
EXHIBIT B
PROCEDURES AND REQUIREMENTS
Household Hazardous Waste Grant (15th Cycle) for FY 2006 – 2007
County-wide Universal Waste Coordination Grant

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 Household Hazardous Waste (HHW) Grant Program is administered through the California Integrated Waste Management Board (CIWMB). 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 close-out procedures, records and audit requirements.

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

All documents submitted must be printed double-sided on one hundred percent (100%) recycled-content paper. Specific pages containing color photographs or other ink-intensive graphics may be printed on photographic paper.

Milestones

November 2006 (tentative date)	Grant Term Begins pending the Notice to Proceed
April 30, 2007.....	Progress update (brief summary of progress made from the Notice to Proceed to March 15, 2007)
October 31, 2007	Grant Term Ends
December 31, 2007	Final Report (summary of activity from Notice to Proceed to October 31, 2007, and final Payment Request Due

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 December 31, 2007, 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.

Questions?

All communication regarding this grant should be directed to your CIWMB Grant Manager. To find the name and telephone number of your CIWMB Grant Manager, refer to www.ciwmb.ca.gov/HHW/Grants/contacts.htm or

call the main office number at (916) 341-6457.

Where to send Reports, Payment Requests, etc.

Send your Reports, Payment Requests, and all other written correspondence to your CIWMB Grant Manager's attention at:

California Integrated Waste Management Board
Special Waste Division
Used Oil and HHW Branch – MS #9A
P.O. Box 4025, 1001 "I" Street
Sacramento, CA 95812-4025
Attn: (your CIWMB Grant Manager's name)

Eligible Expenditures

All expenditures must be only for activities, products, and costs included in the approved Work Plan and approved Budget, and must be incurred, and services provided and goods received, after receiving Notice to Proceed and before the end of the Grant Term. Eligible costs include, but are not limited to, the following:

- Conferences, workshops, and communication among stakeholders
- Research, data collection, and development of:
 - Projections for the amounts of universal waste (u-waste) materials to be collected and their flow through the waste processing system
 - Methods of u-waste reduction and prevention, alternative materials and processes
 - Needs, cost estimates, and best locations for upgraded and new facilities, and collection and processing equipment
 - Potential for alternative collection systems, such as retail take-back programs
 - Additional staffing and training needs, ways of sharing staff to increase efficiency and/or lower costs
 - Methods for on-going financing of the anticipated additional collection and processing costs
 - Illegal disposal enforcement problems and potential solutions
- Development of cost and process models for most efficient u-waste collection, management and processing, as well as cooperation among stakeholders
- Development of coordinated county-wide or multi-jurisdiction publicity and public education approaches on u-waste
- Revision of existing household public education brochures, posters, and advertising artwork to include u-waste information. Wherever possible artwork should have a common or standard basic design so that it can be shared among the regional municipalities and agencies.
- Overhead or indirect costs up to ten percent (10%) if supported by a Cost Allocation Plan. These costs are expenditures not capable of being assigned, and 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 cost of operating and maintaining facilities, accounting services, and administrative salaries not directly related to Grant activities are examples of overhead and indirect costs.

- Costs must be reasonable and focused on local needs as described in the application.

Any proposed revisions to the Work Plan and/or the Budget must be submitted to and pre-approved in writing by the CIWMB Grant Manager prior to Grantee incurring the proposed expenditures. The approval document should be retained by the Grantee for audit purposes. (See Audit/Record Access section of Terms and Conditions, Exhibit A, for further information.)

Ineligible Costs

Any costs not included in your approved Budget, and/or not directly related to the approved grant project, are ineligible for reimbursement. If you have any questions regarding ineligible costs, contact your CIWMB Grant Manager. Ineligible costs include, but are not limited to:

- Revision of the County Integrated Waste Management Plan (CIWMP) or its elements (however, information developed by the u-waste planning grants may be useful for future updates);
- Costs (claimed as either grant expenses or matching monies) incurred prior to the Notice to Proceed or after the grant term;
- Costs currently covered by another CIWMB loan, grant or contract;
- Purchasing or leasing of land or buildings;
- Costs to maintain an existing HHW program;
- Developing a permanent facility on non-government managed property;
- Purchasing or leasing of vehicles by non-governmental agencies;
- Management, handling, disposal, or treatment of HHW;
- Overtime costs (except for local government staffing during specially scheduled evening or weekend events that have been pre-approved in writing by the CIWMB Grant Manager, when law or labor contract requires overtime compensation) ;
- Management, handling, disposal, or treatment of radioactive, explosive or medical wastes, and other extremely hazardous waste;
- Pre-paid expenditures for future goods or services (salaries/wages, brochures, etc.) delivered beyond the end of the grant term (Exemption: The CIWMB Grant Manager may consider approving products purchased and paid for 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 not by the Grantee. The Grantee must request an exemption in writing and receive written pre-approval from the Grant Manager.);
- Any food or beverages (e.g. as part of meetings, workshops, trainings, or events);

- Profit or mark-up by the Grantee;
- Any costs that are not consistent with local, state, and federal guidelines and regulations;
- Personnel costs incurred while an employee assigned to the grant project is not working on the grant (e.g., use of accrued time such as sick leave, vacation, etc.);
- Fines or penalties due to violation of federal, state or local laws, ordinances, or regulations;
- Public education programs or campaigns, unless a pilot program is pre-approved by the CIWMB Grant Manager;
- Promotional items or premiums;
- Cell phones, pagers, Personal Digital Assistants and/or Computers and other personal electronic devices;
- Development of school curricula;
- Movie theater screen advertising;
- Overhead in excess of 10%;
- Relocation expenses;
- Enforcement activities;
- Remediation; and
- Costs deemed unreasonable or not related to the grant by the CIWMB Grant Manager.

Recycled Content Requirements

Grantees are strongly encouraged to purchase products containing recycled-content material. Such products purchased with grant funds must be reported. At a minimum, Grantees must report the percentage of recycled-content material for products purchased in the product categories listed below. Grantees must use a separate Recycled-Content Product Certification (RCP) Form (CIWMB 74G) for **each supplier** and submit these forms with the **Final Progress Report**. The form can be found at CIWMB's website and accessed by either Microsoft Word or Adobe Acrobat: www.ciwmb.ca.gov/HHW/Forms/.

Purchases of the following products with grant funds must meet the specific percentages of recycled-content, as described on the RCP form:

- Paper Products
- Printing & Writing Paper
- Plastic Products
- Compost & Co-compost
- Glass Products
- Lubricating Oils
- Paint
- Solvents
- Steel Products
- Tires
- Tire-Derived Products

Any exceptions to the above requirements must be pre-approved in writing by your CIWMB Grant Manager.

**Requirements for
Publicity and
Education Items**

Recycled-content information for some commonly purchased Grant items may be found at:

www.ciwmb.ca.gov/UsedOil/Grants/Resources/Vendors/PromoProduct.doc More information regarding RCP vendors and contractors may be found at: www.ciwmb.ca.gov/RCP/ For information about CIWMB's *Buy Recycled Program*, visit: www.ciwmb.ca.gov/BuyRecycled/

Materials or items designed or purchased for publicity or educational purposes may be denied for reimbursement if they do not meet the requirements detailed in this section.

Premiums must be specifically tailored to the target audience, must be durable, and not likely to be disposed of in a short time, nor contribute to the waste stream or hazardous waste stream (e.g., any item containing batteries, mercury, etc.); and they must not promote particular brand-name products or private businesses.

Wherever possible, artwork should have a common or standard basic design so that it can be shared among the regional municipalities and agencies

For all languages other than English, you must work with a certified translator or person fluent in reading and writing the language. A description of the translator's qualifications, as well as an English version of the material(s), must be submitted with the final report.

For audit purposes, samples of all publicity and education (P&E) materials must be retained for three years AFTER the close of the Grant Term or a longer period of time if warranted to resolve any issues surrounding this Grant.

All items/materials, radio, television, etc., public service announcements or advertisements, as appropriate, must be designed to meet the recycled-content product content requirements as set forth in the Terms and Conditions and described in the RCP Form, and must include the following:

- 1) Acknowledgement of the CIWMB funding and copyright ownership that reads "Funded by a Grant from the California Integrated Waste Management Board. ¹ © {year of creation} by the California Integrated Waste Management Board (CIWMB). All rights reserved. This publication, or parts thereof, may not be reproduced without permission from CIWMB." Use of the initials "CIWMB" is not sufficient. Exception: The acknowledgement line is not required on small items where space constraints would not allow

¹ There are only two acceptable Spanish translations: "Financiado por una beca del California Integrated Waste Management Board" or "Patrocinado por fondos del California Integrated Waste Management Board." For other languages, you must work with a certified translator or person fluent in reading and writing that language.

for this line, or if it would interfere with the message (pencils, magnets, etc.). All exceptions must be pre-approved in writing by your CIWMB Grant Manager.

- 2) Specific information on reducing, recycling, or safe disposal of HHW materials.
- 3) A list of HHW collection locations or a 24-hour hotline number. When locations are listed, include the following language: "Call for hours of operation and types of materials accepted".

Graphics



Written Pre-Approval Required for Select Publicity and Education Materials

HHW-related graphics are available for your use on the CIWMB's website at: <http://www.ciwmb.ca.gov/UsedOil/graphics/HHWArt/>

For information on recycled-content products, see www.ciwmb.ca.gov/BuyRecycled/StateAgency/Buying.

The following materials and items require written approval from your CIWMB Grant Manager prior to incurring the expense. These items include:

1. Premiums, if the per item cost exceeds six dollars (\$6.00).
2. All television, radio and video scripts.

Publicity & Education Reporting Samples

For audit purposes, Grantees are required to retain samples of all P&E materials for three years AFTER the close of the Grant term, or for a longer period of time if warranted to resolve any issues with this grant. (see Audit/Records Access Section in Terms and Conditions, Exhibit A).

Progress Report Due April 30, 2007

The Progress Report covers activities from September 1, 2006 (or the date of your Notice to Proceed) through March 15, 2007, summarizes grant activities, and includes, but is not limited to:

- The Grant number, Grantee's name and Grant Term.
- The following disclaimer statement:
"The statements and conclusions of this report are those of the Grantee and not necessarily those of the California Integrated Waste Management Board, 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."
- A description of activities that were undertaken, during the reporting period. Activities must be arranged by the categories shown in your approved Work Plan.
- Any major problems encountered that would prevent completion of the Work Plan, or any changes proposed for the Work Plan
- Any assistance needed from the CIWMB Grant Manager

Final Report: Due: December, 31, 2007

The Final Report covers activities from September 1, 2006 (or the date of your Notice to Proceed) through October 31, 2007, summarizes grant activities, and includes, but is not limited to:

1. The Grant number, Grantee's name, and Grant Term.

2. The following disclaimer statement:

"The statements and conclusions of this report are those of the Grantee and not necessarily those of the California Integrated Waste Management Board, 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. Names, titles and agencies of stakeholder participants

3. Description of activities that were undertaken, continued, and completed during the reporting period. Activities must be arranged by the categories shown in your approved Work Plan.

4. Summary of regional u-waste coordination results, as applicable to your Work Plan. The results will be submitted on a Board-supplied standard form (HHW Cycle 15 –Regional Coordination Results) for distribution to other counties and interested parties. The Report Form will be similar to Attachment 3 listed in the grant application package and will be available from the Grant Manager on or about September 1, 2007.

Payment Request

The CIWMB Grant Manager shall authorize payment upon approval of a complete and accurate Payment Request and, where applicable, approval of all required reports. A payment request **may be submitted more frequently**, either on a quarterly or a monthly basis, as long as a description/report of activities completed during that time period is included.

Forms for a Payment Request

All forms can be downloaded from the CIWMB's website at www.ciwmb.ca.gov/HHW/Forms/, or contact your CIWMB Grant Manager.

Required Documents and Format for Payment Request

The documentation accompanying a Payment Request must contain sufficient information to verify that purchases made are eligible for payment and *have already been paid for by the Grantee*. Purchase orders will not be accepted as appropriate documentation of expenses. Personnel expenditures must be computed based on actual time spent on grant-related activities.

A complete Payment Request must include the following items in the order listed.

1. **Payment Request Form** (CIWMB 87) – This form must be signed by the authorized signatory as stated in the Grantee’s adopted resolution. Please remember to type or print the individual’s name and title below the signature.
2. Supporting documentation, including legible copies of receipts, invoices, signed timesheets, etc., for all expenses for which reimbursement is being requested; *Documentation **must** show that expenditures have already been paid.*
3. **Expenditure Itemization Summary** (CIWMB 667) - All expenditures must be itemized and arranged by the Reporting and Expenditure Categories for your Grant as it was approved.

Ten Percent Withhold

Ten percent (10%) will be withheld from each Payment Request and paid at the end of the grant term, when all reports and conditions stipulated in the Grant Agreement have been satisfactorily completed. The final ten percent (10%) withhold can be requested once all of the tasks outlined in the Grant Agreement have been satisfactorily completed. Submit a separate Payment Request Form (CIWMB 87) for reimbursement of the retention funds. Contact the CIWMB Grant Manager for the correct dollar amount.

Supporting Documentation

Documentation for all expenditures claimed on the Payment Request should be retained for a minimum of 3 years after closeout of the grant term for audit purposes, or for a longer period of time if warranted to resolve issues surrounding this grant. (see Audit/Records Access in Terms and Conditions, Exhibit A) Types of acceptable documentation include, but are not limited to:

- a) **Invoices.** Invoices must include the name of the vendor, vendor’s telephone number and address, description of goods and/or services purchased, amount due, and date.
- b) **Receipts.** Receipts should include the same information as invoices (see above).
- c) **Purchase orders with proof of payment.** Purchase orders should include the same information as invoices and receipts, and must be accompanied by proof of payment (e.g., copies of cancelled checks).
- d) **Personnel Expenditure Summary Form.** 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 CIWMB Grant Manager). This form can be found at CIWMB's website:

www.ciwmb.ca.gov/Grants/Forms/Expend.doc

- e) **Travel Expense Form.** Document costs related to travel and include supporting documentation and the written pre-approval of the CIWMB Grant Manager. This form can be found at CIWMB's website: www.ciwmb.ca.gov/Grants/Forms/travel.xls

Goods Purchased and Services Rendered

Goods and services must be paid for and received within the period from the Notice to Proceed to the end of the term of the Grant Agreement (Notice to Proceed – October 31, 2007). Proof of delivery is required.

Exceptions and Audit Considerations

Exceptions to the provisions of the Procedures and Requirements of the Grant Agreement may be considered on a case-by-case basis.

Requests for exceptions must be submitted in writing, and must be pre-approved in writing, by your CIWMB Grant Manager. The Grantee is responsible for retaining documentation of any exceptions to the Grant Agreement for audit purposes.

This Grant is subject to audit for at least three years after the close of the Grant Term, or for a longer period of time if warranted to resolve any issues with this Grant. (See Audit/Records Access in Terms and Conditions, Exhibit A) Documentation and a clear audit trail are essential to grant management.

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 canceled checks. See the Audit/Records Access section of the Terms and Conditions (Exhibit A) for more information.

Overhead and Indirect Costs

Overhead and indirect costs can be claimed by Grantees. The following guidelines must be used when claiming these costs:

- The total of overhead and indirect costs charged to the grant shall not exceed ten percent (10%) of the grant funds expended. These costs are expenditures not capable of being assigned and 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 are examples of

overhead and indirect costs. All overhead and indirect costs charged to the grant must be associated with grant activities as shown in the approved Budget.

If you are uncertain whether a given cost is considered an overhead/indirect cost by the CIWMB, contact your CIWMB Grant Manager.

- Direct costs charged directly to the grant shall not be included in the overhead/indirect cost formula.
- Supervision performed by Managers and Supervisors can be included in the overhead/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. Any such activity must be clearly supported by appropriate documentation and shall not be charged to the grant as overhead or indirect cost.
- The Grantee must have on file an internally approved Cost Allocation Plan which specifically documents how the cost amount was established and how it is supported by formal accounting records to substantiate the charges. The Cost Allocation Plan must be approved by an appropriate Supervisor/Manager in your agency. The Cost Allocation Plan must identify program elements included in the overhead/indirect cost calculation. See the sample "Cost Allocation Plan" calculation below:

Total department indirect cost divided by total department direct cost base equals indirect cost rate.

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 the CIWMB.