



Purchase and Reimbursement Guide

Urban Farm Conservation Mini-Grant

Use this guide to help you understand the rules for purchasing and requesting reimbursement through this grant.

If you have any questions, contact Emily Toner (emily.toner@state.mn.us).

In accordance with the Americans with Disabilities Act, this information is available in alternative forms of communication upon request by calling 651-201-6000. TTY users can call the Minnesota Relay Service at 711. The MDA is an equal opportunity employer and provider.

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Before You Purchase

Review your approved budget

Before you buy anything, review your approved grant budget. This is Exhibit A in your grant contract. You can only be reimbursed for items listed in your approved budget.

Ineligible purchases for this program

As stated in the program's [Request for Proposals](#), you may not request reimbursement for:

- High tunnels or hoop houses
- Post harvest infrastructure
- Land or property purchases
- Urban farm staff time
- Expenditures incurred before the grant agreement is signed by all parties.
- Donations and in-kind services or contributions, including property and services, made by the applicant (regardless of the recipient).
- Fines, penalties, and other settlement expenses resulting from failure of the applicant to follow federal, state, local, or tribal nation laws and regulations.
- Entertainment, amusement, diversion, social activities, gifts, or any costs directly associated with such purchases (such as tickets to shows or sports events, meals, lodging, rentals, transportation, alcohol, and gratuities).
- Fundraising, including financial campaigns, solicitation of gifts and bequests, and similar expenses incurred to raise capital or obtain contributions, regardless of purpose for which funds will be used.
- Taxes, except sales tax on goods and services.
- Bad debts, late payment fees, finance charges, legal costs, or contingency funds.
- Parking or traffic violations.
- Out of state transportation and travel expenses. Minnesota will be considered the home state for deciding whether travel is out of state.

Paying an individual or private party

Note: You may not buy items or services from direct family members. Direct family is defined by Internal Revenue Code, section 267(c)(4), to include: spouse, siblings, step-siblings, parents, grandparents, children, and grandchildren.

If you are planning to purchase a service or item from a private party, contact us to ensure you do it properly.

How to Collect Reimbursement

Step 1: Make your purchases and collect the required documentation

As you start paying for items and services approved in your grant contract, the Minnesota Department of Agriculture (MDA) requires **two types of proof** for each expense:

1. **Proof of purchase** is used to identify what was bought and when. Acceptable documents include:
 - Detailed invoices
 - Itemized receipts
 - Bill of sale
2. **Proof of payment** is used to identify how and when payment for items was made. Acceptable documents include:
 - For a check, images of the front **and** back of a cleared check (you can often get this online from your bank account)
 - Credit or debit card statements (unless your receipt or invoice shows the full payment – then you don't need this)
 - Bank or credit union statements, where applicable
 - Cash payments are discouraged. If you must pay in cash, use a cashier's check and contact us before you buy to avoid issues with getting reimbursed.

Some documents are considered **both** proof of purchase and proof of payment, including:

- Zero-balance receipts that include payment date and payment method
- Zero-balance invoices or statements that include payment date and payment method (Hand written notations are not acceptable)

Bill of sale requirements (as applicable)

If purchasing from an individual or entity that does not regularly provide proof of purchase (such as a private party sale involving personal property), you still need to provide proof of purchase and payment.

For your proof of purchase, provide a bill of sale that includes:

- ✓ Date of purchase
- ✓ Name and address of seller
- ✓ Name and address of buyer
- ✓ Description of equipment or items purchased (including the year, make, model, and serial number where applicable)
- ✓ Price charged for each item

If needed, use this [template bill of sale \(PDF\)](#) and adapt it to fit your purchase.

Proof of Purchase guidelines

- Invoices and receipts must have an itemized list or a description of the items or services provided to you.
- Purchase descriptions must show what was bought (both quantity and amount). A statement with listed invoice numbers is not enough.
- Purchases must occur within the dates listed on your executed grant agreement. (Note that the start date of the grant contract agreement is the date stated in the grant contract agreement or the last signature date – whichever is later.)
- Purchases that are not related to the grant project should be circled or somehow identified on the invoice or receipt. Keep ineligible expenditures off submitted receipts if possible. (See [Example #3.](#))

Proof of Payment guidelines

- If paying with a check, checks must be cleared by your bank or credit union (carbon copies of checks are not enough). You must provide images of **both sides** of the cleared check.
- Cover or remove any sensitive information before making copies of your documents (we don't need to know your account or routing numbers).
- Hand-written receipts or invoices must be accompanied by proof of cleared check(s), bank or credit union statement(s), or card statement(s).

Step 2: Fill out the “reimbursement worksheet”

The reimbursement worksheet is a spreadsheet where you enter the following information for each expense for which you are requesting reimbursement from the grant program:

- Column A: Description of expense as listed on receipt, invoice, etc.
- Column B: Explain which item this matches on your approved budget (included in your contract)
- Column C: Business/vendor whom you paid for this expense
- Column D: Date of purchase
- Column E: Dollar amount of expense
- Column F: Type of proof of purchase included in reimbursement submission for this item
- Column G: Type of proof of payment included in reimbursement submission for this item

Example of how to fill out the worksheet

A	B	C	D	E	F	G
Expense (as listed on receipt, invoice, etc.)	Which item does this match on your approved budget?	Business/Vendor	Date of Purchase	Amount	What type of proof of purchase is included in your submission? (include file name as attached submitted)	What type of proof of payment is included in your submission? (include file name as attached submitted)
Treated fence posts	6 X 8 Treated Post, 5 X 8 Treated Post, 5 X 10 Treated Post	Acme Fencing LLC	5/15/2025	\$ 1,091.00	Invoice (file name: AcmeFencingInvoice.pdf) showing itemized list of purchase	Invoice (file name: AcmeFencingInvoice.pdf) stating paid in full by credit card on 5/15/2025

The worksheet template included with this reimbursement guide is an .xlsx file. If you need the worksheet in a different format, contact us.

Step 3: Submit your reimbursement request by email

Once you have collected the necessary documentation (proofs of purchase and payment) and filled out the worksheet, it’s time to submit your reimbursement request.

If you have any hard copy (non-digital) proofs of purchase and/or payment, convert them to a digital format (a file that can be attached to an email). For example, if you have printed receipts, paper invoices, or other documentation that is not digital, take a photo and attach the image file to your email. Make sure all writing is legible in the photo.

Submit your reimbursement by email to Emily Toner at emily.toner@state.mn.us with:

- Completed reimbursement worksheet
- Proofs of purchase and payment for all expenses attached as files

Plan to submit a single reimbursement request that includes the full amount of your grant award. Contact us to request multiple payments of smaller amounts.

Examples of Documentation for Reimbursement

Example #1: One document fulfills proof of purchase and proof of payment

Below are examples where one document shows both proof of purchase **and** payment. The invoice or the receipt would meet all requirements because they show:

- Detailed description of items purchased
- Date of purchase and payment
- Form of payment
- Amount paid
- Zero balance due or payment in full

Zero-balance invoice

Business Equipment Inc. Sales Invoice		Order Number 474332		User ID 614641	Date Ordered 3/10/2024 at 6:43 PM
Bill To		Ship To		Shipping Method	
Sarah Garcia 1123 45 th St. Albian, MN 53193		Sarah Garcia 1123 45 th St. Albian, MN 53193		Ground	
Your Contact help@buisnessequip.com		Customer PO		Customer Phone 123-456-7890	
Item Number	Description	Unit Price	QTY	Est. Tax	Total
600CASTERHD6	Regency 5" Heavy Duty Swivel Stem Casters for Work Tables and Equipment Stands - 6/Set	\$88.49	1	\$6.53	\$95.02
600T2484G	Regency 24" x 84" 18-Gauge 304 Stainless Steel Commercial Work Table with Galvanized Legs and Undersheif	\$249.99	1	\$18.45	\$268.44
Subtotal:					\$338.48
Shipping & Handling:					\$93.11
Estimated Tax:					\$31.83
Total:					\$463.42
Balance Due:					\$0.00
Payment Method: visa - XXXX10 - \$463.42					
Thank you for your business!					
Business Equipment Inc. 312 Retail Way. Middletown, PA 83717 717-029-9918					

Zero-balance receipt

HugeOnlineRetailer.com	
Final Details for Order #113-9662857-	
Print this page for your records.	
Order Placed: February 17, 2024	
order number: 113-9662857	
Order Total: \$50.46	
Shipped on February 19, 2024	
Items Ordered	Price
1 of: 6 Pack Insulated Shipping Box for Shipping Frozen Food Cold Shipping Boxes Large Foil Cooler Carton Moving Kits for Mailing Packing (Brown, 16.9 x 8.3 x 11.4 Inch)	
Sold by: whiteysk (seller profile)	
Supplied by: whiteysk (seller profile)	
Condition: New	
Shipping Address:	
Darrin Smith 5903 County Hwy 99 Stone, MN 39204	
Shipping Speed:	
FREE Shipping	
Payment information	
Payment Method:	Item(s) Subtotal: \$46.99
Mastercard ending in 76	Shipping & Handling: \$9.03
	Free Shipping: -\$9.03
Billing address	-----
Darrin Smith	Total before tax: \$46.99
5903 County Hwy 99	Estimated tax to be collected: \$3.47
Stone, MN 39204	-----
United States	Grand Total: \$50.46
Credit Card transactions	MasterCard ending in 76 February 19, 2024: \$50.46
To view the status of your order, return to Order Summary .	

Example #2: Two documents needed for proof of purchase and proof of payment

In the example below, two documents are needed.

- While the invoice has a description of the items purchased—the “proof of purchase”—it does not show the payment.
- Payment was made by check after the invoice was provided, so the “proof of payment” is the front and back image of the cleared check made out to the supplier for the full amount.

Note that the account numbers on the check were covered with a black mark before sending to us—this is a good practice to protect your private information.

Invoice with a balance

Equipment Co.
Good equipment, low prices

1010 Business Lane
Localtown, MN 55551
Phone: 651-111-1111
equipment@business.com

TO:
Your Name
Organization Name
789 Your Street
Your City, MN 55551
Your Phone
Customer ID No. 111

INVOICE

INVOICE # 123
DATE: 3/28/2025

SALESPERSON	JOB	PAYMENT TERMS	DUE DATE
Judy Sales	Sales Coordinator	Due on receipt	4/30/2025

QUANTITY	DESCRIPTION	UNIT PRICE	TOTAL
5	Reinforced steel widgets	5.99	29.95
1	5" ultra-durable ring valves	14.36	14.36
3	50' high-pressure hose	99.99	299.97
2	Box of assorted nuts and bolts	24.50	49.00
SUBTOTAL			393.28
SALES TAX			30.97
SHIPPING & HANDLING			N/A
TOTAL DUE			424.25

Make all checks payable to Equipment Co.
If you have any questions concerning this invoice, contact Name, Phone, Email

THANK YOU FOR YOUR BUSINESS!

Cleared check – front and back

YOUR NAME
Street, town
Tel: (000) 100-0000

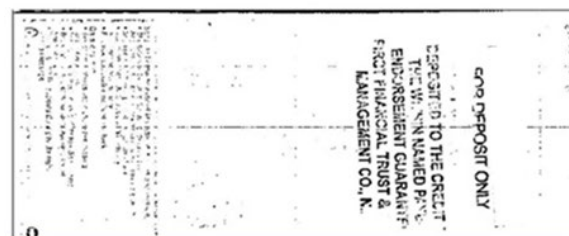
0001
DATE 4/15/2025

PAY TO THE ORDER OF Equipment Co. \$ 424.25

Four hundred and twenty four and 25/100----- DOLLARS

FOR Invoice # 123

Your Name



Example #3: Avoid ineligible items on your receipts

In this example, the receipt provides both proof of purchase and proof of payment, but they also bought ineligible items. The grantee needed to identify the ineligible items on the receipt, including tax, and re-calculate total eligible cost.

We strongly encourage you to **only** make eligible purchases to simplify reimbursements.

Receipt with non-grant purchases

Big Box Supplies
1500 Any Ave
Someplace, State, Zip



Sale Transaction

TWIZZLER STRAWBERRY	
2733736	2.78
DOTS MASON ORIGINAL 7.50	
2734524	0.98
2X4-8' AC2 TREATED *	
1110818 2 @2.65	5.30
1X4-6' #2 QUALITY BOARD	
1033429 2 @1.62	3.24
1X6-6' #3 STANDARD BD	
1031104 2 @2.09	4.18
TOTAL	16.48
TAX 7.125%	0.98
TOTAL SALE	17.46
VISA 1287	17.46
015780	
Swiped	
TOTAL SAVINGS	0.24
TOTAL NUMBER OF ITEMS =	8
THE FOLLOWING REBATE RECEIPTS WERE PRINTED FOR THIS TRANSACTION: 5503	
GUEST COPY	
The Cardholder acknowledges receipt of goods/services in the total amount shown hereon and agrees to pay the card issuer according to its current terms.	
THIS IS YOUR CREDIT CARD SALES SLIP PLEASE RETAIN FOR YOUR RECORDS.	
THANK YOU, YOUR CASHIER, MEGAN	
10993 10 0811	9/23/2018 12:16PM 3059

Calculating Total Eligible Cost from receipt

Cost of ineligible items:

$$\text{\$ } 2.78 + \text{\$ } 0.98 = \text{\$ } 3.76$$

Tax paid on ineligible items:

$$\text{\$ } 3.76 \times 0.07125 = \text{\$ } 0.27$$

Total amount paid:

$$\text{\$ } 17.46$$

Total eligible cost:

$$\text{\$ } 17.46 - \text{\$ } 3.76 - \text{\$ } 0.27 = \text{\$ } 13.43$$