Exhibit B

Procedures and Requirements SB 1383 Local Assistance Grant Program

Fiscal Year 2022–23

Amended September 2025

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 SB 1383 Local Assistance 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.

In a Regional Grant, the term "grantee" used throughout this document refers to the Lead Participant (Lead). The Lead is designated to act on behalf of all Non-Lead Participant(s). The Lead manages the grant, is responsible for the performance of the grant and all required documentation and administers the grant funds to its Non-Lead Participants on its behalf.

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

Milestones

Notice to Proceed Date: Grant Term Begins on the date that CalRecycle sends the award email.

October 1, 2024: Progress Report 1 Due

April 1, 2025: Progress Report 2 Due

October 1, 2025: Progress Report 3 Due

February 1, 2026: Progress Report 4 Due

~~**April 1, 2026**~~ **November 2, 2026:** Final Report Due

~~**April 1, 2026**~~ **November 2, 2026:** 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.

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/), 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/) after award of this grant, the grantee may be required to terminate the contract. Obtain the Reliable Contractor Declaration form (CalRecycle 168) from Application and Grant Management Tools - CalRecycle Home Page (https://calrecycle.ca.gov/Funding/tools/).

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 CalRecycle sends the award email, which is the formal notification from CalRecycle authorizing the grantee to begin the grant project and ends on ~~April 1, 2026~~ November 2, 2026. 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 grant term start date or after the end date are not eligible for reimbursement.

The Final Report is due on ~~April 1, 2026~~ November 2, 2026.

Eligible Costs

Grantees may incur eligible costs only during the Grant Term, which starts on the date CalRecycle sends the award email and ends on ~~April 1, 2026~~ November 2, 2026. (All grant expenditures must be for activities, products, and costs specifically included in the approved Budget. Costs must be incurred after the term start date 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 in the progress report.

Eligible costs are limited to the following:
- Personnel
- Consultants
- Safety Equipment
- Vehicles/Trucks/Trailers
    - Vehicles/tractors/trailers, turf tires, forklifts or compost slingers

    Note: The Grantee needs to own and control all items if they do not have a service agreement with a food recovery facility/hub, however the Grantee may allow a food recovery facility/hub to use the vehicle for grant implementation purposes.

- Mobile pantries
- Education and Outreach materials
    - Print Media
    - Television, radio, video, and social media
    - Materials offered in other languages
- Door-to-Door Outreach
- Signage
- Conferences and symposiums (requires Grant Manager pre-approval)
- Recordkeeping or tracking software
    - Software to match donor with food bank
    - Recordkeeping/reporting software
    - Procurement tracking software
    - Apps for food recovery
    - Mobile app development
- Inspections and Enforcement
- Training
    - Mileage

- o Educational materials
- Tablet/Electronic Devices (seven inches or more measured diagonally) used for the purposed of organic tracking and Education and Outreach
  - o Maximum price of $500 (excluding sales tax) and limit to one (exceptions may be approved on a case-by-case basis)
  - o Accessories used for security, protection, and charging
- Equipment
  - o Food dehydrator
  - o Personal protection equipment
  - o Food distribution – including refrigeration, coolers, and packing materials. **Note:** The Grantee needs to own and control all items if they do not have a service agreement with a food recovery facility/hub, however the Grantee may allow a food recovery facility/hub to use the vehicle for grant implementation purposes.

- Bins and lids
  - o Includes, but is not limited to, curbside, small household food waste pail, labeling, and liners
- Procurement of recovered/recycled organic products
- Food safety certification
- Cameras to prevent contamination
- Edible Food Recovery projects
  - o Grantees are encouraged to use a percentage of grant funds for Edible Food Recovery projects.
- Food Waste Prevention projects
  - o Projects that prevent food waste from being generated and becoming waste that is normally destined for landfills. Examples of food waste prevention projects include, but are not limited to:
    - Modernizing production and handling practices to prevent and reduce food preparation waste.
    - Identifying and modifying ordering practices that result in measurable decreases in food waste.
    - Creating and expanding education and outreach programs that result in quantifiable reductions in food waste.

Ineligible Costs

Any costs not directly related to SB 1383 implementation 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 Term Start Date
- Development, purchase, or distribution of strictly promotional give-away items [Stuff We All Get, (SWAG)](#)
- Purchase or lease of land or buildings
- Equipment or services not directly related to grant implementation
- Food liquefiers
- Food recovery facility rent (without service agreement)
- Disposal costs

- Costs currently covered by or incurred under any other CalRecycle loan, grant, or contract
- Cell phones
  - Purchase of data plans and/or mobile service plans/hotspots
- Costs related to website host and web page domain
- Audit expenses
- Sponsorship or licensing fees for events/programs
- Food or beverages (e.g., as part of meetings, workshops, or events)
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
  - Refer to the [Memorandum for travel policies](https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx) (https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx).
  - Reimbursement rates are subject to change at any time by the State of California without prior notification.
- Personnel costs not directly related to grant activities
- Fines or penalties due to violation of federal, state, or local laws, ordinances, or regulations
- Any costs for construction projects by charter cities prohibited by Labor Code section 1782.
- Any costs not consistent with local, state, or federal laws, guidelines, and regulations
- Costs deemed unreasonable or not related to the project by the Grant Manager
- 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.

Modifications

The grantee must submit any proposed revision(s) to the 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 in the 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 revised 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. Please contact your Grant Manager for the CalRecycle logo.

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
- Newspaper ads
- 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/) as reflected on the CalRecycle website, can be obtained from the Office of Public Affairs at opa@calrecycle.ca.gov.
3. Press Releases – the only requirement is to place the name of "CalRecycle" as an acknowledgement in the body of the release.

Reporting Requirements

The Grant Agreement requires ~~three~~ four 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 report 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.
- The maximum character limit is 60.
- Do not include special characters in file names.

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 requires certified e-Signature on documents or forms that certify legally binding information.

Note: E-signatures must include the first and last name of the Signature Authority, be in the Adobe Digital ID format (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 is considered incomplete and may be sent back to the grantee.

If you have questions, email grantassistance@calrecycle.ca.gov.

Progress Report

The grantee must submit a **Progress Report** by the due dates listed in the Milestones Section of this document. CalRecycle will provide the reporting template at a later date. These reports should cover grant activities that occurred within the specified reporting period.

Final Report

The Final Report is due ~~April 1, 2026~~ <u>November 2, 2026</u>. The reporting template will be provided at a later date. This report should cover grant activities **from the Term Start Date** through ~~April 1, 2026~~ <u>November 2, 2026</u>. 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."

Grant Payment Information

- CalRecycle will only make grant payments to the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and

services. CalRecycle will make payments to the grantee as promptly as fiscal procedures permit.

- 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.

Reporting and Documentation

The grantee must submit all expenditures in GMS. For further instructions regarding GMS, including login directions, see the "Grants Management System" section (above). Please refer to the "Milestones" section (above) for required due dates.

To submit Supporting Documentation:

1. Go to the **Payment Request** tab.
2. Click on the **Create a Payment Request** button.
    a. Choose **Advance Reconcile** 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.
    d. The maximum character limit is 60.
4. Do not include special characters in file names. 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

- **Expenditure Itemization Summary (EIS)**
    o All expenditures must be itemized and arranged by the reporting and expenditure categories as contained in the grantee's Budget tab.
    o Grantees are required to maintain supporting documentation pertaining to the EIS and may be required to provide them at the request of the Grant Manager at any time.
    Note: CalRecycle will provide a template at a later date.

- **Certification Document**
    - The Signature Authority will need to certify under penalty of perjury that information provided in the EIS is correct.
    Note: CalRecycle will provide a template at a later date.

- **Personnel Expenditure Summary (PES) (CalRecycle 165)**
    - A Personnel Expenditure Summary should be submitted if salaries are included. Salaries include government taxes and benefits.
    - Document personnel expenditures based on actual time spent on grant activities and actual amounts paid to personnel.

- **Travel Expense Log (CalRecycle 246)**
    - A Travel Expense Log should be submitted if vehicle mileage is included for reimbursement in the payment request. Only travel expenses directly related to the implementation of the grant can be claimed. Mileage will be reimbursed at the State rate.

- **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.

Most forms listed above are available on the [Application and Grant Management Tools - CalRecycle Home Page](https://calrecycle.ca.gov/Funding/tools/) (https://calrecycle.ca.gov/Funding/tools/).

Unspent Funds
Funds that are unspent at the end of the grant term must be returned by check to CalRecycle by ~~April 1, 2026~~ November 16, 2026. Notify your Grant Manager if you will be sending in a check or require an invoice to be issued for the unspent funds. Checks should be made payable to the Department of Resources Recycling and Recovery.

Checks must contain the Grant Number (i.e., OWR4-22-xxxx), specify "SB 1383 Local Assistance Grant Unspent Funds," and be mailed to:

CalRecycle Accounting
SB 1383 Local Assistance Grant Unspent Funds
PO Box 4025
Sacramento, CA 95812-4025

Unspent funds due to CalRecycle but left unpaid may result in ineligibility for future grant and payment program funding. If there are questions or other issues related to expenditures, work with your Grant Manager to resolve these issues.

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.