

**EXHIBIT B
PROCEDURES AND REQUIREMENTS**

**LOCAL CONSERVATION CORPS GRANT PROGRAM
30th Cycle – Fiscal Year 2015 – 16**

Distribute copies to: Finance, Administration, Human Resources, Recycling Program Management, and any other staff responsible for implementing the grant activities.

INTRODUCTION

The Local Conservation Corps (LCC) 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, record keeping, and audit requirements.

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

Timeline	Milestones
July 1, 2015	Grant Term Begins
Five business days after the budget is signed	Cost Allocation Plan Due
October 30, 2015	Progress Report 1 Due
January 30, 2016	Progress Report 2 Due
April 30, 2016	Progress Report 3 Due
July 30, 2016	Progress Report 4 Due
October 30, 2016	Progress Report 5 Due
January 30, 2017	Progress Report 6 Due
April 30, 2017	Progress Report 7 Due
June 30, 2017	Grant Term Ends

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 access 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 [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** – lists all approved payment requests. Do not create a new payment request for this grant.

- **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.

Follow the instructions in GMS to work in the system. The information below describes reports, transactions, and supporting documents that 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). 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](http://www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5) (www.calrecycle.ca.gov/Laws/Regulations/Title14/ch1.htm#ch1a5) of the California Code of Regulations has occurred with respect to the contractor or subcontractor.

If a contractor or subcontractor 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 Grant Forms web page](http://www.calrecycle.ca.gov/Funding/Forms) (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.

Purchases and Subcontracts for more than \$5,000 necessitate collection of three bids and selection of the lowest bidder. See Provision 27 of the Terms and Conditions for detailed information about bid requirements.

GRANT TERM The Grant Term starts July 1, 2015 and the Final Report and final Payment Request are due to CalRecycle on June 30, 2017.

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 within 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 Provision 30 of the Terms and Conditions (Exhibit A).

Eligible costs are limited to the following:

- Costs incurred during the Grant Term which starts July 1, 2015 and ends June 30, 2017.
- Personnel-staff salaries, corpsmember wages and stipends, and taxes and benefits (Not to exceed 35 percent of the personnel budget not including Workers' Compensation Insurance).
- Purchase of recycling equipment, vehicles, and materials.
- Recycling-related education, training, and staff development.
- Operating expenses (utilities, communication/telephone, facility and equipment maintenance charges, office supplies).
- Indirect costs (not to exceed 20 percent) allowable with pre-approved Federal Indirect Cost Rate or Indirect Cost Plan Methodology that adhere to Generally Accepted Accounting Principles.
- Depreciation for non-CalRecycle grant funded assets as part of Local Conservation Corp approved Federal Indirect Cost Rates (FICR). For those LCCs Local Conservation Corps who do not have a FICR, depreciation may be included in an Indirect Cost Rate (ICR) following the use allowance method per Office of Management and Budget Circular A-122 Attachment B, paragraph 11, letters a-h, not to exceed six and two-thirds percent of acquisition cost. http://www.whitehouse.gov/omb/circulars_a122_2004.
- Travel with supporting documentation and CalRecycle travel documentation form(s). Travel and per diem reimbursement is limited to a maximum of the state rate for excluded employees in effect at the time of travel, in accordance with the California Code of Regulations, Title 2, Division 1, Chapter 3, Subchapter 1, Article 2. Please consult the Grant Manager for guidance.
- Consultants - Consulting contracts in excess of \$5,000 require solicitation of a minimum of quotes/bids or sole source justification approved by a Grant Manager.

Personnel expenditures must be computed on the actual time spent on grant-related activities. For calculating total personnel expenses for each employee, the expenditures should be broken out by the classification(s) of the employee(s), the hourly

wage, fringe benefits rate, and number of hours worked on grant-related activities. These records must be available for audit purposes.

*Travel and per diem reimbursement is limited to a maximum of the [state rate](#) for excluded employees in effect at the time of travel, in accordance with the California Code of Regulations, Title 2, Division 1, Chapter 3, Subchapter 1, Article 2. Please consult the Grant Manager for guidance.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to approved grant activities are ineligible for reimbursement. Contact the Grant Manager if clarification is needed. Ineligible costs include, but are not limited to:

- Costs incurred prior to July 1, 2015 or after June 30, 2017.
- Any costs not consistent with local, state, and federal statutes, ordinances, or regulations.
- Any food or beverages supplied as part of meetings, workshops, or parties.
- Out-of-state travel, unless pre-approved in writing by the Grant Manager.
- Any other costs deemed unreasonable or unrelated to the purpose of the grant by the Grant Manager.
- Penalty charges (late fees, parking and traffic tickets).
- Fundraising.
- Expenses incurred before a required budget modification is approved by the Grant Manager.

ACKNOWLEDGEMENTS

Publications, advertising materials, outreach materials, and educational materials paid for with Used Oil Recycling Funds must use the “Used Oil Drop” logo with the words “Recycle Used Oil” or “Recycle Used Oil and Used Oil Filters” as appropriate. Used oil graphics are available at <http://www.calrecycle.ca.gov/usedoil/graphics/>. No other acknowledgement of CalRecycle support is required on publications.”

REPORTING REQUIREMENTS

Quarterly Progress Reports and a Final Progress 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 titled, 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 use CalRecycle’s templates and include all required sections and documents. Reports must be approved by the Grant Manager before Payment Requests can be processed. Failure to comply with the specified reporting requirements may be considered a breach of this Agreement and may result in the termination of this Agreement or rejection of the Payment Request and/or forfeiture by the grantee of claims for costs incurred that might otherwise have been eligible for grant funding. Any problems or delays must be reported immediately to the Grant Manager.

PROGRESS REPORT

The grantee must submit **seven Quarterly Progress Reports** according to the Milestone table on page 1, or until submission of the Final Report.

Event Name	Reporting Period	Due Date
Progress Report 1	July – September 2015	October 30, 2015
Progress Report 2	October – December 2015	January 30, 2016
Progress Report 3	January – March 2016	April 30, 2016
Progress Report 4	April - June 2016	July 30, 2016
Progress Report 5	July – September 2016	October 30, 2016
Progress Report 6	October – December 2016	January 30, 2017
Progress Report 7	January – March 2017	April 30, 2017
Final Progress Report	July 2014 – June 2017	June 30, 2017

The Quarterly Progress Reports must be submitted using the Quarterly Report template provided by CalRecycle and include all components therein. Each progress report shall include, but is not limited to:

- A review of activities implemented and a summary on the status of each, including any project adaptations.
- If applicable, the collection data for all recyclables by material type (Beverage Containers, Used Oil, Waste Tires and E-Waste).
- A discussion of all unanticipated problems or concerns and corrective actions taken.
- An expenditure summary provided by CalRecycle.
- A description of any project or budget modifications approved during the quarter.

FINAL PROGRESS REPORT

This report should cover grant activities **from July 1, 2015** through **June 30, 2017** or earlier as appropriate if the grant is closed.

The Final Progress Report must be submitted using the Final Report template provided by CalRecycle and may include the following components:

- A. Cover Page with Disclaimer Statement
 “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.”
- B. Table of Contents

C. Summary of Grant Activities

1. As identified in the Eligible Activities Checklist.
2. Any baseline data collected prior to implementation of grant activities.
3. The methodology used for data collection and evaluation.

D. Total Cost of Program

1. A breakdown of actual expenditures for activities by funding source.
2. A list and estimated dollar value of support from partnerships, volunteers, and in-kind services.
3. A statement whether funds received through this Agreement was a factor in obtaining additional funding and support for the project.

E. Workplan - A summary of the actual dates of project accomplishments (milestones).

1. A summary of the actual time expended on each phase of the project (i.e., planning, start-up, operation, evaluation, and until project is self-sustaining, if applicable).
2. A summary of special staffing needs.
3. A description of criteria for selecting equipment, actual effectiveness of chosen equipment, and recommended changes in equipment.
4. A statement of time elapsed before data was representative of a stable project.
5. A discussion of problems encountered and corrective actions taken.
6. A discussion of conditions unique to this project.

F. Tonnages and Revenues Generated - For activities related to beverage container, E-Waste, used oil and used tire recycling using applicable metrics.

1. A description of how any revenue received was expended.
2. Applicable metrics (i.e. containers, lbs, gallons, count, by material type).

G. Project Effectiveness

1. The outcomes achieved as a result of grant activities (e.g., percentage increases in collection, change in knowledge and/or awareness level, etc.).
2. Statistical data to support the outcomes.
3. Volumes/tonnage data collected for 12 months.
4. Reach and frequency for all promotional and/or educational components, if applicable.
5. Outside influences that may have affected the outcomes achieved.
6. Efforts resulting in the reduction of greenhouse gas emissions.

H. Conclusions and Recommendations

1. Important findings and suggestions for improvement.
2. Any modifications that were implemented to achieve success.
3. Project Sustainability.
4. A list and description of on-going expenses for this project.
5. Photographs, Articles, Promotional/Educational Materials.
6. 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 template 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 only for those line items within the categories approved in the grant application budget.
2. Reimbursement may be requested once every 30 days. More frequent payment requests may be accepted with Grant Manager pre-approval.
3. Grantees must be current on submission of Progress Report/Final Progress Reports to receive payments. Grant Managers must approve the reports prior to approval of Grant Payment Requests.
4. The grantee must submit a completed Grant Payment Request and provide supporting documentation including the most recent budget workbook as described in the "Payment Request and Documentation."
5. Grant payments will only be made to the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
6. Ten percent of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Quarterly and Final Progress Reports, have been satisfied.
7. CalRecycle will make payments to the grantee as promptly as fiscal procedures permit. The grantee can typically expect payment approximately forty five (45) days from the date a Grant Payment Request is approved by the Grant Manager.
8. CalRecycle may disburse up to 25 percent from each funding source as an advance payment if CalRecycle determines an advance payment is essential for effective implementation of the grant activities ([Government Code section 11019](#)). CalRecycle reserves the right to conduct a limited review or audit of information or statements offered by the grantee in support of the advance request. Advance payments require prior approval of the Department of Finance pursuant to Government Code section 11019(a). No advance can be provided in the current cycle unless all advances from previous cycles are reconciled.

The following documents are required to be considered for an advance.

1. Advance justification cover letter which describes the circumstances that necessitate the advance from each funding source.
2. Proof of non-profit status (if applicable).
3. A cash flow analysis with and without an advance for each funding source.
4. The most recent financial statement.

Advance payments must be fully accounted for by the end of the Grant Agreement term. After disbursing an advance, CalRecycle will deduct a proportionate amount from subsequent payment requests received from the Grantee, until the entire advance amount is repaid. Grantees may elect to pay a higher percentage to more quickly reconcile the advance.

PAYMENT REQUEST AND DOCUMENTATION

Supporting Documentation

1. Email 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 Letter of Commitment to:

Via standard mail:	Via courier/personal delivery:
Department of Resources Recycling and Recovery LCC Grant Program FiRM Branch, 13 th Floor, Mail Stop 13A P.O. Box 4025 Attn: (Grant Manager Name) Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery LCC Grant Program FiRM Branch, 13 th Floor, Mail Stop 13A Attn: (Grant Manager Name) Sacramento, CA 95812-4025

*A designee may sign on behalf of the grantee if; a) authorized by the Letter of Commitment, and b) a Letter of Designation has been provided to the Grant Manager.

2. Email copies of back-up documentation as follows:
 - 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.
 - Proof of payment for any expenditure over \$500 that are clearly identifiable as to the date and payee (e.g., copies of cancelled checks, EFT confirmations, bank statements, and invoices or credit card statements that show a zero balance).
 - Three (3) quotes or bids for any purchase or contract over \$5,000. A sole source justification may be submitted when only one viable vendor is available; however, a request and justification must be submitted to the Grant Manager for approval before the costs are incurred.
3. Excel budget workbook document that breaks out expenditures by funding sources.

The Payment Request Form (CalRecycle 87) 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.