

# EXHIBIT B PROCEDURES AND REQUIREMENTS

## BEVERAGE CONTAINER RECYCLING GRANT PROGRAM RBC28 – Fiscal Year 2016–17

**Revised June 14, 2016**

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

### **INTRODUCTION**

The Beverage Container Recycling Grant Program is administered through the Department of Resources Recycling and Recovery (CalRecycle). 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, records, and audit requirements.

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

### **MILESTONES**

<b>Notice to Proceed</b>	Grant Term on date indicated on the Notice to Proceed (NTP)
<b>July 15, 2017</b>	Progress Report 1 Due
<b>October 15, 2017</b>	Progress Report 2 Due
<b>January 15, 2018</b>	Progress Report 3 Due
<b>April 15, 2018</b>	Progress Report 4 Due
<b>July 15, 2018</b>	Progress Report 5 Due
<b>October 15, 2018</b>	Progress Report 6 Due
<b>January 15, 2019</b>	Progress Report 7 Due
<b>April 15, 2019</b>	Progress Report 8 Due
<b>May 1, 2019</b>	Start Draft Final Report
<b>June 1, 2019</b>	Submit Draft Final Report
<b>June 28, 2019</b>	Final Report and final Payment Request Due
<b>June 28, 2019</b>	Grant Term End

**No extensions will be granted for submittal of Final Report and final Payment Request.** Failure to submit the Final Report and final Payment Request with appropriate documentation by June 28, 2019 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.

### **GRANT 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** button. 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) 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](#) ([www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5](http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5)), California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) and the subcontractor(s), respectively.

If a (sub) contractor is placed on the [CalRecycle Unreliable List](#) 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](#) ([www.calrecycle.ca.gov/Funding/Forms](http://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.

### **CERTIFICATE OF INSURANCE**

The grantee shall present a current copy of insurance certificate to their Grant Manager upon grant execution or at the initial site visit. The grantee shall obtain and keep in force for the term of the grant, and require its subcontractors to obtain and keep in force, the following insurance policies which cover any acts or omissions of the grantee, or its employees engaged in the provision of services or performance of activities funded pursuant to and specified in the grant.

- Commercial general liability insurance in the amount of \$1,000,000 per occurrence and aggregate for bodily injury and property damage.
- Automobile liability in the amount of \$1,000,000 for each accident for owned or non-owned or hired vehicles, whichever is applicable.

The grantee shall name the State of California, its officers, agents, employees and servants as additional insured parties for all insurance required and is responsible for guaranteeing that a copy of each Certificate of Insurance is submitted to CalRecycle within thirty (30) days of the execution of the grant.

The certificate of insurance shall state a limit of liability of not less than \$1,000,000 per occurrence for bodily injury and property damage combined. Self-insured entities must provide a copy of a Certificate of Consent to Self-Insure issued by the California Department of Industrial Relations.

The grantee shall notify CalRecycle prior to any insurance policy cancellation or substantial change of policy.

### **PROJECT REQUIREMENTS**

All projects are subject to the following requirements:

- The project(s) must be located in California.
- Reimbursement will not exceed the amount stated on the Grant Agreement Cover Sheet (CalRecycle 110).

- The grantee will ensure that the recycling bins, if applicable, are serviced on a regular basis and that collected material is transported to a certified recycling center
- The grantee will ensure, if applicable, that it and/or other entities certified to collect beverage containers are certified or registered by CalRecycle in the proper category and will provide the Grant Manager a copy of the certification certificate(s), upon request.
- The grantee shall monitor the project for the tonnage and revenues collected by material type, if applicable, and will report to the Grant Manager in the progress and final reports.

### **BUDGET OR WORK PLAN CHANGES/MODIFICATIONS**

Proposed changes or modifications to the approved budget or Work Plan must be requested in writing to the Grant Manager by the Signature Authority or designee. The request must include the reason for the change and a revised Work Plan and/or revised budget.

**The Grant Manager must approve the proposed changes in writing prior to the grantee performing any changes or incurring any related costs. Any and all changes to the budget or cost incurred without approval from the Grant Manager may not be approved.**

### **GRANT TERM**

The Grant Term begins on the date indicated in the NTP. The Grant Term ends on June 28, 2019. 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 June 28, 2019.

CalRecycle recommends reserving the period from May 1, 2019 to June 28, 2019 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. Eligible costs must be incurred, services provided and goods received after receiving a NTP and before the end of the Grant Term.

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. The approval document should be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

Eligible costs must be directly related to beverage container recycling.

Eligible costs include, but are not limited to:

- Personnel costs directly related to the start-up/implementation of the project (recycling coordinator, salaries/wages for those directly involved with the project, e.g., students, consultants, etc.).
- Purchase of equipment or materials related to infrastructure (beverage container recycling bins/receptacles, cluster bins, lids, receptacle liners, in-unit totes (multi-family residential dwellings), pads/enclosures to accommodate centralized roll-off, balers, scales, optical sorters (for municipality operating its own Material Recovery Facility), equipment modifications, signage, brochures, installation costs for equipment, service cart for use in collection of materials, laptops, computers, vehicles, etc.).
- Direct operating expenses associated with project activities.
- Education and outreach promoting beverage container recycling. May be included as part of the Mandatory Commercial Recycling Plan for local jurisdiction applicants.

Note: All expenditures are subject to audit. Questions regarding eligible/ineligible costs should be directed to the Grant Manager.

### **INELIGIBLE COSTS**

Any costs not specifically included in the approved Budget and not directly related to implementation of the Beverage Container Recycling Grant Program 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 NTP letter or after June 28, 2019.
- Promotional Items/SWAG (Stuff We All Get). Promotional Items not related to the project (e.g. shirts, magnets, cups, gift cards, stickers, tote bags not used as recycling bins, calendars with no educational component, trophies, awards, plaques, rewards). More information can be found at our [SWAG](#) web page.
- Trash bins.
- Equipment not related to the project.
- Personnel (costs or staff not related to the project or within scope of grant).
- Costs for establishing a recycling center, processing facility, drop-off or collection program, community service program or any other business startup costs.
- Education and outreach not related to the project.
- Travel costs exceeding state-approved rates for mileage, per diem, lodging, etc.
- Costs that are inconsistent with local, state, and federal statutes, ordinances and/or regulations.
- Any food or beverages (supplied as part of meetings, workshops, training, or events).
- Source reduction items such as water refilling stations, water fountains, and reusable bottles.
- Any pre-paid expenditures for future goods or services delivered after the end of the Grant Term. (Exception: the Grant Manager may consider approving products purchased in full before the end of the Grant Term but delivered after the Grant Term if the delay is caused solely by the supplier and through no fault of the grantee. The grantee must request an exemption in writing and receive written approval from the Grant Manager.)

- Out-of-state travel, unless pre-approved in writing by the Grant Manager.
- Indirect costs (e.g. office expenses, rent, telephone expenses, or utilities).
- Overtime costs.
- Any other costs not deemed reasonable or related to the purpose of the grant by the Grant Manager.

### **COMPETITIVE BID REQUIREMENTS**

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

### **ACKNOWLEDGEMENTS**

Grantees are not required to acknowledge CalRecycle's support whenever activities or projects funded, in whole or in part, by this Agreement are publicized in any news media, brochures, articles, seminars or other type of promotional material.

### **REPORTING REQUIREMENTS**

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. 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**.
  - You may upload multiple documents to complete reporting requirements.
  - The maximum allowable file size is 35MB.
5. Click the **Submit** button when the report is complete.

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 REPORTS**

Reports shall be submitted to the Grant Manager, as detailed in the Work Plan. Progress reports must be adequate to show compliance with the Agreement, detail all

tasks performed and all identified outcomes, and justify all expenditures requested for reimbursement. CalRecycle reserves the right to require interim verbal or written progress reports to supplement the more formal progress reports to ensure compliance with the Agreement and/or to support reimbursement of funds.

The first progress report shall include, but is not limited to:

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

Each subsequent progress report shall include, but is not limited to:

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

#### **DRAFT FINAL REPORT AND FINAL REPORT**

The **Final Report** is due **June 28, 2019**. This report should cover grant activities from the NTP through June 28, 2019. A **minimum of twelve (12) months data** is required before submitting the final report. If a grant project is complete prior to the twelve months, the data will be requested after the end date of the grant term to meet this twelve month reporting requirement.

The Final Report must be prepared in the format specified below and must be uploaded into GMS. See *Reporting Requirements* section for instructions; you may need to upload multiple documents to complete all of the requirements listed below. If requested, the grantee shall make an oral presentation to CalRecycle. The grantee shall submit a Draft Final Report on or before **June 1, 2019**.

CalRecycle shall draft review comments and transmit them to the grantee within ten (10) calendar days of receipt of the draft version of the final report. After incorporation of CalRecycle requested revisions, the grantee shall submit to the Grant Manager one (1) camera-ready copy of the final report on or before June 28, 2019.

1. The Grant Number, Grantee's name and Grant Term. The following disclaimer statement on the cover page:  
"The statements and conclusions of this report are those of the grantee and not necessarily those of the Department of Resources Recycling and Recovery (CalRecycle), its employees, or the State of California. The state makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."

2. Table of Contents
3. Summary of the Project
  - a) The goal that was identified to be achieved through implementation of the grant project and objectives identified to help reach that goal.
  - b) The baseline data collected prior to implementing the program.
  - c) The methodology for ongoing data collection and evaluation.
4. Total Cost of Program
  - a) A breakdown of actual expenditures for the project (i.e., administration, staff, equipment, operating costs, etc.) by project component (e.g., infrastructure, promotion, education, events, etc.) and the percentage of the overall project costs for each component.
  - b) A list of all funding sources for the project, the amount provided and the percentage each source is of the overall project.
  - c) A list and estimated dollar value of support from partnerships, volunteers, and in-kind services.
  - d) A statement whether funds received through this Agreement was a factor in obtaining additional funding and support for the project.
5. Work Plan
  - a) A schedule of actual dates of project accomplishments (milestones)
  - b) A summary of the actual time expended on each phase of the project (i.e., planning, start-up, operation, evaluation, and until project became/becomes self-sustaining, if applicable).
  - c) A summary of special staffing needs.
  - d) A description of criteria for selecting equipment, actual effectiveness of chosen equipment, and recommended changes in equipment.
  - e) A statement of time elapsed before data was representative of a stable project.
  - f) A discussion of problems encountered and corrective actions taken.
  - g) A discussion of conditions unique to this project.
6. Tonnages and Revenues Generated (if applicable)
  - a) The volume of empty CRV beverage containers collected (in tons) by material type (i.e., aluminum, glass, bimetal, and plastic by resin type).
  - b) The volume of non-CRV materials collected by the project by material type (i.e., newsprint, corrugated, etc.).
  - c) The revenues received for the CRV beverage containers.
  - d) A description of how CRV revenues were expended.
7. Project Effectiveness
  - a) The outcomes achieved as a result of this project (e.g., percentage change in CRV volumes collected, change in knowledge and/or awareness level, etc.).
  - b) A comparison of the outcomes achieved to the goal established at the start of the project.
  - c) Statistical data to support the outcomes.
  - d) Volumes collected for 12 months.
  - e) Reach and frequency for all promotional and/or educational components, if applicable.
  - f) Outside influences that may have affected the outcomes achieved.
  - g) Efforts resulting in the reduction of greenhouse gas emissions.

8. Conclusions and Recommendations
  - a) Important findings and suggestions for improvement.
  - b) Tips or modifications needed for other entities to replicate project.
  - c) Project Sustainability.
  - d) A list and description of on-going expenses for this project.
  - e) Photographs, articles, promotional/educational materials.
  - f) List of subcontractors.

Grantee acknowledges and agrees that CalRecycle shall not release final payment pursuant to this Agreement unless and until CalRecycle has received from the grantee a final report that complies with the above requirements and with other applicable requirements in this Agreement.

### **GRANT PAYMENT INFORMATION**

1. Payment to the grantee for eligible grant expenses is made on a reimbursement basis only and for only those materials and services specified in the approved grant application.
2. Reimbursement may be requested once a month during the Grant Term.
3. The grantee must submit the required Progress Report/Final Report, and the Grant Manager must approve the report prior to, or concurrent with, submission of the Grant Payment Request.
4. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the “Payment Request and Documentation” section 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 (10) 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. Reimbursement of the 10 percent retention must be requested in the final Grant Payment Request.
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 \(CalRecycle 168\)](http://www.calrecycle.ca.gov/Funding/forms/) (<http://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**

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 (including uploading all the documents listed below).

**Supporting Documentation**

- A. A scanned copy of the **Grant Payment Request form**. Mail only the **original** Grant Payment Request form (CalRecycle 87), with the original signature of the signatory or his/her designee\*, as authorized by grantee’s Resolution or Letter of Commitment to:

Via standard mail	Via courier/personal delivery
CalRecycle Beverage Container Recycling Grant Program FiRM Branch, 13 <sup>th</sup> Floor P.O. Box 4025 Sacramento, CA 95812-4025	CalRecycle Beverage Container Recycling Grant Program FiRM Branch, 13 <sup>th</sup> Floor 1001 I Street Sacramento, CA 95814

\*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** – Required to be submitted for each expenditure of \$500 or more. No supporting documentation is required for expenditures of less than \$500 unless requested by CalRecycle.
  - 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; and
  - Proof of payment (e.g., copies of cancelled checks, invoices or receipts marked with date paid, name who authorized payment, check number, or actual check copy, accounting reports if identified by a check number, date, product manufacturer, supplier/vendor, and/or contractor name and amount, hours and rate of pay.)

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

All forms listed above can be downloaded from the [CalRecycle Grant Forms website](http://www.calrecycle.ca.gov/Funding/Forms) (<http://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, 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.