the form and amounts required by MHT.

You must require general contractor's insurance from the Project Start Date until the project is completed. If requested by MHT, you must submit evidence of such insurance coverage to MHT.

APPENDIX D – SAMPLE REQUEST FOR PAYMENT

Request for Payment

If you decide not to request payment at this time, you do not need to complete this second page. You may request funds in the future by reaching out to your Project Monitor, shown below.

Tax ID **Legal Name**
12-345678 The Awesomest House Museum in the World

MHAA Project Monitor **Email Address**
Ariane Hofstedt ariane.hofstedt@maryland.gov


Upon completing the Mid-Project Report, grantees who have expended roughly 50% of their award and match are eligible to request their second disbursement of 25% of their total grant award using this form. By requesting payment, you certify that all grant fund-related expenditures align with your most up to date Scope of Work, as listed on the first page of your Mid-Project Report. Further, you certify that you will retain documentation for all expenditures for at least three years after your project end date. Finally, you certify that this Request for Payment is made in accordance with the terms and conditions of the Grant Agreement made between the Grantee and the Maryland Department of Planning and that the amounts listed are correct.

Approved Total Grant Amount **Total Grant Funds Expended to Date**
100.0000

Approved Total Match Amount **Total Match Funds Expended to Date**
0.00

Approved Other Project Costs **Total Other Project Costs Expended to Date**
0.00

Payment Request

Amount Requesting:	Name	Title	Request Date:
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/> 

By checking the box below, you are certifying that the information that you have provided is correct and that you have only expended grant and matching funds on line items within your approved Scope of Work.

STATE USE ONLY

Date Received	Payment Requested	Amount Requested	Amount Approved
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Payment Reviewed By	Payment Approved By	PCA Code	Date Grant Agreement Executed
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>