Exhibit B
Procedures and Requirements
Household Hazardous Waste Grant Program

34th Cycle (Construction) – Fiscal Year 2020–21

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 Household Hazardous Waste (HHW) Grant 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 (NTP) is emailed.
September 29~~30~~, 2021~~2~~	**Progress Report #1 Due** Covering activities from NTP to September 1, 2021**2**
October 3~~2~~, 2022~~3~~	**Progress Report #2 Due** Covering activities from September 2, 2021**2** to September 1, 2022**3**
October 2, 2023~~4~~	**Progress Report #3 Due** Covering activities from September 2, 2022**3** to September 1, 2023**4**
April 1, 2024~~5~~	**Final Report (**Covering activities from NTP to April 1, 2024**5) and final Payment Request Due**
April 1, 2024~~5~~	**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/).

Accessing the Grant

Grantees must log into GMS (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 total 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/), 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/) 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/).

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 April 1, 2024**5** and all eligible program costs must be incurred by this date.

The Final Report and final Payment Request are due on April 1, 2024**5**. CalRecycle recommends reserving the period from March 1, 2024**5** to April 1, 2024**5** 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 must be 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 are limited to the following:
- Construction costs for a new or existing Permanent HHW Collection Facility or Recycle-Only HHW Collection Facility.
- Construction related HHW equipment necessary to provide new and expanded programs and services, operation efficiency, capacity, and collection.
- HHW signage, personnel, grant administration, and publicity and education (not to exceed 10 percent of grant award; see section below on publicity and education requirements) provided these costs are related to HHW facility construction.
- Certain costs associated with indirect costs as indicated in the Indirect Cost section of the Procedures and Requirements. (Indirect costs are not to exceed 10 percent of reimbursed costs.)

Ineligible Costs

Any costs not specifically included in the approved Budget and not directly related to HHW 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 April 1, 2024**5**
- Any costs, such as equipment, maintenance, repairs, tools, supplies or services not related to the construction project.
- 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 approved in the application process.

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- Personal electronic devices.
- Fines or penalties due to violation of federal, state or local laws, ordinances or regulations.
- Honoraria, stipends, prizes, royalties, strictly promotional give-away items ([Stuff We All Get, SWAG](#)), etc.
- Management, handling, disposal, or treatment of radioactive, explosives, medical wastes, and other HHW materials.
- Personnel costs not related to the project.
- Promotion of either brand-name product(s) or private businesses with grant funds.
- Public education and outreach not related to the construction project.
- Purchase or lease of land.
- Purchase or lease of vehicles and/or mobile trailers.
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
- 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 as well as contractor's indirect costs in their contracts, 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 an 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 indirect cost, contact the Grant Manager.

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 is received. 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).

Acknowledgements

The grantee shall acknowledge CalRecycle's support each time a project funded, in whole or in part, by this Agreement is 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.

Publicity and Education

Publicity and education costs that are related to HHW facility construction project(s) shall not exceed 10 percent of the total grant awarded.

The following items require acknowledgement of funding from CalRecycle and pre-approval from the CalRecycle Grant Manager prior to incurring the expense:
- All television, radio and video scripts
- Functional premiums, if the per unit price is greater than $6.00
- Advertisements
- Audio and/or visual material
- Brochures
- Pamphlets
- Other outreach

All publicity and education materials must include the following:
1. "Funded by a grant from CalRecycle." Exception: The acknowledgement line is not required on small items where space constraints would not allow for this line or if it would interfere with the message.
    - There are two acceptable Spanish translations: "Financiado por una beca del CalRecycle" or "Patrocinado por fondos del CalRecycle." For other languages, the Grantee must work with a certified translator or person fluent in reading and writing that language. All exceptions must be pre-approved in writing by the CalRecycle Grant Manager.

2. [CalRecycle logo](https://www.calrecycle.ca.gov/gallery/) (https://www.calrecycle.ca.gov/gallery/) as reflected on the CalRecycle website, can be obtained from the Office of Public Affairs at opa@calrecycle.ca.gov.
3. A list of HHW collection sites within the targeted community with a local telephone number or website to obtain further information on local collection centers. (Use the 1-800-CLEANUP number or [Earth911 website](http://search.earth911.com/) (http://search.earth911.com/) if your jurisdiction does not maintain its own 24-hour hotline.)
4. Press Releases – the only requirement is to place the name of "CalRecycle" as an acknowledgement in the body of the release.

Graphics

[HHW-related graphics](https://www.calrecycle.ca.gov/UsedOil/Graphics/HHWArt/) (https://www.calrecycle.ca.gov/UsedOil/Graphics/HHWArt/) are available for use. For large equipment, a [CalRecycle bumper sticker](http://www.calrecycle.ca.gov/UsedOil/Graphics/#Bumper) (http://www.calrecycle.ca.gov/UsedOil/Graphics/#Bumper) "Equipment funded by a grant from CalRecycle" is available and is required to be affixed to all large pieces of equipment purchased with grant funds. These can be requested from your grant manager when available. 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 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

Three Progress Reports 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 three **Progress Reports**. The reports should include the following:
1. The Grant Number, Grantee's name and Grant Term.
2. The following disclaimer 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."

- **Progress Report #1** is due on **September 29~~30~~, 202~~1~~2** (covering grant activities from the Notice to Proceed through September 1, 202~~1~~**2**).
- **Progress Report #2** is due on **October 3~~2~~, 202~~2~~3** (covering grant activities from September 2, 202~~1~~**2** through September 1, 202~~2~~**3**).
- **Progress Report #3** is due on **October 2, 202~~3~~4** (covering grant activities from September 2, 202~~2~~**3** through September 1, 202~~3~~**4**.

Final Report

The Final Report is due **April 1, 2024~~5~~.** This report should cover grant activities **from the Notice to Proceed** through **April 1, 2024~~5~~.** The following items must be included:
1. The Grant Number, Grantee's name and Grant Term.
2. For collection projects, create a spreadsheet that includes the type/style of item, manufacturer (for solar panels), volume (by count preferred), and the method of disposal.
3. The following disclaimer statement on the cover page:

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"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."

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 four times during the Grant Term. In conjunction with (or after) submission of the Progress Reports and in conjunction with the Final Report.
3. The grantee must submit the required Progress Reports/Final Report, and the Grant Manager must approve the reports prior to, or concurrent with, submission of the Grant Payment Request(s).
4. The grantee must submit completed Grant Payment Request(s) and provide supporting documentation as described in the "Payment Request and Documentation" section for completed project(s) only.
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 subcategory.
- 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**
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)

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C. **Expenditure Itemization Summary (EIS)** (CalRecycle 667)
Each EIS must be accompanied by supporting documentation for each line item expense. All expenditures must be itemized and arranged by the reporting and expenditure categories as contained in the grantee's approved Budget and Work Plan.

D. **Personnel Expenditure Summary** (CalRecycle 165 or Grantee's version), when applicable. 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), when applicable. Document costs related to travel and include supporting documentation.

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.