

Exhibit B
Procedures and Requirements Beverage
Container Redemption Pilot Project
Grant Program
RPP1 Cycle – Fiscal Year 2019–20

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

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Introduction

The Department of Resources Recycling and Recovery (CalRecycle) administers the Beverage Container Redemption Pilot Project Grant Program (Program). 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, and records and audit requirements.

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

Milestones

Date	Activity
Notice to Proceed Date	Grant Term Begins on the date the Notice to Proceed is emailed.
July 15, 2020	Progress Report 1 Due (covering activity from Notice to Proceed to June 30, 2020)
January 15, 2021	Progress Report 2 Due (covering July 1, 2020 to December 31, 2020)
July 15, 2021	Progress Report 3 Due (covering January 1, 2021 to June 30, 2021)
January 17, 2022	Progress Report 4 Due (covering July 1, 2021 to December 31, 2021)
June 1, 2022	Draft Final Report
June 1–30, 2022	Preparation of the Final Report and final Payment Request
June 30, 2022	Final Report and final Payment Request Due
June 30, 2022	Grant Term End

Grants Management System (GMS)

GMS is CalRecycle's web-based grant application and Grants 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 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) (or subcontractor) 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](https://www.calrecycle.ca.gov/Laws/Regulations/Title14/) (<https://www.calrecycle.ca.gov/Laws/Regulations/Title14/>), California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) or subcontractor(s).

If a (sub) contractor is placed on the [CalRecycle Unreliable List](https://www.calrecycle.ca.gov/Funding/Unreliability/) (<https://www.calrecycle.ca.gov/Funding/Unreliability/>) after award of this grant, the grantee may be required to terminate that contract. Obtain the Reliable Contractor Declaration form (CalRecycle 168) from [CalRecycle's form web page](https://www.calrecycle.ca.gov/Funding/Forms/) (<https://www.calrecycle.ca.gov/Funding/Forms/>).

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 **Report Type**.
3. Click the **Add Document** button.
4. Select Reliable Contractor Declaration in the **Document Type** drop down box, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.
5. Click on the **Submit Report** button.

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

Grant Term

The Grant Term begins on the date of the Notice to Proceed email. Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. The Grant Term ends on June 30, 2022 and all eligible program costs must be incurred by this date.

The Final Report and final Payment Request are due on June 30, 2022. CalRecycle recommends reserving the period from June 1, 2022 to June 30, 2022 exclusively for the preparation of the Final Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final 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. To be eligible for reimbursement, costs must be incurred after receiving a Notice to Proceed and before the end of the Grant Term. All services must be provided and goods received during this period in order to be eligible costs. Invoices for goods and services must be paid by the grantee prior to the inclusion of those goods or services on a payment request.

Eligible costs may include but are not limited to the following:

- Personnel costs directly related to the operation of the Program (salaries/wages for staff performing specific activities as approved by CalRecycle.)
- Purchase of equipment or materials related to infrastructure (i.e., equipment necessary for the operation of the program, technology required to administer and/or operate the program).
- Direct operating expenses associated with Program activities (e.g. rent for storage and/or sorting facilities, transportation supplies, etc.)
- Education activities and/or materials promoting beverage container recycling.

Ineligible Costs

Any costs not specifically included in the approved Budget and not directly related to the Program as approved by CalRecycle and the approved grant project 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 email or after June 30, 2022.
- Promotional Items/SWAG (Stuff We All Get). Promotional items not related to the project (e.g. shirts, magnets, cups, gift cards, stickers, tote bags not used as recycling bins, calendars with no educational content, trophies, awards, plaques, rewards). More information can be found at our [SWAG](https://www.calrecycle.ca.gov/funding/swag) web page(<https://www.calrecycle.ca.gov/funding/swag>)
- Trash bins.
- Equipment not related to the project.
- Personnel (costs or staff not related to the Program or within scope of grant).

- Education activities and/or materials not related to the Program.
- Travel costs exceeding state-approved rates for mileage, per diem, lodging, etc.
- Costs that are inconsistent with local, state, and federal statutes, ordinances and/or regulations.
- Any pre-paid expenditures for future goods or services delivered after the end of the Grant Term. (Exception: The Grant Manager may consider approving products purchased in full the end of the Grant Term but delivered after the Grant Term if the delay is caused solely by the supplier and through no fault of the grantee. The grantee must request an exemption in writing and receive written approval from the Grant Manager.
- Out-of-state travel, unless pre-approved in writing by the Grant Manager.
- Any other costs not deemed reasonable or related to the purpose of the grant by the Grant Manager.

Competitive Bid Requirements

Grantee shall secure at least three competitive bids or price quotes for goods (including equipment) or services authorized in the grantee's Approved Application with revisions, if any, and any amendments - Exhibit C, where the amount charged to the grant is \$5,000 or more. Grantee shall purchase such goods or services from the lowest qualified bidder or pay the difference between the low bid and the one selected, without using funds obtained pursuant to this Agreement. Grantee shall maintain documentation of the competitive bid process used. This competitive bid requirement may be waived upon grantee certification that due to the unique nature of the goods or services a sole source purchase is justified. Failure to comply with competitive bid requirements may result in CalRecycle disallowing reimbursement of some portion or all the related costs.

Modifications

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. Proposed revisions must be clearly marked on the Work Plan and/or Budget and must be accompanied by a summary of proposed changes/modifications, including the justification(s) for the proposed changes. Costs based on the proposed revisions may not be incurred until Grant Manager approval. If approved, the grant manager will upload the final revised Work Plan and/or Budget to GMS. Proposed revisions may be submitted in conjunction with a Progress Report but cannot be submitted as part of the Progress Report. The approval document(s) should be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

Reporting Requirements

A Progress Report and a Final Report are required by this Agreement; however, the Grant Manager may request a Progress Report at any time during the Grant Term. Failure to submit the Final Report with appropriate documentation by the due date 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.

All reports must be uploaded in GMS. For further instructions regarding GMS, including login directions, see the section above entitled, Grants 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. Choose the Document Type, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.
 - Select the **Back** button to upload another document and continue the process until all required documents as listed below are uploaded.
 - The maximum allowable file size for each document is 35MB.
5. Click the **Submit Report** button to complete your report submittal. The **Submit Report** button will not be enabled until all required reporting documents are uploaded.

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 Report

The grantee must submit a **Progress Report** every six months. These reports should cover grant activities that occurred from the Notice to Proceed date through the end of the grant term. The report should include the following:

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The first Progress Report shall include, but is not limited to:

1. Baseline data from which to evaluate the outcomes of all projects funded through this Agreement, when applicable.
2. A statement of tasks or milestones implemented to date and a report on the status of each.

Each subsequent Progress Report shall include, but is not limited to:

1. A statement of the tasks or milestones implemented during the reporting period and a summary on the status of each.
2. If applicable, the volume of empty California Redemption Value (CRV) beverage containers collected (in tons or pounds) by material type (i.e., aluminum, glass, bi-metal, and plastic by resin type) and revenues received from the CRV beverage containers.
3. A statement of all unanticipated problems or concerns and corrective actions taken.
4. A statement of all data collection completed during the reporting period and findings to date.
5. A description of all expenditures during the reporting period.

6. A description of all changes made to the Program during the reporting period with the approval of the Grant Manager and all additional changes identified.

Final Report

The Final Report is due **June 30, 2022**. This report should cover grant activities **from the Notice to Proceed through June 30, 2022**. The following items must be included:

1. The Grant Number, Grantee's name and Grant Term. The following disclaimer statement on the cover page:
"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."
2. Table of Contents
3. Summary of the Project
 - a) The goal that was identified to be achieved through implementation of the Program and objectives identified to help reach that goal.
 - b) The methodology for ongoing data collection and evaluation.
4. Total Cost of Program
 - a) A breakdown of actual expenditures for the Program (i.e., administration, staff, equipment, operating costs, etc.) by Program component (e.g., infrastructure, education, etc.)
 - b) A list of all funding sources for the Program, the amount provided and the percentage each source is of the overall Program.
 - c) A list and estimated dollar value of support from partnerships, volunteers, and in-kind services.
5. Work Plan
 - a) A schedule of actual dates of Program accomplishments (milestones).
 - b) A summary of the actual time expended on each phase of the Program (i.e., planning, start-up, operation, and evaluation).
 - c) A summary of special staffing needs.
 - d) A description of criteria for selecting equipment, actual effectiveness of chosen equipment, and recommended changes in equipment.
 - e) A discussion of problems encountered, and corrective actions taken.
 - f) A discussion of conditions unique to this project.
6. Tonnages and Revenues Generated (if applicable)
 - a) The volume of empty CRV beverage containers collected (in tons) by material type (i.e., aluminum, glass, bimetal, and plastic resin by resin type).
 - b) The revenues received for the CRV containers.
 - c) A description of how CRV revenues were expended.
7. Program Effectiveness
 - a) The outcomes achieved as a result of this Program (e.g., percentage change in CRV volumes collected, change in knowledge and/or awareness level, etc).
 - b) A comparison of the outcomes achieved to the goal established at the start of the project.
 - c) Statistical data to support the outcomes.
 - d) Volumes collected for 12 months.

- e) Reach and frequency for all educational and outreach components, if applicable.
 - f) Outside influences that may have affected the outcomes achieved.
8. Conclusions and Recommendations
- a) Important findings and suggestions for improvement.
 - b) Tips or modifications needed for other entities to replicate the Program.
 - c) A list and description of on-going expenses for this Program.
 - e. Photographs, articles, educational materials.
 - f. List of subcontractors.

Grant Payment Information

1. Payment to the grantee for eligible grant expenses is made on a reimbursement basis only, and only for those materials and services specified in the approved grant application.
2. Reimbursement may be requested once a month during the Grant Term. In conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
3. The grantee must submit the required Progress Report/Final Report, and the Grant Manager must approve the report prior to, or concurrent with, submission of the Grant Payment Request.
4. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Payment Request and Documentation” section.
5. 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.
6. 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 Report, have been satisfied.
7. 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.
8. The grantee must provide a [Reliable Contractor Declaration \(CalRecycle 168\)](https://www.calrecycle.ca.gov/Funding/forms/) (<https://www.calrecycle.ca.gov/Funding/forms/>) signed under penalty of perjury by the grantee’s contractor(s) and subcontractor(s) in accordance with the “Reliable Contractor Declaration” provision of the Terms and Conditions (Exhibit A). The declaration must be received and approved by the Grant Manager prior to commencement of work. See “Reliable Contractor Declaration” provision in Terms and Conditions (Exhibit A) for more information.

Payment Request and Documentation

Failure to submit the final Payment Request with appropriate documentation by the due date 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.

Payment requests must be submitted in GMS. For further instructions regarding GMS, including login directions, see the section above entitled, Grants 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.
 - Choose the Document Type, enter a document title, 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. The **Submit Transaction** button will not be enabled until all required supporting documents are uploaded.

Note: Once a transaction is saved, select the transaction number from the Payment Request tab to access it again. Please do not create multiple transactions for the same requested funds.

Supporting Documentation

- A. A scanned copy of the **Grant Payment Request form** (CalRecycle 87) with the signature of the signatory or his/her designee, as authorized by grantee's Resolution or Letter of Commitment, must be uploaded to GMS.

Note: 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. Cost and Payment Documentation

Cost and payment documentation is required to be submitted for each expenditure of \$500 or more. No supporting documentation is required for expenditures of less than \$500 unless requested by the Grant Manager. Acceptable cost and payment documentation must include at least one of each of the following.

- a) Invoices, receipts, or purchase orders must include the vendor's name and telephone number, address, description of goods or services purchased, amount due, and date. The claimed expenses should be highlighted and identified with applicable task number on each invoice.
- b) Proof of payment may include:
 - i. copy of cancelled check(s) that shows an endorsement from the banking institution
 - ii. invoice(s) showing a zero balance, or stamped "paid" with a check number, date paid, and initials

- iii. accounting system report from local government if it contains the vendor name, date of invoice, invoice number, check number or internal ID, and date amount was paid
- iv. bank statement(s) along with a copy of the endorsed check or invoice showing the check number
- v. copy of an electronic funds transfer confirmation
- vi. copy of a credit card statement(s)

C. Three (3) bids (or sole source justification) obtained prior to purchase are required for any purchase over \$5,000. Original supporting documentation is not required to be submitted to the Grant Manager but should be retained by the grantee.

All forms listed above can be downloaded from the [CalRecycle Grant Forms website](https://www.calrecycle.ca.gov/Funding/Forms) (<https://www.calrecycle.ca.gov/Funding/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, competitive bids, grant amendments if any relating to the budget or work plan, copies of any agreements with contractors or subcontractors if utilized, 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.