



Photo by Mckenzi Coleman, Ferry Conservation District

WASHINGTON STATE CONSERVATION COMMISSION

VOLUNTARY STEWARDSHIP PROGRAM (VSP)

PROGRAM FUNDING GUIDELINES

Effective on July 17, 2025.

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PROGRAM BACKGROUND

The [Washington Voluntary Stewardship Program \(VSP\)](#) is part of Washington state's Growth Management Act (GMA) and was established in statute in 2011 (RCW 36.70A.700-760). VSP is an alternative to regulation under the GMA for counties to protect critical areas on agricultural land while maintaining agricultural viability. Each county must opt-in to VSP, establish a watershed work group, and create a countywide watershed work plan that sets protection and enhancement goals and benchmarks. Monitoring and adaptive management of the goals and benchmarks along with the work plan combine to ensure VSP success.

VSP is administered by the Washington State Conservation Commission (SCC) with support from the Statewide Advisory Committee (SAC) and Technical Panel (TP). The SAC is comprised of representatives of county, agricultural, and environmental organizations, and tribal governments. The TP is comprised of the directors or director designees of the following agencies: Department of Fish and Wildlife (DFW), Department of Agriculture (WSDA), Department of Ecology (ECY), and SCC.

Legislative Intent

VSP's intent, per RCW 36.70A.700 (2):

- Promote plans to protect and enhance critical areas within the area where agricultural activities are conducted, while maintaining and improving the long-term viability of agriculture in the state of Washington and reducing the conversion of farmland to other uses.
- Focus and maximize voluntary incentive programs to encourage good riparian and ecosystem stewardship as an alternative to historic approaches used to protect critical areas.
- Rely upon RCW 36.70A.060 for the protection of critical areas for those counties that do not choose to participate in this program.
- Leverage existing resources by relying upon existing work and plans in counties and local watersheds, as well as existing state and federal programs to the maximum extent practicable to achieve program goals.
- Encourage and foster a spirit of cooperation and partnership among county, tribal, environmental, and agricultural interests to better assure the program success.
- Improve compliance with other laws designed to protect water quality and fish habitat.
- Rely upon voluntary stewardship practices as the primary method of protecting critical areas and not require the cessation of agricultural activities.

Legislative Construct

Nothing in VSP may be construed to:

1. Interfere with or supplant the ability of any agricultural operator to work cooperatively with a conservation district or participate in state or federal conservation programs;

2. Require an agricultural operator to discontinue agricultural activities legally existing before July 22, 2011;
3. Prohibit the voluntary sale or leasing of land for conservation purposes, either in fee or as an easement;
4. Grant counties or state agencies additional authority to regulate critical areas on lands used for agricultural activities; and
5. Limit the authority of a state agency, local government, or landowner to carry out its obligations under any other federal, state, or local law.

DEFINITIONS

Agricultural activities is all agricultural uses and practices as defined in [RCW 90.58.065](#). See also the Conservation Commission's (SCC's) [Policy Advisories 04-19 and 06-21](#).

Commission or SCC refers to the Washington State Conservation Commission as defined in [RCW 89.08.030](#).

Director is the executive director of the state conservation commission.

Enhance or enhancement means to improve the processes, structure, and functions existing, as of July 22, 2011, of ecosystems and habitats associated with critical areas.

Participating watershed means a watershed identified by a county under [RCW 36.70A.710\(1\)](#) to participate in the program.

Priority watershed means a geographic area nominated by the county and designated by the commission.

Program means the voluntary stewardship program established in [RCW 36.70A.705](#).

Protect or protecting means to prevent the degradation of functions and values existing as of July 22, 2011.

Receipt of funding means the date a county takes legislative action accepting any funds as required in [RCW 36.70A.715\(1\)](#) to implement the program.

Statewide Advisory Committee (SAC) means the statewide advisory committee created in [RCW 36.70A.745](#).

Technical Panel (TP) means the directors or director designees of the following agencies: Department of Fish and Wildlife, Department of Agriculture; Department of Ecology; and SCC.

Technical Service Provider (TSP) is hired by the county to implement the VSP program. In most cases, this is a conservation district, in a few cases, this is the county.

Watershed means a water resource inventory area, salmon recovery planning area, or a

subbasin as determined by a county.

Watershed group or work group means an entity designated by a county under the provisions of [RCW 36.70A.715](#).

Work plan means a watershed work plan developed under the provisions of [RCW 36.70A.720](#).

ELIGIBLE ENTITIES

To be eligible to participate in VSP, counties must opt-in and be accepted by the SCC. As of 2025, 28 of Washington's 39 counties participate in VSP. [All non-VSP counties are now eligible to opt-in](#) to the program as of 2023.

GENERAL REQUIREMENTS FOR OPERATING AND CAPITAL FUNDS

Cost-Share & Eligible Expenses

VSP may have both operating and capital budget funding available in a biennium cycle. Operating funds are non-competitive and awarded equally to participating VSP counties with approved work plans via a two-year contract each biennium. Capital funding is awarded for cost-share projects and District Implemented Projects (DIP) in an initial allocation to each county with an adopted work plan and then subsequently through a competitive grant application process until all funds are awarded.

Unless explicitly provided for as a standalone budget allocation, funding for monitoring efforts and equipment is included within the operating funds awarded to each county. All enrolled counties shall receive the same amount of operating funds. Counties that opt into the program and are tasked with developing work plans will receive additional guidance for the use of operating funds to implement their programs.

Design Life

Operating and Capital Funds for Cost-Share and DIP

Both operating and capital funds may be used for cost share and DIP projects. The requirements for design life vary depending on the source of funds used. For projects completed using operating funds the design life can be one year or less. For example, "management practices" such as herbaceous weed control may have a design life of less than one year.

Projects seeking capital funding must include activities with design lives of at least one year, with preference given to those including practices having design lives of 5 to 10 or more

years. Note that select practices with a design life of less than 10 years may be more competitive for capital funding if the practice is completed in conjunction with, and in support of, a structural practice. For example, tree/shrub site preparation, mulching, or soil spreading may be more competitive if completed in conjunction with a riparian buffer planting or brush management. Cover crops and other practices that are part of long-term crop rotations (exceeding 10 years) as part of an individual stewardship plan may qualify for capital funding. Please work with VSP staff if you have any questions about eligibility of a practice for capital funds before you submit award applications.

Cost Share: General

Cost-share procedures are outlined in the [Grant and Contract Policy and Procedure Manual \(Manual\)](#), and training is available through SCC webinars, SCC staff, and available on the [SCC website](#). Counties may find it easier to partner with an entity, such as a local conservation district, that already has training, knowledge, and experience with SCC cost-share requirements. Conservation districts must meet all the accountability requirements under the Conservation Accountability and Performance Program (CAPP) to be eligible to receive funds.

Counties may choose to offer a cost-share program to achieve the goals and objectives of the county work plan and RCW Chapter 36.70A.700-760. If a county chooses to offer a cost-share program to landowners using VSP operating or capital funds, the county must follow Commission cost-share policies and procedures as outlined in [the Manual](#), regardless of who is administering the cost-share program (the county or some other entity on behalf of the county). Further, the county must comply with the following requirements:

- Consult with Commission staff prior to using VSP operating funds for a cost-share program,
- Provide written documentation that the county work group has approved the cost-share program in an open public meeting,
- Receive training regarding Commission cost-share policies and procedures from Commission staff prior to using VSP funds for a cost-share program, unless county staff or the entity or entities administering a cost-share program have already received such training from the Commission,
- VSP cost-share projects that are funded using any amount of Commission VSP funds shall be documented in the [Conservation Practice Database System \(CPDS\)](#) under RCW 36.70A.720 (2) (b) (i) and (c) (i), and
- Execute a cost share contract with any cost-share participating landowner.
- Projects must be implemented to the applicable conservation practice standard set forth by the USDA Natural Resources Conservation Service or other approved technical standard.

Counties and their representatives must follow policies and procedures established in the Manual. Maximum cost share per landowner per fiscal year is \$100,000 per the Manual. SCC will give updates on funding availability in the newsletter.

Any permits, designs, or engineering plans needed to complete the project, or current

project phase, must be **in hand** before construction. Any cost-share projects involving in-stream and/or engineered bank stabilization components must follow all state and federal requirements for in-water work windows. Where applicable, stream reach scale assessments must be completed. All proposed projects and practices must be completed within the funding time frame.

VSP OPERATING FUNDS

Cost Share

Requirements for Using VSP Operating Funds

1. Any staff of the county, county work group, or conservation district directly responsible for implementing cost share projects must receive a one-time SCC cost-share training prior to the implementation of a cost-share program. Please contact the SCC staff to schedule a training.
2. The county work group may approve the use of operating funds for cost share each biennium. This can be done at the beginning of the biennial contract period during an open public meeting and proof of such authorization shall be recorded in the meeting minutes. Additionally, the work group may approve the use of operating funds for cost-share projects on a case-by-case basis as new cost-share opportunities arise.
3. Any individual cost-share or DIP project shall be approved by the county work group during an open public meeting.
4. The county work group shall establish a cost-share rate of reimbursement by passing a rate of reimbursement resolution, as per SCC procedures in the [Manual](#). If the county work group reimbursement rate is higher than the local conservation district rate, the district may create an exception for a VSP-funded cost-share project to exceed its standard reimbursement rate. A conservation district implementing the VSP cost-share program on behalf of a county work group may use its standard rate of reimbursement if the county work group has not set a rate of reimbursement.
5. All cost-share projects are to be reported in the five-year report under RCW 36.70A.720 (2) (b) (i) and (c) (i).
6. If a county wants to use operating funds for cost share, it should create a separate line item in its VSP budget for this purpose.
7. Counties should also review RCW Chapter 36.70A.700-760, [Policy Advisory 03-18 Roles and Responsibilities during VSP implementation – Amended](#), and the [County Work Plan Reporting Guide](#) before making a decision to use operating funds for cost share.

Additional Information

VSP Operating Funds

After receiving operating funding from the Legislature for VSP, SCC makes funds available to each of the participating counties.

Each county must establish and/or maintain a VSP work group made up of local stakeholders and interested parties. The county work group creates and updates a countywide work plan.

Program budgets, spending priorities, activities, and project decisions are approved by the

county's VSP work group and must advance the goals of the county's approved work plan.

The county VSP work plan must be approved by the VSP Technical Panel, allowing VSP operating funds to be applied to the local program. The work plan should also outline what activities the county will do for monitoring, which may be described more fully in the county's monitoring plan.

SCC signs a two-year contract with participating counties for each state biennium. The county work plan and budget need to reflect the current VSP Scope of Work and budget. As part of the contract, each county must submit their work group-approved budget to SCC. Each county is free to choose how to allocate operating funds, within activities specified in the contract, but regardless of how the funds are allocated, the county must continue to meet all the requirements of VSP (RCW Chapter 36.70A.700-760), SCC's contract deliverables, and the goals and benchmarks of its countywide work plan.

Operating funds are for local VSP work efforts and monitoring purposes. Counties are encouraged to track monitoring expenses in their budgets, but this is not a requirement. Operating funds can be used for outreach (including signs and other public relations materials), work group and program administration, technical assistance for landowners, trainings, travel, and projects with landowners through cost-share or as district implemented projects (DIP). Note that any cost-share or DIP using operating funds must be approved in advance by the county work group. Work group meeting minutes that show approvals of cost-share or DIP projects using operating funds should be submitted to SCC.

Any unused operating funds shall be returned at the end of the biennium during the contract close-out period.

Training

Training costs for VSP administrative or operational staff or county work group members need to comply with SCC training policies and procedures as outlined in the Manual. Trainings may be paid for using operating funds, and they must be directly related to VSP efforts, which may be demonstrated and justified by referencing work or monitoring plans. There is no cap for training budgets related to VSP work. There are two levels of allowable VSP trainings with separate approval pathways:

1. Trainings under \$500 can be approved by the SCC VSP Coordinator without approval from the work group, OR approved by the work group without SCC approval; and
2. Trainings over \$500 must be approved by the county work group, but no additional approval from SCC will be required.

If approved by the work group under numbers one or two above, a copy of the work group's minutes showing the approval must be submitted to SCC at time of invoicing.

The two pathways for approval allow flexibility when new trainings have registration deadlines that don't allow for consideration and approval by work groups. Training expenses will only be reimbursed to the extent that they comply with [State Administrative and Accounting Manual \(SAAM\) training rules](#). The work group should clearly authorize the expenditure of VSP funds for training expenses each biennium with the understanding that

some trainings may be approved by the SCC VSP Coordinator under #1 above.

Travel Expenses

VSP funds can be used to reimburse certain persons for travel-related expenses in certain circumstances. Those persons and circumstances are set out below:

County staff or staff working under subcontract with the county for VSP:

The county may request reimbursement for county employee time and travel expenses if they must attend a meeting related to VSP. If the county sub-contracts all or a portion of the VSP related work, staff of the subcontractor may request reimbursement for staff time and travel expenses if they must attend a meeting related to VSP. Reimbursement is only available for VSP-related expenses. Meetings include formal meetings as well as landowner-related meetings or other outreach meetings.

Volunteer members of a VSP county work group, who are either:

- **New work group members** attending a VSP training put on by the SCC abiding by the provisions under “Training” above, or
- **A work group member who is attending a VSP 5-year report review meeting** as the designated representative of the county work group: During five-year report review meetings where SCC has invited a work group representative to the review, a volunteer member of a work group so designated as representing the work group can be reimbursed for travel expenses. Each five-year report review meeting is also held as a webinar, and work group members are also welcome to attend in that manner.

Travel expenses will only be reimbursed to the extent that they comply with [State Administrative and Accounting Manual \(SAAM\)](#) travel rules. The decision to authorize the expenditure of VSP funds for travel expenses is a decision to be made by the work group.

Monitoring Expenses as an Allowable Use of Operating Funds

The following categories represent allowable uses of operating funds to support monitoring.

1. Creating a monitoring plan, conducting monitoring, and analyzing and reporting on monitoring, either by the county or the county’s Technical Service Provider (TSP).

- A monitoring plan is one that is designed to facilitate the collection, analysis, and reporting of information for VSP. Each county is free to choose how to create a monitoring plan. SCC has created the [Watershed Monitoring Project Development Guide for the Voluntary Stewardship Program in Washington \(Guide\)](#) that can be used as a resource for this purpose. If a county wishes to amend its existing monitoring

plan, operating funds can be used to revise it and pay the salaries of the county or TSP staff to do so.

- Before and after a monitoring plan is in place, these funds can be used to support monitoring efforts under the current county-wide VSP work plan that was created by the work group. Newly enrolled counties must create a monitoring plan before the end of their first five-year reporting cycle. If commission funding is allocated specifically to the creation of a monitoring plan for a newly enrolled county or counties, each county must submit its respective monitoring plan to SCC VSP staff before any applicable contract may be closed out.

2. Monitoring training.

- Training is often required to meet data quality objectives and overall monitoring goals. Training may relate to field monitoring methods (e.g., wetland, riparian, or habitat assessments), equipment (e.g., water probes, GPS units, or drones), lab analysis (e.g., chain of custody, holding times, or soils analysis), and/or data management and analysis (e.g., spreadsheets, tablets, software, databases, etc.) ([Guide](#), page 136). Any training expenses must be approved by the work group, in accordance with the “Training” section above.
- All other training requirements apply per the Manual.

3. Purchasing equipment designed specifically for monitoring.

- A monitoring equipment purchase is a conditionally allowable expense and must have prior written authorization from SCC VSP staff for all purchases over \$2,000. Monitoring equipment purchase costs need to be directly related to the monitoring activities of the county’s work plan and/or monitoring plan.
- All monitoring work and any monitoring equipment purchased will be done in accordance with Section 10 of the [Manual](#).
- Monitoring equipment should abide by the description of Equipment in the Manual and with the description of equipment eligibility above under “Equipment.”
- Monitoring equipment is not defined in the Manual, but includes, and is not limited to:
 - Field Measurement devices and equipment. These devices measure conditions on-the-ground, typically using a type of equipment or probe, such as a staff gauge, or surface water probe. Examples include the use of equipment to measure stream flow, water temperature, or turbidity in the field ([Guide](#), page, 136).
 - Monitoring supplies (e.g., water sample bottles, test strips, reagents, etc.) ([Guide](#), pg. 142).
 - Field computers (vs. desktop/non-rugged laptop).
 - Database software.
 - GIS software.
 - Batteries.
 - Spare parts used in monitoring equipment.

- Well digging for monitoring placement.
- Water quality meter.
- Drones (drone training would be requested under #2, above).
- Cameras/wildlife cams.
- Software for data collection and analysis and the data itself.
- Other equipment costs incurred by the county necessary to adhere to the monitoring plan or program QAPP/SOP guidelines.
- Monitoring equipment includes equipment that facilitates monitoring. In all cases, the monitoring equipment must be identified in the monitoring plan and is needed to achieve countywide work plan goals around monitoring.
- Equipment must be purchased and in the possession of the county or the county's agent or sub-contractor by June 30 at the end of each biennium or SCC cannot guarantee reimbursement.
- Equipment maintenance:
 - The inspection, calibration, testing, maintenance, and/or cleaning of field and lab equipment and instruments. Field and lab equipment and instruments used for monitoring should undergo routine inspections, maintenance, and/or cleaning to ensure they are in good working order ([Guide](#), page 141).
 - Any supplies needed for monitoring should be periodically inspected to ensure they are in good working order, available in sufficient quantity to meet monitoring objectives, and not expired (e.g., expiration of some reagents or other materials) ([Guide](#), page 142).

4. Hiring a consultant to create a monitoring plan, conduct monitoring, or analyze and report on monitoring.

- Consultants may be hired to conduct monitoring necessary to document progress toward work plan goals and benchmarks, and to meet VSP statutory requirements.
- Consultants may be hired to analyze and report on monitoring that is used to document progress toward work plan goals and benchmarks, and to meet VSP statutory requirements.
- State procurement requirements and policies as well as those in the Manual apply to the procurement of consultant services.

Other Allowable Monitoring Expenses

Partnering with other entities to conduct VSP-specific monitoring, such as paying for a subset of sampling or staff time to ensure the VSP-appropriate data is collected from, with, or by the partner.

Ineligible Expenses for Operating Funds

The following are not eligible for funding under these guidelines:

- Vehicles, ATVs, or UTVs.
- Funding for fair booths.

VSP CAPITAL FUNDING

Capital funding can be awarded to eligible projects that meet minimum requirements and are evaluated through a competitive process as described below. Based on the cost-share award, up to an additional 25% will be awarded to include the costs of technical assistance, engineering, travel, and overhead, collectively labeled under the heading of technical assistance, or TA.

All TA costs must be vouchered for in the month following when the expenditures are incurred. If a cost-share project does not use all the allocated TA provided at the time of the award, the excess TA funds may be used to offset additional project costs on that project only. County staff must submit a budget adjustment to SCC to move funds from TA to the project. Excess TA may not be used to subsidize other projects' cost-share or TA shortfalls or expansions. Any unused TA funds for an awarded project must be returned to SCC following the standard practice and using the required forms.

Cultural resource (CR) costs are awarded on a case-by-case basis. CR costs are separate from the project cost that is entered into CPDS. SCC has set aside some of the VSP capital funds for CR expenses. If CR funding is needed, the district or county should send a CR estimate to the VSP coordinator to request the funds be added into the contract award. See the Cultural Resources section for more information.

Capital Cost-Share Ineligible Expenses

- Administrative goods and services.
- Education and outreach.
- Mobile equipment OR equipment deemed not integral to the proposed BMP(s).
- Technical assistance not associated with the project.
- Projects on federal lands that are not subject to GMA (RCW 36A.70).

Capital Cost-Share Projects Criteria

- Approved by the county work group.
- In a watershed that the county has opted-in to VSP.
- Support a county's work plan goal(s) or benchmark(s).
- Include a BMP that has a design life greater than one year.
- Include description(s) and outcomes(s) in the next five-year report under RCW 36.70A.700.720 (2) (b) (i) and (c) (i).

Projects on non-federal public or tribal lands may receive up to 50% cost-share for capital projects in accordance with terms in the "Publicly-Owned Property Eligibility" section in the Manual. A long-term lease and management agreement must be in place between the agricultural operator and the landowning entity that establishes the responsibility of the lessee to remain on the site and maintain the capital improvement for no less than five (5)

years from the date of the award.

Capital Cost-Share Returned Funds

- If a project has been awarded funds, but before the landowner has signed a cost-share agreement, the landowner decides they no longer wish to participate in the project, please follow all SCC policies related to returned funds, including:
 - Submitting a [Returned Funds Form: Contracts Returned Funds Form](#).
 - If you are conservation district staff, notify the county that the conservation district will be sending a returned funds form to SCC.
 - SCC financial staff will receive the Returned Funds form and will process an amendment with the county contract to remove the funds and modify the project in CPDS.
- The return of any funds (including those awarded for TA) remaining after a project is completed should follow procedures in the Manual. If a project has been awarded a cost-share grant and the project is unable to proceed for any reason after work has already begun, all remaining cost-share and TA funds must be returned within 60 days of the project's cancellation. This allows any project close-out work to be completed that may require the use of awarded TA.

VSP Capital Fund Awards Process

Capital funds are awarded for VSP cost-share projects through an SCC application process. Counties submit capital cost-share projects for consideration via SCC's [Conservation Practice Data System \(CPDS\)](#). All projects that receive capital funding must abide by requirements set out in the Manual.

If available, VSP capital funds are awarded by SCC, following deadlines for project submission and review outlined below.

Projects Must Be Entered into CPDS

Projects will be reviewed when the applicable best management practices (BMPs) show "Ready for Funding" status in SCC's CPDS, has been selected by the applicant on the BMP(s) tab, and all information is complete in CPDS, including the set of questions in the CPDS Funding Sources tab specific to the VSP capital program. Please ensure that all BMPs necessary for project completion are entered into CPDS for funding consideration. SCC cannot guarantee funding availability in instances where critical BMPs are left out of CPDS and therefore are not funded.

Projects entered in CPDS for VSP capital funds will be required to select the affected critical area impacts of the proposed BMP(s). Projects that do not provide information regarding the potential impacts to critical areas will not be eligible for awards. Proposals should consider work plan goals and objectives when selecting project locations and BMP(s) for capital grants.

VSP Capital Awards Selection & Funding

Review of Proposals

Review of complete applications will be conducted by the SCC VSP funding review committee. Funding is awarded based on a project's score determined by the committee. Higher-scoring projects have the best chance to receive funding, subject to funding availability. All proposed projects must be approved by the respective county's work group at an open public meeting prior to submittal, and documentation of this approval must be provided.

The funding review committee exists to:

- Ensure consistency with funding procedures and funding intent.
- Request clarity or additional information on the nature of specific projects.
- Provide for case-by-case consideration of projects that are unique cases.
- Provide formal award of funds for projects.

Upon approval of the project by the committee, districts and/or counties will be formally notified of the award by SCC financial staff. Proponents of projects reviewed by the committee but not awarded funding will be notified by the SCC's VSP staff.

****Note:** Periodic reports of cost-share awards to counties (and partner conservation districts) will be given to the SCC commissioners.*

Applications will be reviewed and scored using a point system. Points will be awarded based on answers to the required and supplemental criteria in the CPDS application on the following basis:

- 0 points: Answer not responsive
- 5 points: Answer partially responsive
- 10 points: Answer fully responsive

Projects will be awarded in funding rounds – see Funding Round Details for VSP on page 16 for more information.. Projects qualify for funding in the first three rounds by receiving 20 or more total points collectively from the following categories based on how adequately the answers provided in CPDS address the variable:

- Projects within a priority watershed, as nominated by the county in their VSP opt-in ordinance.
- Projects clustered together (within the same HUC 12 as other projects, or another entity's project) or near other projects or projects previously funded by VSP or another state or federal agency to address salmon habitat resource needs/impacts or similar natural resource concerns and priorities identified in the work plan. This unique targeted approach of clustering projects allows for more effective and efficient use of capital funding targeting focused geographic areas for measurable resource improvement.

- Projects that are identified pursuant to RCW 77.95.060 (Regional fisheries enhancement group), or by a lead entity, or by another state agency and/or tribe as a priority in the watershed.
- Projects that will provide watershed uplift to any water quality impairment recognized within EPA Region 10's TMDL exceedances for Category 5 (303(d)) listed water bodies under the Clean Water Act (includes temperature, turbidity, dissolved gas, dissolved oxygen, bacteria, pH, toxic substances (chemicals, metals, or chemicals in the form of nutrients) and radioactive substances.
- Projects with tribal partnership, participation, or funding.
- Projects that have ancillary benefits to selected critical areas and not causing degradation to other critical areas.
- Projects with a BMP having an NRCS design life of 5 years will receive 5 points, and projects with any BMP having an NRCS design life of 10 years or more will receive 10 points.

All projects must answer a specific set of VSP-related questions in the funding tab in CPDS. Incomplete answers will result in the rejection of the project. Unresponsive answers will result in fewer points being awarded to the project and may result in the project not being funded.

Funding Allocations and Timeline

If State Capital funds are available, each county with an adopted work plan will receive an upfront, initial allocation of \$40,000 of VSP capital funds at the outset of the biennium to initiate any projects approved through CPDS and scoring a minimum of 20 points in accordance with the criteria above. Any county that does not obligate its initial capital funding allocation within the first six months of the biennium (December 31 of the contract year) must return the funds for allocation in a future application round.

Projects using the upfront allocation must be entered into CPDS using the "VSP Capital Upfront" funding program selection. Projects seeking capital funding through the competitive award rounds must be entered into CPDS using the "VSP Capital Competitive" funding program selection. For TA on any competitive VSP capital project, users must also select the "VSP Capital Competitive TA" funding program and enter the quantity being requested for (competitive) or applied as (upfront) TA. TA is capped at 25% of the project cost. Upfront capital funds may be used in DIPs.

The upfront \$40,000 capital allocation may be used in combination with other funding sources or as match on another project, or it can be used in-part with other capital or operating cost-share funds to fund a complete project. For example, if a county has a \$75,000 capital project, they may choose to set the \$40,000 aside for it and seek the remaining \$35,000 in a competitive VSP capital round or use VSP operating funds. The upfront funding may also be used with funding from another program under which the project may qualify. Any project using the upfront capital funds must meet the 20-point scoring criteria, be approved by the work group, and be obligated to a project in CPDS by 12/31/25. Note that the \$40,000 includes TA, so a 25% TA project would only have \$32,000 available for the cost-share part of the project.

The upfront capital projects will be reviewed by the VSP Coordinator and approval email will be sent prior to the county or CD beginning the project.

The remaining funds for the biennium will have multiple competitive application opportunities, with the capital funds made available in blocks. VSP cost-share awards are capped at \$100,000, excluding TA. No landowner may receive more than \$100,000 in a fiscal year from all combined SCC cost-share funding sources.

There will be three (3) award rounds in the first half of the first fiscal year and at least two additional award rounds to allocate any remaining funds following the first three rounds and the return of any capital or TA funds to date. For the first three rounds of awards, plus the Supplemental round, a minimum of 20 points must be scored for consideration of awards. All capital funds not designated for qualifying awards in those four rounds will be provisionally awarded in the biennium close-out funding round, wherein projects are not required to meet the 20-point minimum qualifier.

Funding Round Details for VSP

Funding Round	Application Deadline	Anticipated Award Date	Percent of Funds Available
1	July 31 of first FY†	August 15 of first FY	40%
2	September 15 of the first FY	September 30 of the first FY	40%
3	December 1 of the first FY	December 15 of the first FY	20%
4 (Supplemental)	April 15 of the first FY	April 30 of the first FY	Any unawarded or returned funds available as of March 1 of the first FY
Biennium Close-out	January 15 of the second FY	January 29 of the second FY	Any unawarded or returned funds available as of January 15 of the second FY

† "The first FY" refers to the period of July 1 through June 30 in the first year of the VSP contract with each county.

"The second FY" refers to the period of July 1 through June 30 of the second year of the VSP contract.

Counties are capped at receiving no more than \$710,000 of capital cost-share funds in the first three funding rounds, excluding any funds awarded for TA. This caps individual county cost-share awards at 25% of the total capital funds budget allocation prior to Supplemental and biennium close-out award rounds. Supplemental and biennium close-out funding rounds will have no restrictions on the amount of money awarded to individual counties.

SCC will give monthly updates on capital funding availability in the VSP Newsletter.

***Note:** With VSP's limited capital funding and the requirement for work group approval, other SCC programs may offer better opportunities to get a specific project funded. VSP counties should work with SCC program managers and regional managers to determine which program's funding opportunities may be best suited for their projects.*

Project Initiation within 120 Days of Funding Award

Work on awarded projects must be initiated within 120 days of the funding award, or counties must provide a reason(s) or justification for any delays. At the end of 120 days, if progress has not been demonstrated, or if sufficient justification for delays has not been provided, the county or district may forfeit the funding allocation. If funds are returned to SCC or additional funding otherwise becomes available, those funds will be awarded in the supplemental and/or biennium close-out rounds.

Contract Agreements for Capital Awards

Each capital award a county receives shall be documented in a formal amendment to the standing VSP county contract. Each amendment must be signed by the official of record for the county program, as identified in the contract. Counties and districts are advised to develop streamlined processes to reduce inefficiencies in the execution of contract amendments.

Cultural Resources

Cultural resources (CR) requirements must be met before any installation work begins at a project site. CR review is required by the Governor's Executive Order 05-05 and 21-02 for all projects using either state operating or capital funding provided by SCC and for all cost-share and District Implemented Projects (DIP). Please refer to the [SCC Cultural Resource Policy](#) located on the SCC website.

All practices must comply with the SCC cultural resources policy. A cultural resources review can begin once the location and extent/type of potential soil disturbance is known. Any expansion of the extent/type or location of soil disturbance will require a new cultural resources review. Please plan to ensure enough time is allowed before breaking ground as review could take 45 days or more.

District-Implemented Projects

A county may choose to offer a district-implemented projects (DIP) program to achieve the goals and objectives of the county work plan. If a county chooses to offer a DIP program using funds provided under VSP, the county must follow Commission DIP policies and procedures as outlined in the [Manual](#), regardless of who is administering the DIP program (the county or some other entity on behalf of the county). Further, the county must comply with the following requirements:

- Consult with SCC staff prior to using VSP funds for a DIP program,
- Provide written documentation that the county work group has approved the DIP program in an open public meeting,
- Receive training regarding SCC DIP policies and procedures from Commission staff prior to using VSP funds for a DIP program, unless county staff or the entity or entities administering a DIP program have already received such training from the Commission,
- VSP DIP projects that are funded using any amount of Commission VSP funds shall be documented in the [Conservation Practice Database System \(CPDS\)](#) under RCW 36.70A.720 (2) (b) (i) and (c) (i), and
- Execute a Landowner Agreement with any DIP participating landowner.
- DIPs can be funded either with operating funds or capital funds. Local staff working on VSP DIPs may charge monthly for work on DIP installation/construction work. Before vouchering for expenses, please ensure that you submit the signed landowner agreement, and any completed cultural resources forms along with the first invoice.

Capital funds recipients must comply with all requirements in the [Manual](#) and SCC policies and procedures related to DIPs, in addition to the following VSP requirements:

1. A CD must have an interlocal or interagency agreement (ILA/IAA) with a county for VSP implementation that notes the ability of the CD to use DIP in VSP.
2. All DIPs are to be reported in five-year reports under RCW 36.70A.720 (2) (b) (i) and (c) (i).
3. If a county wants to use operating funds for DIP, it must have or create a separate line item in its VSP budget for this purpose.
4. The county work group will need to approve of the use of operating funds for DIPs each biennium. This can be done at the beginning of the biennial contract period during an open public meeting and proof of such authorization shall be recorded in the meeting minutes.

Equipment & Materials

The county or its agent agrees and understands that pre-approval by the commission is required for equipment purchases over \$2,000. All equipment should be directly related to the activities of the work group, the administration and operation of the local VSP, and/or the capital projects. Equipment may include, but is not limited to, computers, data base

software, and GIS software. All equipment purchased using VSP funds should be maintained and accounted for in accordance with state law and the Manual. See the [Manual](#) for specifics.

Equipment purchases over \$5,000 that use operating funds will be considered on a case-by-case basis and require prior authorization from the work group in a public meeting. Projects awarded capital funding that require equipment purchases must be pre-approved by the work group as part of the capital grant application process, and the CPDS application must include the equipment purchase in the project information.

Operating funds may be used to purchase mobile or hand-held equipment that is owned and maintained by the local VSP management entity and deemed necessary to implement work plan goals and benchmarks in cooperation with private landowners. This includes tool or equipment libraries maintained by conservation districts. Purchases of equipment in these instances must be approved by the work group and by SCC staff. All equipment must be in possession of the local VSP management entity before the end of the biennium. The county or the local VSP management entity must provide evidence to SCC staff that the equipment will be treated and tracked as county property, have a maintenance plan in place that is not funded by VSP, have insurance and liability coverage, and have a storage and transportation plan where applicable.

Equipment or material costs that are not part of a capital project need to be directly related to VSP operations, including outreach and participation costs specific to the program. This could include program signage or program-specific engagement materials. Submit equipment purchase requests to SCC VSP and contracts staff. Any signage expenditures must include incorporation of the official VSP logo in the design to be eligible for reimbursement, even if the total cost is below \$2,000 and does not require advance approval by the work group or SCC.

Any request for equipment or materials must list the county work plan goal(s) and/or benchmark(s) that the equipment is related to. A requestor must specifically identify and explain which goal(s) or benchmark(s) are related to the request and must explain how the request will address the stated goal(s) or benchmark(s).

Billing for Reimbursement of Costs

There are two methods of billing SCC for the incurred costs covered in the contract:

- **Option A:** The county can bill or voucher SCC directly in accordance with the contract.
- **Option B:** The county can designate another entity (a conservation district (CD), for example) to be responsible for vouchering SCC. The county must execute an inter-local or interagency agreement (ILA/IAA) with the other entity to establish the other entity as the party responsible for vouchering to the SCC. If option B is chosen, SCC requires a copy of the signed ILA/IAA between the county and the billing entity (CD or other).

Monthly grant vouchers are required. Technical assistance must be vouchered for monthly no matter if any cost-share practices or construction of a District Implemented Project (DIP) were completed in the given month. No advance payments can be made for any VSP projects or activities; they must be reimbursement payments.

SCC Staff

Please refer to the [Conservation Commission staff](#) list on the SCC website for the most current list of staff and contact information.

APPENDIX A: VSP POLICY ADVISORIES AND RESOURCES

- For full access to VSP resources, please visit www.vsp.wa.gov.
- [Policy Advisories \(wa.gov\)](#)
 - [VSP-Policy-Advisory-07-22 Adaptive Management in the VSP - May 2022](#)
 - [VSP Opt-In Process Updated for SSB 5353](#)
 - [VSP-SAC-Policy Advisory-06-21 VSP and New Ag Activities](#)
 - [VSP-SAC-Policy Advisory-04-19 CAOs and Counties](#)
 - [VSP-SAC-Policy-Advisory-02-17 Timeline for Remaining Work Plans](#)
 - [VSP-SAC-Policy-Advisory-01-17 Confidentiality of Individual Stewardship Plans](#)
 - [VSP-TP-SAC-Policy-Statement](#)
 - [VSP-SAC-Policy Advisory 03-18 Roles and Responsibilities during Implementation](#)
- [Watershed Monitoring Project Development Guide for the Voluntary Stewardship Program in Washington \(Guide\)](#)
- [Five-year reporting process and procedure](#)