



## DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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### Questions and Answers Use of CalRecycle Grant/Direct Payment Funds for Purchase of Giveaway Items July 2011

As of April 11, 2011, promotional giveaway items are ineligible expenses under CalRecycle grant/direct payment programs ("grant"). Functional items purchased pursuant to the terms of the grant agreement remain eligible expenses.

1. *What are promotional giveaway items and what are functional items?*

**Promotional items** are giveaways that serve no true functional/programmatic purpose when distributed. Promotional items include but are not limited to key chains, letter openers, squeeze toys, coffee mugs, water bottles, Frisbees, hats, t-shirts, chip clips, pens, pencils, Beanie Babies, coloring books, calendars, pencil holders, magnets, dried sponges, flash drives, reusable bags, etc.

**Functional items** are items that have a functional purpose associated with an environmental or public health and safety benefit. Examples include but are not limited to marine absorbent bilge pads, oil drain containers, oil funnels, oil shop rags, new oil filters for exchanges, cardboard creepers, dirty filter carrying containers, maps of collection centers, tide charts, beverage container collection equipment and materials (for applicable beverage container recycling grants), tire gauges (for applicable tire grants), etc.

2. *Are promotional giveaway items approved and purchased **before April 11, 2011**, eligible expenditures?*

Yes, as long as the purchase was made in accordance with the terms of the grant agreement.

3. *Are functional items purchased anytime during the grant term eligible expenditures?*

Yes, as long as the purchase was made in accordance with the terms of the grant agreement.

4. *Can we distribute items that were already purchased?*

Functional items as defined can be distributed anytime during the grant term. Promotional giveaway items should not be distributed, regardless of when the items were purchased.

5. *Can we provide a reusable bag to individuals as an alternative to plastic bags at outreach events?*

No, reusable bags are considered promotional giveaway items.



6. *Can we provide “recycle totes” as part of our beverage container program?*

Yes, “recycle totes” purchased for collection infrastructure are considered functional and are eligible expenses if included in the grant agreement.

7. *What about items partially grant-funded by CalRecycle and partially funded by another source?*

These will be reviewed on a case-by-case basis. Contact your grant manager/program adviser.

8. *Are giveaway items made from recycled content material eligible?*

Refer to #1 of the Questions and Answers above. Regardless of the material, only functional items are eligible expenditures.

9. *Are calendars that promote recycling behavior eligible?*

In general, calendars are considered promotional giveaways and are therefore ineligible expenditures. However if a grantee wishes to purchase “space” in a calendar, similar to how you would purchase an ad in a newspaper, it could be considered publicity/advertising and might be an eligible expenditure. **Prior written approval from the grant program supervisor is required.**