

Instructions for Using In-Kind Services as a Cost-Share

Overview: Source Water Protection (SWP) Projects are awarded set amounts of funding, agreed upon in the sub-awardee’s (sponsor’s) Intergovernmental Agreement. To receive funding, sponsors will request reimbursement through the *WAT087 – Source Water Protection Reimbursement Request Form*. These forms help ensure the proper cost-share is being met, and the requested funds are within the approved workplan of the project. In some cases, an approved workplan may offer “in-kind services” as a portion of the sponsor’s cost-share, or match. These are notated on the *Personnel Cost* section of *WAT087*. This instructional form provides requirements and examples for using in-kind services as a cost-share.

Requirements:

1. In-kind services must be described in the initial budget table provided in the proposal and be approved within the workplan attached to the Intergovernmental Agreement.
2. Work must not be within the scope of an employee’s routine job description (a), and the work performed must involve active, project-specific contributions that go beyond administrative duties (b).

EXAMPLES (a):

- a. PERMITTED: City staff removing a wellhouse from a municipal well that is to be decommissioned in the SWP Project.
- b. NOT PERMITTED: An administrative assistant documenting hours they spent completing reporting requirements for the grant.

EXAMPLES (b):

- a. PERMITTED: An employee documenting hours they spent collecting water samples that will be analyzed and used in a water quality assessment in the SWP Project.
- b. NOT PERMITTED: An employee documenting hours they spent driving to and attending a stakeholder meeting relating to the SWP Project.

3. Sufficient evidence must be provided that the work was completed, and the hours and salary rate have not deviated from the employee’s routine pay schedule. Examples of sufficient evidence can include supervisory signatures, photograph evidence, receipts, or lab analysis results.
4. All required documentation mentioned in the following section are included with a reimbursement request.

Documentation: The following documents are required when including “in-kind services” as a cost-share for a reimbursement request.

1. Timesheets: These must be from the week or pay period that the work was done. It should include a summary of hours for the period and the employee’s typical pay scale (hourly rate). If an employee is salary, divide the net monthly pay by the number of workable days in the month times eight hours. The following formula assumes an employee with a \$4,000 net monthly salary, and a month with 20 *working* days.

$$X = \frac{\$4,000}{20 * 8}$$

2. Hourly Breakdown: On the timesheet, please indicate what days the work was performed and how many hours the work took. It is important to note the rate at which these hours were paid (regular or overtime). If a timesheet does not display individual days, please include a table that shows the days and hours worked for the week, following the previous steps requested in this section. Include this information on a table, either attached to the timesheet, or on a separate page.
3. Summary of Work: A brief description of the work completed for the project and how this differs from the employee's routine job should be included.

Summary: The following provides a summary of how the document package will look when included in a reimbursement request:

1. Timesheet
2. Hourly breakdown table
3. Summary of work
4. Supporting documents (or signed memorandum from supervisor)

Additional Information:

1. "In-kind services" may only be utilized as a cost-share. Salaries will not be reimbursed in the grant.
2. Employees offering "in-kind services" must **not** be employed or paid by the Federal Government.
3. Insufficient documentation or failure to procure records will result in the budgeted cost-share of in-kind services needing to be paid as a "cash match."
4. In-kind services **only** account for physical work performed by an employee. If samples collected are analyzed by a third-party laboratory, the invoices and proof of payment will be included separately in the "contractual services" section of the reimbursement request.
5. Maintain records of grant information and proof of match for up to three years following the termination of the grant agreement. Auditors may request information regarding an employee's salary at the time of the grant, and evidence of work completed.

Examples: Included in this document are two examples of using "in-kind services" as a cost-share on a reimbursement request. One is an example of an hourly employee and the other salary.

Example One:

**Using In-Kind Services for an Employee Paid at an Hourly
Rate**

Timesheet:

3/3/2025-3/16/2025

Employee Name:

John Doe

Employee ID:

101234

Week One	Regular Hours	Rate	Overtime Hours	Rate	
	3/3/2025	8.00	\$20.00	0.00	\$30.00
	3/4/2025	9.50	\$20.00	0.00	\$30.00
	3/5/2025	8.00	\$20.00	0.00	\$30.00
	3/6/2025	10.00	\$20.00	0.00	\$30.00
	3/7/2025	4.50	\$20.00	0.00	\$30.00
	3/8/2025	0.00	\$20.00	0.00	\$30.00
	3/9/2025	0.00	\$20.00	0.00	\$30.00
	Total Regular:		40.00	Total OT:	0.00
	Net Pay:		\$800.00		
Week Two					
	3/10/2025	10.00	\$20.00	0.00	\$30.00
	3/11/2025	12.00	\$20.00	0.00	\$30.00
	3/12/2025	10.00	\$20.00	0.00	\$30.00
	3/13/2025	8.00	\$20.00	2.00	\$30.00
	3/14/2025	0.00	\$20.00	8.00	\$30.00
	3/15/2025	0.00	\$20.00	0.00	\$30.00
	3/16/2025	0.00	\$20.00	0.00	\$30.00
	Total Regular:		40.00	Total OT:	10.00
	Net Pay:		\$1,100		
Period Total Hours:		90.00			
Period Total Pay:		\$1,900.00			

Hourly Breakdown:			
3/10/2025:	2 HOURS	\$20.00 / HR	Collecting water samples
3/12/2025:	4 HOURS	\$20.00 / HR	Collecting water samples
3/14/2025:	6 HOURS	\$30.00 / HR	Sample prep and analysis

Total work applied to grant project from 3/10/2025 – 3/16/2025: **\$300.00**

Summary of Work:

A series of 7 samples were collected from water wells in the Village of Nebraskaville and will be used to establish a baseline for the Source Water Protection Project. These samples will be tested for XYZ, and have the data recorded. These same water wells will be tested after the removal of a contaminant source producing XYZ to ensure the water quality of the town is improving and not exceeding the MCL of XYZ. This work is referenced in the approved workplan on Task 5: Collecting Water Quality Data. The maximum amount for in-kind services notated in the budget was \$600. \$300 will be applied during the pre- and post- sampling events. Samples were sent to FakeCO Labs for analysis. Invoices and proof of payment are included separately and notated in the “contractual services” section of the reimbursement request. Please see the following pages for the sample results and supporting documentation.

LAB RESULTS

DATE:
3/17/2025

INVOICE #
123456

CUSTOMER ID:
ABC12345

TO: John Doe
Nebraskaville Utilities
1234 Street
Nebraskaville, NE
61234

LAB TECHNICIAN	ANALYTE	NO. OF SAMPLES	TESTED ON
Jane Doe	Contaminant XYZ	5	3/17/2025

SAMPLE ID	ANALYTE DESCRIPTION	RESULT	UNIT
1	Contaminant XYZ	7.2	ppm
2	Contaminant XYZ	8.1	ppm
3	Contaminant XYZ	5.1	ppm
4	Contaminant XYZ	7.5	ppm
5	Contaminant XYZ	7.0	ppm

FAKECO LABS

123 NEBRASKAVILLE RD, NEBRASKAVILLE, NE 61234

(123) 456-7890 – EMAIL.ADDRESS

Example Two:

Using In-Kind Services for a Salary Based Employee

Nebraskaville Utilities
1234 Street
Nebraskaville, NE 61234
00-0012345

Leave and Earnings Statement

Employee Name	Pay Date	Pay Period	Pay Schedule
John Doe	3/6/2025	2/1/2025-2/28/2025	Monthly
Pay Scale	Current Pay	YTD	
Technician II	\$2,500	\$7,500	

Nebraskaville Utilities
1234 Street
Nebraskaville, NE 61234
00-0012345

Leave and Earnings Statement

Employee Name	Pay Date	Pay Period	Pay Schedule
Jane Doe	3/6/2025	2/1/2025-2/28/2025	Monthly
Pay Scale	Current Pay	YTD	
Supervisor I	\$3,000	\$9,000	

Summary of Work and Hourly Breakdown

John Doe – Nebraskaville Utilities

Nebraskaville received a Source Water Protection Grant to properly seal and decommission a municipal well that was taken offline last summer. Before decommissioning the well, the wellhouse will have to be removed. For the village's cost-share, our employees removed and demolished the wellhouse. Each employee worked 10 Hours on February 19th, 2025, demolishing the wellhouse and removing the materials from the worksite. Below is a breakdown of the work done by two of our employees who demolished the wellhouse:

John Doe:

Monthly Pay: \$2,500

Workdays in Feb: 20

Hourly Pay: $2,500 / (20 * 8) = \$15.625$

10 HRs x \$15.625/HR = \$156.25

Jane Doe:

Monthly Pay: \$3,000

Workdays in Feb: 20

Hourly Pay: $3,000 / (20 * 8) = \$18.750$

10 HRS x \$18.750/HR = \$187.50

Combined: \$343.75

The Village of Nebraskaville



3/10/2025

TO: Source Water Protection Program

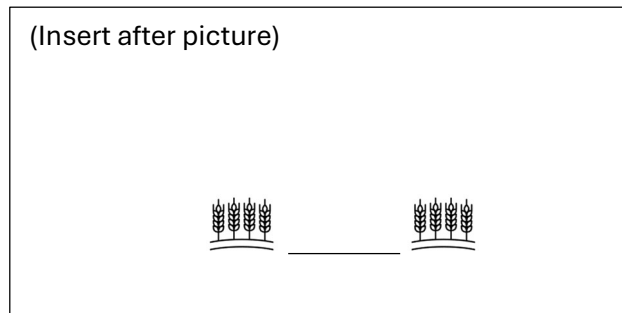
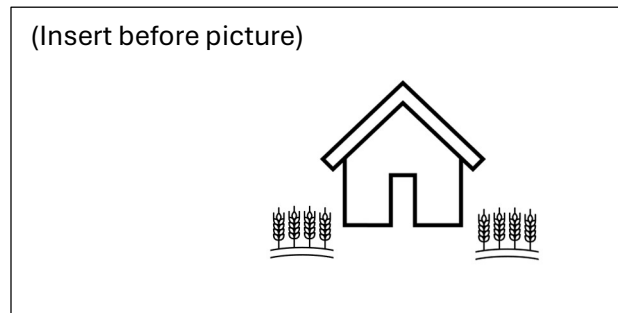
FROM: Nebraskaville Utilities Superintendent

RE: Employee Work as In-Kind Services – Source Water Protection Project

To whom it may concern,

I attest that on the 19th of February 2025, two of my employees (John Doe and Jane Doe) demolished a wellhouse located in Nebraskaville and removed the materials from the work site. This work took 10 hours to complete. Routine work of utilities employees does not typically include the demolishing and removal of building materials. This work was completed solely to benefit the continuation of our Source Water Protection Project.

Please see enclosed before and after pictures of the wellhouse removal.



Sincerely,

Richard Doe

Richard Doe
Utilities Superintendent