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**EXHIBIT B**  
**PROCEDURES AND REQUIREMENTS**  
**Household Hazardous Waste Grant (15<sup>h</sup> Cycle) for FY 2006 – 2007**  
**Infrastructure Competitive Grant**

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

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**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 full-color photographs or other ink-intensive graphics may be printed on photographic paper.

**Milestones**

November 2006	Grant Term Begins pending the Notice to Proceed
April 1, 2007	Progress Report Due ( Covering activities from Notice to Proceed date through March 15, 2007)
April 1, 2008	Progress Report Due ( Covering activities from March 16, 2007 through March 15, 2008)
March 31, 2009	Grant Term Ends
April 13, 2009	Final Report (summary of activity from Notice to Proceed, and report from March 16, 2008 to March 31, 2009), 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 April 13, 2009, 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](http://www.ciwmb.ca.gov/HHW/Grants/Contacts.htm).

You may also 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 Grant Manager's name)

**Eligible Expenditures**

All expenditures must be only for activities, products, and costs included in the approved Work Plan (Exhibit C) and approved Budget (Exhibit D), 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:

- Design of Permanent Household Hazardous Waste Collection Facilities (PHHWCF) including facility planning, site analysis, conceptual design and the local approval process;
- Construction of PHHWCF including construction, equipment and service;
- Costs, including materials, supplies, equipment and facilities must be related to the management of HHW;
- Set-up and operation of temporary facilities for one-day or multi-day collection events;
- Expenses that provide an opportunity for the collection of HHW that would not otherwise exist;
- Publicity and educational activities, particularly those that utilize community-based social marketing; that support HHW collection, recycling, and use of recycled products; and/or pollution prevention programs;
- Sharps containers that provide disposal instructions. The containers must be collected at an established HHW collection facility in order for the grant funds to cover transportation and disposal costs. The cost of this portion of a program may not exceed \$40,000,
- 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; and

- 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.)

## **Ineligible Expenditures**

Any costs not included in your approved Budget, and 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:

- 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;
- Purchasing of vehicles by non-governmental agencies;
- Leasing of gasoline-fueled vehicles (including hybrid vehicles) by non-governmental agencies unless pre-approved in writing by CIWMB Grant Manager;
- Costs to maintain an existing HHW program;
- Developing a permanent facility on non-government managed property;
- 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, television or radio advertisements, etc.) delivered beyond the end of the grant term (Exemption: The CIWMB 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 not by the Grantee. The Grantee must request an exemption in writing and **receive written pre-approval from the CIWMB Grant Manager**);
- Any food or beverages (e.g. as part of meetings, workshops, training, or events);

- Public education costs not directly tied to HHW collection;
- Any costs that are not consistent with local, state, and federal laws, 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.);
- Premiums or promotional items that contribute to the solid or hazardous waste streams;
- Fines or penalties due to violation of federal, state or local laws, ordinances, or regulations;
- Promotional items or premiums that are not related to HHW or the target audience;
- Cell phones, pagers, Personal Digital Assistants and/or Computers and other similar personal electronic devices;
- Development of school curricula;
- Movie theater screen advertising;
- Overhead in excess of 10%;
- Relocation expenses, unless pre-approved in writing by CIWMB Grant Manager
- Enforcement activities
- Remediation (any cleanup or restoration of polluted areas)
- Travel expenditures that exceed the state rate
- Out-of-state travel
- Profit or mark-up by the Grantee; and
- Costs deemed unreasonable or not related to the grant by the CIWMB Grant Manager.

**Large Equipment  
CIWMB  
Acknowledgement**

A CIWMB sticker (bumper sticker size) that displays the “Funded by a grant from the California Integrated Waste Management Board” is required to be affixed to all large pieces of equipment purchased with grant funds. When submitting the Final Report, the picture of this equipment should include the affixed sticker. CIWMB stickers are available at no cost.

**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 at: [www.ciwmb.ca.gov/HHW/Forms/](http://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.

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

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

**Requirements for Publicity and Education Items**

**Materials or items 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*, the Grantee 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 for 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 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.<sup>1</sup> © {year of creation} by the California

<sup>1</sup> 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.

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 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 HHW recycling/disposal rates.
- 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

### Publicity & Education Reporting Samples

### Progress Reports Due Dates:

April 1, 2007

April 1, 2008

HHW-related graphics are available for your use on the CIWMB's website at: [www.ciwmb.ca.gov/HHW/Outreach/](http://www.ciwmb.ca.gov/HHW/Outreach/)

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.

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 a for longer period of time if warranted to resolve any issues with this grant. (See Audit/Records Access Section in Terms and Conditions, Exhibit A).

**The Progress Reports** cover activities from receipt of the Notice to Proceed through March 15, 2007, and from March 16, 2007 through March 15, 2008. Timely filing of acceptable Progress Reports is a material component of this Grant Agreement. **Failure to file Progress Reports in compliance with the requirements set forth below by the established deadlines may be considered a breach of this Grant Agreement and may result in administrative action up to and including termination of this Grant Agreement.**

The reports should include, at a minimum, the following:

1. The Grant number, Grantee's name, and reporting period.
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."

3. A description of work completed, arranged as according to tasks and Expenditure Categories as shown in your Work Plan. Include as an overall summary, or in each section, responses to the following questions as applicable:

- a) What are the unique or new activities/technologies?
- b) What were the successes (so far) in relation to goals and objectives?
- c) What problems/challenges were discovered during implementation?
- d) How did you resolve them?
- e) What "best practices" might be shared with other jurisdictions?

4. A brief discussion of work to be conducted during the remainder of the grant term. If necessary, discuss any adjustments to the Work Plan resulting from your process evaluation.

5. Payment Request Form, required documentation, and an Expenditure Itemization Summary (EIS) can be submitted if reimbursement is desired. Please refer to the section labeled "Payment Request" for more details.

6. Copies of Permit by Rule (PBR) Notification Form (Department of Toxic Substance Control-DTSC Form 1171, 1094b,) for all facility construction/expansion, temporary/mobile collection events, door-to-door collection events, etc. and wherever PBR is required by law.

**Note: Inclusion of proposed adjustments or changes to the Work Plan or Budget in the annual Progress Report does not constitute submission of a written request your CIWMB Grant Manager to make specific changes to the approved Work Plan or Budget. Your CIWMB Grant Manager must give written pre-approval for any changes to the Work Plan or Budget.**

**The Final Progress Report** covers activities from March 16, 2008 through March 31, 2009; and additionally, summarizes the entire grant (the date of your Notice to Proceed through March 31, 2009), and includes:

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

**Final Progress  
Report:  
Due: April 13, 2009**

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."

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 Measured Evaluation.

- Non-facility construction and/or expansion grants: Results must be submitted on Attachment 1 (HD15 - Project Evaluation Data form). This form will be available electronically in Spring 2007 at [www.ciwmb.ca.gov/HHW/forms](http://www.ciwmb.ca.gov/HHW/forms) and **Grantees must download this form** for use with the Final Report, as it is embedded with Excel calculation formulas. In addition to the hard copy that accompanies the Final Progress Report, Grantees must submit an electronic version of the completed form to their CIWMB Grant Manager as an Excel document attached to an email or on a CD.
- Facility construction and/or expansion grants: Results must be submitted on Attachment 2 (HD15 - Facility Construction/Expansion Evaluation Data form). This form will be available electronically in Spring 2007 at [www.ciwmb.ca.gov/HHW/forms](http://www.ciwmb.ca.gov/HHW/forms) and **Grantees must download this form** for use with the Final Report, as it is embedded with Excel calculation formulas. In addition to the hard copy that accompanies the Final Progress Report, Grantees must submit an electronic version of the completed form to their CIWMB Grant Manager as an Excel document attached to an email or on a CD.

Grantees that undertake projects involving both of the above must submit both the completed Project Evaluation Data form and the completed Facility Construction/Expansion Data form.

5. Narrative evaluation of project outcome during the grant term.

**Answer all of the following questions:**

- a) Did the amount of HHW collected each year during the grant term increase as compared to the year **prior to** the grant

- term? If so, by what percent? If not, why not?
- b) Did you model your project after that of another grantee? If so, what changes did you make to adapt the model to your jurisdiction?
  - c) What aspects of the project worked well and why?
  - d) What aspects of the project did not work well and why?
  - e) What aspects of the project will be continued beyond the grant term?
  - f) What would you do differently if you had to redesign the project?

*For more on evaluation, see*

[www.ciwmb.ca.gov/UsedOil/Grants/Resources/#Program](http://www.ciwmb.ca.gov/UsedOil/Grants/Resources/#Program)

#### 6. Samples of Premiums and Printed Material

- a) A digital image of each premium item in a commonly accepted format, and all final printed publicity and education materials. The photographs of the premiums must show compliance with procedures (i.e. oil logo, “funded by grant from” phrase, “zero waste” phrase, etc. See “Requirements for Publicity and Education Items” section for guidance.) More than one digital image may be submitted if needed to capture all required components or to accurately illustrate the item. *If compliance with procedures cannot be clearly captured in a photographic image, then an original copy of the premium item must be submitted.*
- b) A CD-rom that includes camera-ready graphic art files(s) used to create **each item** developed during the Grant Term.
- c) Two photographs, from different angles, for large items such as equipment or structures.
- d) A photograph of each event attended or conducted (if not previously submitted.)

#### 7. Samples of final Video and Radio Ads:

A final copy of each video or radio ad (if not previously submitted) in the appropriate media format (VHS format for videos and cassette tape or compact disc for radio ads).

8. Evidence of any work product identified in the scope of work, photographs and descriptions of equipment, structures, events, etc. that were produced, purchased or conducted (unless previously submitted).

9. Payment Request, required documentation and an Expenditure Itemization Summary (EIS) can be submitted if reimbursement is desired. Please refer to the section labeled “Payment Request” for more

details.

A completed and signed **Recycled-Content Certification Form** (CIWMB 74G) for each item purchased with grant funds. See [www.ciwmb.ca.gov/HHW/Forms](http://www.ciwmb.ca.gov/HHW/Forms) for the CIWMB 74G form.

## 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 California Integrated Waste Management Board's (CIWMB) website at [www.ciwmb.ca.gov/HHW/Forms/](http://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 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 three years after the close of the grant term for audit purposes, 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) 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 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](http://www.ciwmb.ca.gov/Grants/Forms/Expend.doc).
- e) **Travel Expense Form.** Document costs related to travel and include supporting documentation and the CIWMB Grant written pre-approval. This form can be found at CIWMB's website: [www.ciwmb.ca.gov/Grants/Forms/travel.xls](http://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 – March 31, 2009). 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 **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/Record Access section of 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 cost of overhead and indirect cost charged to the grant shall not exceed ten percent (10%) of the grant funds expended. 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 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 Grantees 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.