

EXHIBIT B PROCEDURES AND REQUIREMENTS

Household Hazardous Waste Grant Program HD24 Cycle - Fiscal Year 2015–16

Copies of these Procedures and Requirements should be shared with BOTH the Finance Department AND the staff responsible for implementing the grant activities.

INTRODUCTION

The Household Hazardous Waste (HHW) Grant Program is administered through the Department of Resources Recycling and Recovery (CalRecycle). These Procedures and Requirements describe project and reporting requirements, report due dates, report contents, grant payment conditions, eligible and ineligible project costs, project completion and closeout procedures, records and audit requirements.

This document is attached to, and incorporated by reference, into the Grant Agreement.

MILESTONES

Date	Milestones
July 2015	Grant Term begins on the date indicated on the Notice to Proceed
June 29, 2016	Progress Report #1 Due (Covering activities from Notice to Proceed to June 1, 2016)
June 28, 2017	Progress Report #2 Due (Covering activities from June 2, 2016 to June 1, 2017)
March 28, 2018	Grant Term Ends. All costs must be incurred by this date. Final Progress Report and final Payment Request Due.

No extensions will be granted for submittal of Final Progress Report and final Payment Request. Failure to submit the Final Progress Report and final Payment Request with appropriate documentation by March 28, 2018 may result in rejection of the Payment Request and/or forfeiture by the grantee of claims for costs incurred that might otherwise have been eligible for grant funding.

GRANT MANAGEMENT SYSTEM (GMS)

GMS is CalRecycle's web-based grant application and grant management system. Access to GMS is secure; grantees must log in using a WebPass. WebPass accounts are tied to a specific email address. If an email address changes, or if it becomes inactive, the grantee must create a new WebPass account to continue accessing GMS. Establish or manage a WebPass at [CalRecycle's WebPass page](https://secure.calrecycle.ca.gov/WebPass/) (<https://secure.calrecycle.ca.gov/WebPass/>).

Accessing the grant

Grantees must log into [GMS \(https://secure.calrecycle.ca.gov/Grants\)](https://secure.calrecycle.ca.gov/Grants) using their web pass. After login, locate the grant in the **My Awarded/Open Grants** table and select the **Grant Management** link. The **Grant Management Module** includes the following sections:

- **Summary tab** - shows approved budget, paid and remaining amounts. (This section is available to the grantee in read-only mode.)
- **Payment Request tab** - requests reimbursement.
- **Reports tab** - uploads required reports.
- **Documents tab** - uploads other grant documents that are not considered supporting documents to a payment request or a report. This section also provides access to documents that were uploaded within other sections of GMS.
- **Sites tab** - lists approved project sites.

Follow the instructions in GMS to work in the system. Use the information in the following sections to determine what reports, transactions, and supporting documents are required.

Contact Updates

Access to the grant is limited to the person who created the application and those listed in the **Contacts** tab of the **Application Module** with the access check box marked. A contact may be listed but not granted access by not checking the box. Please note, if a contact is granted access to a grant they will be able to edit contacts, submit payment requests, upload reports, and view all documents. Those with access may update contact information for all contact types except Signature Authority. Email the assigned Grant Manager regarding any changes to Signature Authority information.

PRIOR TO COMMENCING WORK

Prior to commencing work under this grant, the grantee's Grant Manager or primary contact and authorized grant Signature Authority should review the Terms and Conditions (Exhibit A) and the Procedures and Requirements (Exhibit B) to identify key grant administrative requirements. Evaluation of the grantee's compliance with these requirements is a major focus of grant audits.

Reliable Contractor Declaration

Prior to authorizing a contractor(s) to commence work under this grant, the grantee shall submit to the Grant Manager a declaration from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14

(www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5), California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively.

If a (sub) contractor is placed on the CalRecycle Unreliable List after award of this grant, the grantee may be required to terminate that contract. Obtain the Reliable Contractor Declaration form (CalRecycle 168) CalRecycle's form web page (www.calrecycle.ca.gov/Grants/Forms/default.htm).

A scanned copy of the signed Reliable Contractor Declaration Form must be uploaded in GMS. To upload the form:

1. Go to the **Reports** tab.
2. Click on **Reliable Contractor Declaration** under **Event Name**.

3. Type a title, i.e. Reliable Contractor Declaration form, select the appropriate document type, click on the **Browse** button to search and upload the document, and then **Save**.
4. Click the **Back** button to return to the previous page.
5. Click on the **Submit** button.

For further instructions regarding GMS, including login directions, see the section above titled Grant Management System.

HHW Facilities on Private Property

Jurisdictions that want to establish permanent facilities or expand existing facilities on private property or non-government owned property must prove a legally binding long term commitment. This commitment must be throughout the life of the facility and between the company/private landowner and the jurisdiction that will require the facility to be operated with an emphasis on promoting the public interest similar to the activity described in this grant application. The application must clearly state the ownership and/or leasehold interests. A copy of any agreement between the Applicant and private owner must be described and made available to CalRecycle upon request. The following documentation and pre-approval is required if an applicant is planning to purchase or lease buildings for any part of their submitted project:

1. Applicant demonstrates that this is the most cost-effective means of developing an HHW facility;
2. Any lease meets the requirements for developing a permanent facility on privately owned property (e.g., long-term lease evidencing commitment to utilize facility for purpose set forth in grant; commitment to public access; commitment to utilize facility as described in the application for life of facility), and
3. Any purchase or lease of a building is pre-approved in writing by the CalRecycle Grant Manager.

GRANT TERM

The Grant Term begins on the date indicated in the Notice to Proceed. The Grant Term ends on March 28, 2018. This is also the date the Final Progress Report and final Payment Request are due to CalRecycle.

Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. Eligible program costs must be incurred no later than March 28, 2018.

CalRecycle recommends reserving the period from March 1, 2018 to March 28, 2018 exclusively for the preparation of the Final Progress Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final Progress Report and final Payment Request are only eligible for reimbursement during the Grant Term.**

ELIGIBLE COSTS

All grant expenditures must be for activities, products, and costs specifically included in the approved Work Plan and approved Budget. Eligible costs must be incurred, services provided and goods received after receiving a Notice to Proceed and before the end of the Grant Performance Period, March 28, 2018.

Any proposed revision(s) to the Work Plan and/or Budget must be submitted in writing and pre-approved in writing by the Grant Manager prior to grantee incurring the proposed expenditure. The approval document should be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

Eligible costs include, but are not limited to:

- Construction costs for a new Permanent Household Hazardous Waste Collection Facility or Recycle-Only Household Hazardous Waste Collection Facility and related HHW equipment necessary to increase program services and collection, signage related to the new construction, personnel and/or grant administration.
- Construction costs for an existing Permanent Household Hazardous Waste Collection Facility or Recycle-Only Household Hazardous Waste Collection Facility and related HHW equipment necessary to increase program services and collection, signage related to the new construction, personnel and/or grant administration.
- Certain costs associated with indirect costs as indicated in the Indirect Cost section of the Procedures and Requirements.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to HHW and the approved grant projects are ineligible for reimbursement. Contact the Grant Manager if clarification is needed. Ineligible costs include, but are not limited to:

- Costs incurred prior to the date of the Notice to Proceed letter or after March 28, 2018.
- Costs for planning and/or design of HHW facilities.
- Costs to maintain an existing HHW program.
- Developing or expanding a permanent facility on non-government owned property, unless the specific conditions listed in the "HHW Facilities on Private Property" section of the Procedures and Requirements are met and pre-approved in writing by the Grant Manager.
- Any costs, equipment or services not related to the project.
- Management, handling, disposal, or treatment of radioactive, explosive or medical wastes.
- Personnel costs not related to the project.
- Public education and outreach not related to the project.
- Purchase or lease of land.
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
- Promotion of either brand-name product(s) or private businesses with grant funds.
- Fine or penalties due to violation of federal, state or local laws, ordinances or regulations.
- Costs deemed unreasonable or not related to the grant project by the Grant Manager.

INDIRECT COSTS

Indirect costs can be claimed by the Grantee. The following guidelines must be used when claiming these costs.

- The total amount of indirect costs charged to the grant shall not exceed 10 percent of the grant funds reimbursed. These costs are expenditures not capable of being assigned or not readily itemized to a particular project or activity, but considered necessary for the operation of the organization and the performance of the program. The costs of operating and maintaining facilities, accounting services, and administrative salaries are examples of indirect costs. All indirect costs charged to the grant must be associated with grant activities as shown in the approved Budget.
- Direct costs charged directly to the grant shall not be included in the indirect cost formula. Supervision performed by managers and supervisors can be included in the indirect cost formula, and therefore, will not be a direct charge to the grant. On the other hand, if a manager or supervisor performs an activity that is directly related to the execution of the grant (not supervision), costs associated with this activity may be included as a direct charge. Such activity must be clearly supported by appropriate documentation and shall not be charged to the grant as overhead or indirect cost.
- The Grantee must maintain organized and accurate records that follow generally accepted accounting principles and leave an audit trail. The Grantee must provide access to all documents related to the grant program and fiscal operation of the grant program as deemed necessary by CalRecycle.

If you are uncertain whether a given cost is considered an overhead/indirect cost, contact the Grant Manager.

ACKNOWLEDGEMENTS: The grantee shall acknowledge CalRecycle's support each time projects funded, in whole or in part, by this Agreement are publicized in any medium, including news media, brochures, or other types of promotional materials. The acknowledgement of CalRecycle's support must incorporate the CalRecycle logo. Initials or abbreviations for CalRecycle shall not be used. The Grant Manager may approve deviation from this requirement on a case-by-case basis where such deviation is consistent with CalRecycle's Communication Strategy and Outreach Plan.

GRAPHICS

Household Hazardous Waste-related graphics are available at www.calrecycle.ca.gov/usedOil/graphics/HHWArt/. For large equipment, a CalRecycle sticker (bumper sticker size) that displays the statement: "Funded by a grant from CalRecycle" is required to be affixed to all large pieces of equipment purchased with grant funds. When submitting the Final Report, a photograph of this equipment should include the affixed sticker.

SIGNAGE

Completed HHW facility construction projects shall include a sign that acknowledges that the project was funded by a grant from CalRecycle and includes the CalRecycle Logo. The acknowledgement must specify the following: "Funded by a grant from the Department of Resources Recycling and Recovery (CalRecycle)." The signage must be

visible from the public entrance. Prior to incurring the expense and before the end of the Grant Term, the grantee must obtain written pre-approval on size, cost, placement, and design of the signage from the CalRecycle Grant Manager. HHW Facility construction and expansion projects are encouraged to include the cost of a permanent sign in their grant budget. The Grantee must request an exemption in writing and receive written pre-approval from the Grant Manager.

RETENTION OF PUBLIC EDUCATION

For audit purposes, Grantees are required to retain samples of all publicity and education materials for three years AFTER the close of the Grant Term, or a longer period if warranted to resolve any issues with this grant. (See Audit/Records Access Section in Terms and Conditions, Exhibit A.)

REPORTING REQUIREMENTS

Two progress reports and a final progress report are required by this Agreement; however, the Grant Manager may request a progress report at any time during the grant term. Templates for both the Progress Report and Final Report are available on the Summary tab of your application.

To select a report template:

1. Go to the GMS **Summary** tab.
2. In the **Resource Documents** section and click on the appropriate report. (Progress Report or Final Report)
3. Complete the report, save it, and upload the report in the **Reports** tab.

All reports must be uploaded in GMS. *For further instructions regarding GMS, including login directions, see the section above entitled, Grant Management System.*

To upload a report:

1. Go to the **Reports** tab.
2. Click on the appropriate report type.
3. Click on the **Add Document** button.
4. Type a title, select the appropriate document type, click the **Browse** button to search and upload the document, and then **Save**.
 - You may upload multiple documents to complete reporting requirements.
 - The maximum allowable file size is 35MB.
5. Click the **Back** button to return to the previous page.
6. Click the **Submit Report** button when the report is complete.

The reports must be current, include all required sections and documents, and must be approved by the Grant Manager before any Payment Request can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and may result in the termination of this Agreement or rejection of the Payment Request and/or forfeiture by the grantee of claims for costs incurred that might otherwise have been eligible for grant funding. Any problems or delays must be reported immediately to the Grant Manager.

PROGRESS AND FINAL REPORTS

The two progress and final reports must include the Grant Number, Grantee's name and Grant Term and the following disclaimer statement:

"The statements and conclusions of this report are those of the grantee and not necessarily those of the Department of Resources Recycling and Recovery (CalRecycle), its employees, or the State of California. The state makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."

- **Progress Report #1** is due by **June 29, 2016** (covering grant activities from the Notice to Proceed through June 1, 2016).
- **Progress Report #2** is due on **June 28, 2017** (covering grant activities June 2, 2016 through June 1, 2017).
- The **Final Progress Report** is due **March 28, 2018** (covering all grant activities from Notice to Proceed through March 28, 2018).

GRANT PAYMENT INFORMATION

1. Payment to the grantee for eligible grant expenses is made on a reimbursement basis only and for only those materials and services specified in the approved grant application.
2. Reimbursement may be requested quarterly during the grant term.
3. The grantee must submit a completed **Grant Payment Request** form (CalRecycle 87) and provide supporting documentation as described in the "Payment Request and Documentation" section.
4. Grant payments will only be made to the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
5. Ten percent of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Progress and/or Final Progress Report, have been satisfied. Reimbursement of the ten percent retention must be requested in the final Grant Payment Request.
6. CalRecycle will make payments to the grantee as promptly as fiscal procedures permit. The grantee can typically expect payment approximately 45 days from the date a Grant Payment Request is approved by the Grant Manager.
7. The grantee must provide a Reliable Contractor Declaration (CalRecycle 168) (<http://www.calrecycle.ca.gov/Grants/Forms>) signed under penalty of perjury by the grantee's contractor(s) and subcontractor(s) in accordance with the "Unreliable List" provision of the Terms and Conditions. The declaration must be received and approved by the Grant Manager prior to commencement of work. See "Unreliable List" provision in Exhibit A – Terms and Conditions for more information.

PAYMENT REQUEST AND DOCUMENTATION

Payment requests must be submitted in GMS. *For further instructions regarding GMS, including login directions, see the section above entitled, Grant Management System.*

To submit a Grant Payment Request:

1. Go to the **Payment Request** tab.

2. Click on the **Create a Payment Request** button.
 - Choose **Reimburse** for the Transaction Type and enter the amount spent in each budget sub category.
 - When the transaction is complete, click the **Save** button.
 - After the transaction is saved, the **Upload Supporting Documentation** button will appear in the lower right corner.
3. Click the **Upload Supporting Documentation** button.
 - Type a title, select the appropriate document type, click the **Browse** button to search and upload the document, and then **Save**.
 - Select the **Back** button to upload another document and continue this process until all required supporting documents as listed below are uploaded.
 - The maximum allowable file size for each document is 35MB.
4. Click the **Submit Transaction** button, located on the transaction page, to complete your payment request (including uploading all the documents listed below).

Supporting Documentation

- A. A scanned copy of the **Grant Payment Request** form (CalRecycle 87).

The CalRecycle 87 form must include the following certification:

“I certify under penalty of perjury, under the laws of the State of California, that the above information is true and correct and that all costs for which reimbursement is requested herein were incurred in accordance with the above referenced Department of Resources Recycling And Recovery Grant Agreement.”

The request must be dated and signed by the person authorized in the Grantee’s Resolution, Letter of Commitment, or Letter of Designation.

Mail only the **original** Grant Payment Request form to:

Via standard mail:	Via courier/personal delivery:
Department of Resources Recycling and Recovery HHW Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery HHW Grant Program FiRM Branch, 9 th Floor 1001 I Street Sacramento, CA 95814

*A designee may sign on behalf of the grantee if a) authorized by the Resolution or Letter of Commitment, and b) a Letter of Designation has been provided to the Grant Manager.

- B. **Expenditure Itemization Summary** (EIS) (CalRecycle 667) – All expenditures must be itemized and arranged by the reporting and expenditure categories as contained in the Grantee’s approved Budget and Work Plan.
- C. **Cost and Payment Documentation** – Each EIS must be accompanied by supporting documentation for each line item expense (see below). The Grantee should retain the original documents. Pertinent documentation must be submitted with the EIS to substantiate all expenses claimed on the EIS. For audit purposes, the Grantee should retain this documentation for a minimum of three (3) years after the end of the grant term (see Audit/Records

Access in the Terms and Conditions, Exhibit A). Types of acceptable documentation include, but are not limited to:

- a) **Invoices.** Invoices must include the vendor's name, vendor's telephone number, address, description of goods or services purchased, amount due, and date. If there is more than one invoice from a vendor, list them separately on the EIS and include invoice numbers. The claimed expenses should be highlighted and identified with applicable task number on each invoice.
- b) **Receipts.** Receipts should include the same information as invoices (see above).
- c) **Purchase orders with proof of payment.** Purchase orders should include the same information as invoices and receipts, and must be accompanied by proof of payment (e.g., copies of cancelled checks).
- d) **Personnel Expenditure Summary** (CalRecycle 165 or Grantee's version). Document personnel expenditures based on actual time spent on grant activities and actual amounts paid to personnel (these forms are not required if you have an alternate time reporting method pre-approved by your Grant Manager).
- e) **Travel Expense Log Form** (CalRecycle 246 or Grantee's version). Document costs related to travel and include supporting documentation.

All forms listed above can be downloaded from the [CalRecycle Grant Forms website](http://www.calrecycle.ca.gov/Grants/Forms/) (<http://www.calrecycle.ca.gov/Grants/Forms/>).

AUDIT CONSIDERATIONS

The grantee agrees to maintain records and supporting documentation pertaining to the performance of this grant subject to possible audit for a minimum of three (3) years after final payment date or grant term end date, whichever is later. A longer period of records retention may be stipulated in order to complete any action and/or resolution of all issues which may arise as a result of any litigation, dispute, or audit, whichever is later.

Examples of audit documentation include, but are not limited to, expenditure ledger, payroll register entries, time sheets, personnel expenditure summary form, travel expense log, paid warrants, contracts and change orders, samples of items and materials developed with grant funds, invoices and/or cancelled checks. Please refer to the Terms and Conditions (Exhibit A) for more information.