MONTANA
Department of Transportation

Federal Aid
Local Project Administration

Reimbursement Instructions

- After the local agency has incurred costs on a Local Agency Guidelines (LAG) project (locally managed project) the Local Agency will need to prepare a reimbursement request to be sent to MDT to be reimbursed for costs in accordance with the agreement.

- The reimbursement request should be a letter prepared that explains the charges, the total costs, and the reimbursement amount.

- Refer to the agreement for the reimbursement amount. Often, the reimbursement amount will be the "Federal share" which is typically 86.58% of the costs.

    - Certain projects have a different Federal share, such as projects on an Indian Reservation which the Federal share is 100%.

    - Certain projects will have State match, if this is the case, then the reimbursement amount would be the Federal share plus the State match.

- Include all relevant attachments such as Consultant invoices; for in-house Local Agency costs include a tracking sheet showing hours, labor costs, etc.

- All costs must be FARs compliant.

- Combine the cover letter and all attachments into one PDF document.

- Email or use the File Transfer Service to submit the reimbursement request to the MDT Project Manager assigned to the project.