



FY26 Allocations Training Takeaways

July 2025

This training resource is designed to help conservation district directors and employees stay informed of key points discussed in recent web-based training. The document should be listed on the district's meeting agenda for discussion and review.

The Basics

- New allocations are made each fiscal year for the period of July 1 through June 30.
- Allocations and associated information are provided via email; there are 4 main parts:
 - Fiscal year letter from the Executive Director
 - Allocation Memo
 - Fiscal year adopted policies
 - Your district's specific allocation, which consists of three pages – the allocation report (1 page) and the operating expense assessment report (2 pages)

Read All About It

- The fiscal year allocation email was sent out on July 7; it was emailed to the district email address and to any directors who have email addresses on file with the Commission.
- Reading through all the information is critical – many due dates and important pieces of information are contained in the email attachments; especially in the Allocation Memo and the district's specific allocation.
- The board must review and discuss the new fiscal year allocation at their next board meeting; the board should also act each year to set the meeting expense reimbursement policy and rate.

High Importance

- No fiscal year salary adjustments were approved by the legislature despite a budget ask by the Commission.
- Full-time employees' rates are established on a monthly pay schedule; local funds should be the same.
- Temporary part-time employees are limited to 999 hours in the 12 months following their hire (or hire anniversary) date
 - If the 999 threshold is exceeded, the district must pay the cost of providing benefits, longevity, and the employer's 16.5% retirement contribution.
- Use the Reimbursement Claim Checklist to ensure claims are properly assembled before mailing to the Commission.
- Salary and operating expense items should be submitted on one claim form each month; special projects, cost-share, O&M, and other limited exceptions must be claimed separately.
- Backup documentation for operating expenses must include the itemized bill or invoice and the district bank or credit card statement showing the charge.
- Audits on the FY25 records are required for districts whose name begins with I-N; all other districts must have a compilation completed.
- The board should conduct performance reviews of all employees at least once each fiscal year; after the review is completed a letter, signed by the board, stating such must be emailed to the Commission.
- All required forms are available on the OCC website; forms that have been recently revised must be used – past versions of the form will not be accepted.

Allocation Packet

- The allocation report provides the district's total allocation in the top section with a breakdown of each full-time employee's cost information.
- Total allocation includes:
 - Personnel
 - Temporary part-time (unallocated) personnel
 - Operating expenses
 - Copier rental
- The total allocation for each employee includes the employee's rate plus FICA and longevity.
- Retirement for an employee is the 16.5% contribution paid by the Commission; this is the employee's Gross Pay x 16.5%.
- The total cost to OCC for an employee is the total cost of the position; this is what the position would cost the district if there was no allocation provided from the Commission.
- The operating expense assessment report shows the items that were reviewed when determining the operating expense allocation, their due dates, and the date the items were received by OCC. Each item was worth a maximum of \$1,000 with a maximum of \$10,000 in operating expense allocation for FY26.
- If discrepancies between the report and the district's records are noted, contact the District Services Division by the assessment review deadline.

Due Dates

- **August 6, 2025** – final day to notify OCC of assessment report discrepancies
- **August 20, 2025** – final day for the Commission to receive, in the OCC office, FY25 salary and operating expense reimbursement claims
- **September 5, 2025** – Timeframe for Audit form, signed by the board and the selected auditor, due to the Commission
- **September 30, 2025** – NRCS Local Operational Agreement due to your ADC
- **December 31, 2025** – 50% of operating expense should be utilized; if it is not, contact the District Services Division with information on what it has been budgeted for
- **January 31, 2026** – final day to contact the Commission concerning lack of utilizing 50% of operating expense allocation

Additional Resources

- Fiscal Year Allocation Email and attachments sent by Clancy Green on July 7
- District Services staff and/or your Area District Coordinator
- Training Presentation PDF available on the OCC website