

**Ohio Public Works Commission**  
**Local Match Policy**  
**Prepays & In-Kind**  
**Revised 11/12/13**

The project budget, including in-kind costs, is approved at the time of the release of the Project Agreement. Costs cannot exceed the budget without an amendment from the respective District Integrating Committee or Natural Resource Assistance Council, as appropriate, or a written approval from the Ohio Public Works Commission (OPWC). The local match is based on a minimum participation percentage. When a subdivision applies for OPWC funds, it is required to specify in its application the percentage it is pledging as a local match. The OPWC will establish a disbursement ratio in the Project Agreement and will make disbursements according to that ratio up to the amount of financial assistance also provided for in the Agreement. In the event of a cost over-run, the maximum OPWC dollar contribution can not exceed the amount of OPWC assistance identified in the Agreement.

The “local” match may consist of local revenues, prepaids, in-kind and force account contributions, and any other form of governmental assistance.

**PREPAIDS**

Prepays are expenses directly related to an OPWC-funded project that were incurred and paid by the subdivision prior to signing the OPWC Project Agreement. Acceptable prepaids are preliminary engineering costs and the purchase of easements or right-of-way (infrastructure projects only). All other prepaids must be discussed with the OPWC prior to incurring them. A subdivision must provide evidence of such prepaids with the submission of its first disbursement request. Supporting documentation must include detailed invoices and proof of payment. A subdivision may either request reimbursement (up to one year prior to the date of the Agreement) based on the participation ratio, or credit toward the local match.

**IN-KIND**

Under section 164.05(D)(1) of the Ohio Revised Code, a local subdivision’s share of the cost of a capital improvement may consist of the reasonable value, as determined by the director or the administrator, of labor, materials, and equipment that will be contributed by the local subdivision in performing the capital improvement project. In-kind is therefore defined as a non-cash contribution which can be given cash value and is applied to goods and services specific to the project. Indirect and overhead costs are ineligible. In-kind costs are reimbursable at the project’s participation ratio as defined on page one of Appendix D in the Project Agreement. Alternatively, the subdivision may choose to have these costs credited in full towards its local match. OPWC must find costs to be both reasonable and necessary, and accepts the following methods for determining the value of such costs.

**LABOR** – Labor must be specific to the project. Records must indicate the name of the individual performing the work, the work performed, dates, hourly rates and fringe benefits. It must be clear as to how the work is related to the project. Costs that appear to be administrative in nature or duplication in effort will not be considered. For example, the applicant’s time taken to accompany the appraiser or surveyor is duplicative and is not eligible. Labor donated by another funding agency should be invoiced by that agency and signed by authorized personnel.

If claiming mileage for use of a vehicle in conducting business, provide dates and the purpose for the travel. Mileage is eligible at the state rate in effect at the time of travel. For State Fiscal Year

2013 the rate was \$0.45/ mile but increased to \$0.52/ mile at the beginning of State Fiscal Year 2014. Please contact OPWC for the current rate.

#### In-Kind/Force Account

This is the actual cost to the subdivision of using its own employees. This includes construction in full or in part by force account, construction inspection, or in-house engineering. These costs must be supported by detailed time records which account for all hours worked related to the project. The employee's base rate of pay, an hourly proration for the subdivision's share of Public Employee Retirement System contributions, and the value of any other fringe benefit costs paid by the subdivision are allowable. The fringe benefit rate must be based on the actual cost of that employee to the subdivision. Record regular and overtime hours separately as most overtime hours include fewer benefits than regular hours. Time records must be certified by a subdivision official and included with the disbursement request. The subdivision may use either the OPWC In-kind Contributions Time Reporting Record\*, or its own payroll records as long as the records contain at least the same information as required on the OPWC form.

Construction by force account labor must be approved in advance by the OPWC. Force Account work should be indicated in the project application. Force account expenses cannot exceed the amount approved by the OPWC nor can they exceed current statutory limits as follows:

- County (ORC 5543.19): \$30,000/mile for construction/reconstruction of roads; \$100,000 for bridges or culverts.
- Township (ORC 5575.01): \$15,000/mile for construction/reconstruction of roads.
- Municipality (ORC 723.52): \$30,000 for construction/reconstruction of streets.

#### Volunteer

Subdivisions using volunteer labor on project-related work may account for the value of that labor.

**Professional & Skilled Labor:** A professionally skilled individual is a person who has obtained a professional or technical certification, completed advanced training, or has made a living performing those activities. Skilled laborers must perform their "skilled" service to be eligible for the skilled labor rate.

**Unskilled Labor:** This is work performed that generally does not require any experience or special training. The value of the unskilled volunteer labor may be counted up to \$15.00 per hour; however, under no circumstances can the value of volunteer labor be higher than that of paid subdivision employees performing comparable work. Volunteer labor will be applied as in-kind credit and is not a reimbursable expense.

**MATERIALS** – This is the actual cost of materials purchased directly for and used on the project site and cannot include mark-ups or administrative charges added by the subdivision. The cost of materials must be supported by a vendor's invoice and proof of payment (warrant or check). If the material is from the subdivision's yard or stock and the bill for that material is not available, then the subdivision must provide a historical bill showing the unit cost for the same type of material.

**EQUIPMENT** – This is either the actual cost of the rented equipment supported by a vendor's invoice, or the subdivision may use the most current [Ohio Department of Transportation Equipment Rates](#). If a subdivision has its own in-house equipment rates, it must submit them to OPWC for approval prior to the start of construction. Alternatively, the subdivision may use quotes compiled from the average of three vendors. The quotes must be included as supporting

documentation showing how the rates were calculated. The [OPWC Equipment Usage Report](#) is available for reporting equipment regardless of the method used to establish the rates.