

**EXHIBIT B
PROCEDURES AND REQUIREMENTS**

**TIRE-DERIVED PRODUCT GRANT PROGRAM
19th 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 Tire-Derived Product 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 is emailed.
April 1, 2021	Progress Report Due
April 1, 2022	Final Report and final Payment Request Due
April 1, 2022	Grant Term End

GRANTS 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 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 Grant Management System.

Photo Requirement

Prior to commencing work or incurring costs, the grantee is required to submit at least one pre-construction digital photograph of the project site.

Tire-Derived Product Update Requirement

Prior to commencing work or incurring costs, the Grant Manager must approve in writing any proposed changes of the product manufacturer, supplier/vendor, and/or (sub) contractor from the one identified in the grantee's Grant Application. If approved, the grantee must submit a new, updated and complete Tire-Derived Product Certification Form (CalRecycle 227).

To obtain a form, visit the [CalRecycle Grant Forms webpage](https://www.calrecycle.ca.gov/Funding/Forms/) (https://www.calrecycle.ca.gov/Funding/Forms/).

The Tire-Derived Product Certification Form (CalRecycle 227) must be uploaded in GMS. To upload the Form:

1. In the **Documents tab**, go to the **Other Grant Documents** section.
2. Click on the **Upload a Document** button.
3. Type a title, i.e. Modification Tire-Derived Product Certification Form, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

PROJECT REQUIREMENTS

- Products must be installed at the location(s) specified in the approved Grant Application.
- Project(s) must be completed by April 1, 2022, to ensure full reimbursement.
- Project(s) must be made from only California-generated waste tires.
- The waste tire material must be processed in California and the final product must be manufactured in California.
- End-of-life (EOL) material (primarily crumb rubber or rubber nuggets/mulch that have served their initial purpose) may be reused or recycled into a variety of eligible products. The source of the EOL material (e.g., the playground, landscaping or turf field infill) must be located in California. Any necessary further processing of end-of-life material and any further manufacturing must take place in California.
- Applications must use a minimum of 2,500 California-generated waste tires. Multiple products/projects may be combined to achieve this minimum.
- Project(s) must not have previously received CalRecycle grant funds.

GRANT TERM

The Grant Term begins on the date of the Notice to Proceed (NTP) email. The Grant Term ends on April 1, 2022. This is also the date the Final Report and final Payment Request are due to CalRecycle.

Grant-eligible program expenditures may start no earlier than the date indicated in the NTP. Eligible program costs must be incurred no later than April 1, 2022.

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 are limited to the following:

- Actual cost of the California-generated TDP, tax, and shipping up to a total maximum of five dollars (\$5) per passenger tire equivalent (PTE) not to exceed the grant award.
- This cost is exclusive of truck tire buffings.

- The waste tires must have been processed and manufactured into a final product in California or in the case of EOL material, the source of the material is located in California.

These costs must be incurred and paid for during the Grant Term which begins on the date of the NTP from CalRecycle and ends on April 1, 2022.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to the Tire-Derived Product Grant 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:

- Any costs incurred prior to the date of the Notice to Proceed email or after April 1, 2022.
- Materials that are not made from only California-generated waste tires, not processed in California, or that were not made into a final product in California.
- EOL product(s) where the source of the EOL material (e.g., the playground or turf field infill) is not located in California.
- Any cost other than the actual cost of the tire-derived product, tax, shipping up to a maximum of five dollars (\$5) per PTE.
- Truck tire buffings.
- Costs that exceed the cap of \$5 per PTE.
- Equipment, installation, signage, playground inspection and labor costs.
- Any costs the Grant Manager deems unreasonable or unrelated to the purpose of the grant.

MODIFICATIONS

Any proposed revision(s) to the approved project must be submitted in writing and pre-approved in writing by the Grant Manager prior to the grantee performing any changes or incurring any related costs. Proposed revisions must be clearly marked on the Work Plan 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 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). The request must be uploaded in GMS and must include:

1. The reason for the change or modification, a summary of the new project and location information for each project site.
2. The new Work Plan and cost changes, if applicable (identify the modification or by number, e.g., Modification #1).
3. A new, updated and complete Tire-Derived Product Certification form (CalRecycle 227).

To upload a Project Modification Request in GMS:

1. In the **Documents** tab, go to the **Other Grant Documents** section.
2. Click on the **Upload a Document** button.

3. Type a title, i.e., Project Modification #1 Request, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

Playground* Compliance

Projects involving playgrounds are subject to various local, state and federal requirements. It is the grantee's responsibility to comply with all requirements. The following information identifies some of the state and federal requirements associated with playground construction and modifications.

For information regarding playground safety and standards, please go to the [California Park & Recreation Society](http://www.cprs.org/p/cm/ld/&fid=207) (<http://www.cprs.org/p/cm/ld/&fid=207>). In addition to other requirements, California law requires that a Playground Inspector, certified by the National Playground Safety Institute (NPSI), conduct an inspection for compliance with standards set forth by the American Society for Testing and Materials (ASTM) and the playground-related guidelines set forth by the United States Consumer Product Safety Commission (CPSC).

The Department of Justice promulgated new Americans with Disabilities Act (ADA) standards for playground surfacing, specifically, § 1008.2.6 provides requirements for access routes, clear floor or ground spaces and turning requirements. The section incorporates the ASTM standards, specifically, ASTM F 1292 - 09 Standard Specification for Impact Attenuation of Surfacing Materials within the Use Zone of Playground Equipment, and ASTM F 1951 for compliance with inspection and maintenance activities. For information related to the 2010 ADA Standards, please go to [2010 ADA Standards for Accessible Design](http://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards.htm) (<http://www.ada.gov/regs2010/2010ADASTandards/2010ADASTandards.htm>).

Submittal of the final Payment Request constitutes certification by the grantee that all local, state and federal playground requirements have been met including, but not limited to, certification by a NPSI certified Playground Inspector. Submittal of compliance documents is not required. Expenses associated with inspections and certifications are not reimbursable under the Grant.

*Playground is defined as an improved outdoor area designed, equipped, and set aside for children's play that is not intended for use as an athletic playing field or athletic court, and shall include any playground equipment, fall zones, surface materials, access ramps, and all areas within and including the designated enclosure and barriers.

Special Considerations for Poured-in-Place Playgrounds

Grantees should be aware that crumb rubber along with truck tire buffings, binder, and colorant may be used in the finished product but **only** the crumb rubber portion is eligible for reimbursement. Grantees should confirm with the Product Provider the amount of crumb rubber eligible for reimbursement and ensure that it meets the 2,500 passenger tire equivalent before securing any business arrangement. It is the grantee's responsibility to comply with all grant requirements.

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.

Expenses associated with these requirements are not reimbursable under the Grant.

The grantee must install a permanent sign at the Project site upon completion of the Project, no later than April 1, 2022. A high resolution file for production purposes, along with examples, are located at the [Tire Resources web site](https://www.calrecycle.ca.gov/tires/grants/resources/#Signage) (<https://www.calrecycle.ca.gov/tires/grants/resources/#Signage>). The sign must include the following:

1. "Funded by a Grant from the Department of Resources Recycling and Recovery (CalRecycle)";
2. CalRecycle logo¹, and
3. Number of CA waste tires diverted² from the waste stream.

¹CalRecycle Logos are available in the [Image Gallery web site](https://www.calrecycle.ca.gov/Gallery) (<https://www.calrecycle.ca.gov/Gallery>); or contact your Grant Manager.

²To determine the number of tires diverted, refer to the Tire-Derived Product Certification Form (CalRecycle 227) for the calculation formula.

When the permanent sign is problematic due to grantee-specific issues, the grantee may list on their website, for a minimum period of one year, an acknowledgement of CalRecycle's funding and the waste tire diversion amounts for the project(s). The alternative acknowledgement must be pre-approved by the Grant Manager and include the three required components listed above.

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 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. 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

A Progress Report template will be available in GMS prior to the Progress Report Due Date. The completed Progress Report must be uploaded in GMS. *See the Reporting Requirements section for specific instructions.*

The grantee must submit a **Progress Report** by **April 1, 2021**. This report should cover grant activities that occurred from the NTP date through **April 1, 2021**. The Progress must address the work completed during the Reporting Period and be accompanied by all required supporting documentation, including pre-construction photographs.

The Progress Report must be submitted even if no work has started on the Project.

FINAL REPORT

A Final Report template will be available in GMS prior to the Final Report Due Date. The grantee may upload the completed **Final Report** in GMS any time after the Project is completed, but no later than **April 1, 2022**. The Final Report must address the work completed during the entire grant term (from the date of the NTP to April 1, 2022, or completion of Project, whichever is sooner). The Final Report must be accompanied by the Final Payment Request and all required supporting documentation. *See the Reporting Requirements section for specific instructions.*

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. Dates of Report Coverage: Indicate the date the work started on the project(s) and the date the project(s) ended.

GRANT PAYMENT INFORMATION

1. Payment to the grantee for eligible grant expenses is made on a **reimbursement basis only** and for only those materials specified in the approved grant application.

2. With the exception of Playground Projects, reimbursement may be requested only twice during the grant term. In conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
3. Playground Projects may request reimbursement only with submittal of the Final Report. Submittal of the Final Report Request constitutes certification by the grantee that all local, state, and federal playground requirements have been met including, but not limited to, certification by NPSI certified Playground Inspector. Submittal of compliance documents is not required.
4. 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.
5. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Payment Request and Documentation” section for completed project(s) only.
6. Grant payments will only be made to the grantee. It is the grantee’s responsibility to pay all product manufacturers, suppliers/vendors, contractors and subcontractors for services and/or materials purchased.
7. 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.
8. 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.
9. If the grantee uses a contractor or subcontractor, the grantee must provide a [Reliable Contractor Declaration \(CalRecycle 168\)](https://www.calrecycle.ca.gov/docs/cr/funding/forms/general/calrecycle168.pdf) (<https://www.calrecycle.ca.gov/docs/cr/funding/forms/general/calrecycle168.pdf>) 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, 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.

- 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 the following:

- a) Invoices, receipts, or purchase orders containing the product manufacturer, supplier/vendor, and/or contractor name, phone number, address, purchase amount, date and description of goods/services.
- 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. An updated, final Tire-Derived Product Certification form (CalRecycle 227) completed by the product manufacturer, supplier/vendor and/or contractor.

- D. Acceptable documentation, verifying that the TDP was made from only California-generated waste tires and that the tires were processed and manufactured into a final product in California. Documentation must verify the flow of the California-generated waste tire material from the California processor to the final product manufacturer (if different) to the supplier/vendor or contractor (if different) to the

grantee and include a Certificate of Origin (completed by the processor) or Bill(s) of Lading.

Note: To ensure grant payment, it is recommended that the grantee obtain this documentation from its supplier/vendor/ or contractor prior to payment of supplier/vendor/ or contractor, as applicable.

- E. Post-construction, no less than five digital color photographs of the Project site(s) showing the completed Project with signage.

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.

ANNUAL SURVEY

Post-grant term Annual Surveys are required by this Agreement to help assess your long-term satisfaction with the TDP funded by this Grant. The grantee must complete and submit an Annual Survey for the TDP Grant Program every year for five (5) years after the grant closes.

You will be notified via email once the annual online survey is available. The annual online survey may be accessed online at: [Tire-Derived Product Grant Program](https://www.calrecycle.ca.gov/Tires/Grants/Product/default.htm) (<https://www.calrecycle.ca.gov/Tires/Grants/Product/default.htm>).

Note: The link to the survey is only active during the survey period.