

## Dirt, Gravel, and Low Volume Road Program

### Payments to Conservation Districts

---

*This document provides guidance on how funding moves from the State Conservation Commission (SCC) to PA County Conservation Districts. Additional information about how conservation districts receive DGLVR funds from the SCC is available in section 3.3 of the DGLVR Administrative Manual, which is available online at <https://dirtandgravel.psu.edu/pa-program-resources/program-specific-resources/administrative-guidance-manual/3-conservation-districts-role/>*

---

#### **Allocations**

- Section 9106 of the PA Vehicle Code establishes the Dirt, Gravel, and Low Volume Road (DGLVR) Maintenance Program.
- A non-lapsing annual allocation of \$28 million goes to the State Conservation Commission (SCC).
  - Act 89 of 2013 specifies that a minimum of \$8 million of this funding is for low volume roads, defined as “sealed or paved [roads] with an average daily traffic count of 500 vehicles or less.”
- The SCC allocates DGLVR funds annually to county conservation districts (districts) following allocation formulas available online at: <https://dirtandgravel.psu.edu/pa-program-resources/program-specific-resources/conservation-district-allocations/>
- Dirt and Gravel Road (DGR) funds and Low Volume Road (LVR) funds are allocated, paid, and tracked separately.

#### **Advances**

- Each year, conservation districts receive new DGR and LVR allocations.
- The DGLVR Program provides funds to conservation districts before they spend them.
  - The DGLVR Program does not function on reimbursements.
- 50% of each allocation is provided as an advance payment at the beginning of each state fiscal year.
- The Schedule D document provided to each district details the total allocation, how much of the allocation is available for administrative and education expenses, and how much of the allocation must be spent on projects.

#### **Replenishments**

- The other 50% of the districts’ allocations remain in Harrisburg.
- As districts spend the advanced funds on eligible expenses, they are eligible to receive a replenishment of funds from the remaining 50% of the allocation in Harrisburg.
- Replenishment requests are automatically generated after each quarterly report based on reported spending.
- Note that replenishments are not the same as reimbursements.
  - While replenishments are typically payments in the same amount as reported expenses, replenishments are not meant to pay for those expenses.
  - Districts use advanced funds to pay for expenses, and the replenishments provide funds for additional expenses.
  - Replenishments may be less than spending reported for a quarter depending on how much of the district’s funds are left in Harrisburg.
- Once the district has received 100% of their allocation, they will not be able to receive any more payments until the following fiscal year. This means that several quarterly reports a year may generate a replenishment request of \$0 if the district has already received all of their funds.

### **Timing of replenishments**

- Conservation districts submit quarterly reports within 2 weeks after the end of each quarter.
  - reports are due Jan 15, April 15, July 15, and Oct 15
- After reports are submitted, they are reviewed and approved by the SCC. The SCC then processes replenishments for approved reports, if there are any.
  - This typically happens within the month after each quarter ends (Jan, April, July, and Oct) but may take longer in some cases.
- After the SCC processes replenishments, it can take several more weeks for the payments to reach the district.
- Note that replenishments requested in the Oct-Dec quarter will reach the district in the beginning of the following calendar year.


### **Payments via Direct Deposit (ACH)**

- Electronic transfer of funds via Automatic Clearing House (ACH) payments are required for all payments from the Commonwealth of Pennsylvania payments to vendors, including conservation districts.
- Vendors are limited to receiving all payments in one bank account.

### **Tracking incoming payments**

- The DGLVR GIS sends emails to conservation districts once the SCC has processed an advance or replenishment.
- Districts should check their bank account regularly to see when payments are received, especially after receiving email notification of an incoming payment.
- The Office of the Budget offers 3 ways to receive paperless remittance (e-remittance) information:
  - Email
  - Electronic Addenda
  - Self-Service Payment Lookup tool
- More information on e-remittance tools, including links to enroll in each, is available online at: <https://www.budget.pa.gov/Services/ForVendors/Pages/Direct-Deposit-and-e-Remittance.aspx>

### **GIS Tool to download payment information**

- The DGLVR GIS quarterly report includes a tool to download all payments received by each conservation district.
  - Only available to “financial” and “district manager” GIS users.
  - Exports all advance and replenishments information for the selected quarters (amounts, document numbers, process dates, etc.).
  - Located in the Export Quarters drop down. 
  - To use, select the desired quarters to export, then click the “export SCC information” button.

