

RCO Escrow Payment Requests

Although RCO grants operate on a reimbursement basis, RCO can deposit money in an escrow account for a pending acquisition if the conditions below are met. RCO requires a minimum of thirty days to process an escrow payment after it is requested. Once RCO deposits grant funding into the escrow account, closing must occur within thirty days or RCO may request the money be returned. After the transaction is complete, a copy of the executed and recorded conveyance document (e.g., deed, easement, or lease), recorded Deed of Right or Assignment of Rights, and final title insurance policy, naming the sponsor as legal owner, must be provided within sixty days of closing.

Register for Payment

A project sponsor needs to start early to make sure the escrow company is registered to receive payments from the Washington State Office of Financial Management. The project sponsor must provide RCO with the escrow company's statewide vendor number in order to process an escrow payment. If the escrow company does not have a statewide vendor number, it must contact the Office of Financial Management directly to register. This process can take up to three weeks. See the Office of Financial Management's website at <https://ofm.wa.gov/it-systems/accounting-systems/statewide-vendorpayee-services> for more information on registering to receive payments and obtaining a statewide vendor number.

Electronic Funds Transfer

Once an escrow company is registered to receive payments for the State, RCO will be able to issue a paper check for deposit. The escrow company will receive an electronic funds transfer if it already is an existing statewide vendor, has established electronic funds transfer with the State, and has used the electronic funds transfer within the past ninety days.

Escrow Instructions

The following statement must be included in the project sponsor's escrow payment instructions to the escrow company:

"Funds received from the Recreation and Conservation Office must be released within thirty days of receipt. If funds are not released within thirty days of receipt, RCO may approve additional time for the pending transaction or request funds be returned."

Submit Billing

A project sponsor must request an escrow deposit by starting a new billing in PRISM Online and completing all screens required for an escrow payment. In the billing setup, be sure to check the box that requesting an escrow payment. See the RCO web page on *Billing* (<https://rco.wa.gov/recreation-and-conservation-office-grants/post-award-info/billing/>) for more information.

Required Documents

The following documents must be attached to the project in PRISM and associated with the property that is being billed:

- The "Notice of Voluntary Transaction" and the "Notice of Just Compensation and Relocation."
- Landowner donation statement, if applicable.
- A legally binding agreement between the project sponsor and the landowner, typically a "Purchase and Sale Agreement" or an "Option Agreement."
- A copy of the Buyer's Estimated Settlement Statement with evidence showing that the project sponsor's matching share has been deposited into the escrow account.
- Escrow payment amount, account number, and escrow company's statewide vendor number.
- The final draft transfer deed, easement, or lease.
- The final draft Deed of Right (for fee title acquisitions) or Assignment of Rights (for easements and leases).
- Baseline inventory (for conservation easements only).
- An updated preliminary title insurance report, if not previously provided.
- Appraisal and appraisal review.
- Hazardous Substances Certification and supporting checklist or environmental audit. (Not required for projects funded in the **Washington Wildlife and Recreation Program's Farmland or Forestland Preservation Programs.**)