



April 2021

Department of Resources Recycling and Recovery

# **Exhibit B**

## **Procedures and Requirements Household Hazardous Waste Grant Program**

### **36th Cycle (HD36) Fiscal Year 2021–22 Competitive Construction Cycle**

**Copies of these Procedures and Requirements must 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 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

**Notice to Proceed: Grant Term Begins** on the date that CalRecycle emails the Notice to Proceed (NTP).

**September 30, 2022: Progress Report 1 Due**

Covering activities from NTP to September 1, 2022

**September 29, 2023: Progress Report 2 Due**

Covering activities from September 2, 2022 to September 1, 2023

**September 30, 2024: Progress Report 3 Due**

Covering activities from September 2, 2023 to September 1, 2024

**September 30, 2025: Final Report and Final Payment Request Due**

Covering activities from NTP to September 30, 2025

**September 30, 2025: 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 in to GMS](https://secure.calrecycle.ca.gov/Grants) (<https://secure.calrecycle.ca.gov/Grants>) using their web pass. After logging in, 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:** Grantee requests reimbursement.
- **Reports tab:** Grantee uploads required reports.
- **Documents tab:** Grantee uploads all other grant documents that are not 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:** Shows approved project sites.

Follow the instructions in GMS to work in the system. The following sections describe the reports, transactions, and supporting documents CalRecycle requires.

## Contact Updates

Access to the grant is limited to those listed in the **Contacts** tab of the **Application Module** with the “Allow 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 or subcontractor to commence work under this grant, the grantee shall submit to the Grant Manager a declaration from the contractor or subcontractor, 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 or subcontractor. The grantee must submit this form for each contractor and subcontractor working under the grant.

If a contractor or subcontractor is placed on the [CalRecycle Unreliable Contractor 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 the contract. Obtain the Reliable Contractor Declaration form (CalRecycle 168) from [CalRecycle's Grant Forms web page](https://www.calrecycle.ca.gov/Funding/Forms/) (<https://www.calrecycle.ca.gov/Funding/Forms/>).

The grantee must upload a scanned copy of each signed Reliable Contractor Declaration form 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 "Grants Management System" section (above).

# Grant Term

The Grant Term begins on the date of the Notice to Proceed (NTP) email, which is the formal notification from CalRecycle authorizing the grantee to begin the grant project and ends on September 30, 2025. The grantee must make all grant-eligible program expenditures and incur all grant-eligible costs within this period. Expenditures made or costs incurred prior to the NTP date or after the end date are not eligible for reimbursement.

The Final Report and final Payment Request are due on September 30, 2025. CalRecycle recommends reserving the period from September 1, 2025 to September 30, 2025 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

Grantees may incur eligible costs only during the Grant Term, which starts when the grantee receives a Notice to Proceed from CalRecycle and ends on September 30, 2025. See “Grant Term” for additional information. 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:

- 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. The grantee should contact the Grant Manager if clarification is needed. Ineligible costs include, but are not limited to:

- Costs incurred prior to the date that CalRecycle sends the Notice to Proceed email or after September 30, 2025.
- 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.
- 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**

The grantee must submit any proposed revision(s) to the Work Plan and/or Budget in writing to the Grant Manager. The grantee may not incur costs or make expenditures based on the revision without first receiving the Grant Manager's written approval. Proposed revisions must be clearly marked on the Work Plan and/or Budget document and must be accompanied by a summary of proposed changes or modifications, including justification for the proposed changes. If approved, the Grant Manager will upload the final revised Work Plan and/or Budget to GMS and notify the grantee. The grantee may submit proposed revisions in conjunction with a Progress Report but they cannot be submitted as part of the Progress Report. The grantee should retain the approval document(s) for audit purposes. See the "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](mailto: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](https://www.calrecycle.ca.gov/gallery/). 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

The Grant Agreement requires three Progress Reports and a Final Report; however, the Grant Manager may require additional Progress Reports 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.

The grantee must upload all reports in GMS. For further instructions regarding GMS, including login directions, see the “Grants Management System” section (above). 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 the Grant Agreement and may result in the termination of the Grant Agreement, 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. The grantee must report any problems or delays immediately to the Grant Manager.

## Electronic and Original Signatures

CalRecycle now allows for certified e-Signature or original wet signature on documents or forms that certify legally binding information.

**Note:** The e-Signature must be the Adobe Digital ID or through another certified digital signature program, and cannot be the “Fill and Sign” function within Adobe. Any documents using the “Fill and Sign” method will be considered as incomplete and may be sent back to the grantee.

If you have questions, email [grantassistance@calrecycle.ca.gov](mailto:grantassistance@calrecycle.ca.gov).

## Progress Reports

The grantee must submit three Progress Reports. These 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 30, 2022** (covering grant activities from the Notice to Proceed through September 1, 2022).
  - **Progress Report 2** is due on **September 29, 2023** (covering grant activities from September 2, 2022 through September 1, 2023).
  - **Progress Report 3** is due on **September 30, 2024** (covering grant activities from September 2, 2023 through September 30, 2024).

## Final Report

The Final Report is due **September 30, 2025**. This report should cover grant activities **from the Notice to Proceed through September 30, 2025**. The grantee must include the following items in the Final Report:

- 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."
- 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.

## Grant Payment Information

- 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.
- The grantee may request reimbursement four times during the Grant Term. In conjunction with (or after) submission of the Progress Report and in conjunction with the Final Report.
- The grantee must submit the required Progress Report/Final Report prior to, or concurrent with, submission of the Grant Payment Request. No reimbursement is made prior to Grant Manager approval of the report.
- The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the "Payment Request and Documentation" section.
- CalRecycle will make grant payments to only the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
- Joint Agreement Reimbursement: Lead entities for joint agreements are responsible for reimbursing all participants. When and if the participant(s) submits an invoice to the lead, the lead pays the participant, in full, directly. The lead then requests reimbursement from CalRecycle. CalRecycle can only reimburse invoices received from the lead entity directly, not from the participant(s).
- CalRecycle will withhold and retain 10 percent of each approved Grant Payment Request amount until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Progress and Final Reports, have been satisfied.
- 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 the Grant Manager approves a Grant Payment Request.
- 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 contractors and subcontractors in accordance with the "Reliable Contractor Declaration" section of the Terms and Conditions (Exhibit A). The declaration must be received and approved by the Grant Manager prior to

commencement of work. See the “Reliable Contractor Declaration” section 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.

The grantee must submit payment requests in GMS. For further instructions regarding GMS, including login directions, see the “Grants Management System” section (above). To submit a Grant Payment Request:

1. Go to the **Payment Request** tab.
2. Click on the **Create a Payment Request** button.
  - a. Choose **Reimburse** for the **Transaction Type** and enter the amount spent in each budget subcategory.
  - b. When the transaction is complete, click the **Save** button.
  - c. After the transaction is saved, the **Upload Supporting Documents** button will appear in the lower right corner.
3. Click the **Upload Supporting Documents** button.
  - a. Choose the **Document Type**, enter a **document title**, click the **Browse** button to search and upload the document, and then **Save**.
  - b. Select the **Back** button to upload another document and continue this process until all required supporting documents as listed below are uploaded.
  - c. 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.
  - a. **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**

- **Grant Payment Request form** (CalRecycle 87)
  - A scanned copy 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.
- **Cost and Payment Documentation**
  - Acceptable cost and payment documentation must include at least one of each of the following.
    - 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.
  - Proof of payment may include:

- copy of cancelled check(s) that shows an endorsement from the banking institution
- invoice(s) showing a zero balance, or stamped “paid” with a check number, date paid, and initials
- 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
- bank statement(s) along with a copy of the endorsed check or invoice showing the check number
- copy of an electronic funds transfer confirmation
- copy of a credit card statement(s)
- The Grant Manager may require additional cost and payment documentation as necessary to verify eligible costs.
- **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.
- **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).
- **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 are available from the [CalRecycle Grant Forms web page](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. CalRecycle may stipulate a longer period of records retention 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 cancelled checks. Please refer to the Terms and Conditions (Exhibit A) for more information.