

EXHIBIT B
PROCEDURES AND REQUIREMENTS
Department of Resources Recycling and Recovery (CalRecycle)
Local Enforcement Agency Grant Program
Fiscal Year 2013/14 – 24th Cycle

INTRODUCTION

Public Resources Code Section 43230 mandates the administration of grants by the Department of Resources Recycling and Recovery (CalRecycle) to local enforcement agencies to carry out their solid waste facilities permit and inspection programs. These Procedures and Requirements, which are incorporated by reference into the Grant Agreement as Exhibit B, include but are not limited to, the instructions for obtaining payment of the grant, the reporting requirements, and the fiscal control procedures to be followed in implementing the Local Enforcement Agency (LEA) Grant Program (Program). These Procedures and Requirements and the accompanying Terms and Conditions (Exhibit A), Approved FY 2013/14 Application and any approved amendments (Exhibit C) and FY 2013/14 Application Guidelines and Instructions (Exhibit D) shall remain in effect for purposes of implementing the LEA Grants during any interim period between the end of the EA 24 LEA Grant Cycle on June 30, 2014, and the execution of a new Grant Agreement governing the EA 25 LEA Grant Cycle for Fiscal Year (FY) 2014/15.

**RELIABLE
CONTRACTOR
DECLARATION**

Prior to authorizing a contractor(s) to commence work under this Program, the Grantee shall submit to the Grant Manager a [Reliable Contractor Declaration form \(CalRecycle 168\)](#) from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in the [California Code of Regulations, Title 14, Section 17050](#) has occurred with respect to the contractor(s) and the subcontractor(s), respectively.

The Reliable Contractor Declaration Form must be uploaded in GMSWeb. To upload the Form:

1. Go to the **Report and Other Grant Documents** section in the **Detail tab**.
2. Click on the **Upload a Document** button.
3. Type a title, i.e. Reliable Contractor Declaration Form, then click the **Browse** button to search and upload the document.
4. Click the **Save** button.

For further instructions on uploading the Reliable Contractor Declaration or for more information regarding GMSWeb, including log-in directions, see the section below entitled “Grant Management System.”

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.

GRANT TERM

The Grant Term begins on July 1, 2013, and ends on October 28, 2014. The Grant Term begins on the first day of the Grant Performance Period and ends on the last day of the Report Preparation Period, thus encompassing the entire grant cycle.

The Grant Performance Period begins on July 1, 2013, and ends on June 30, 2014. All eligible Program costs must be incurred no later than June 30, 2014. Program costs incurred after June 30, 2014, are ineligible for reimbursement.

The period between July 1, 2014, and October 28, 2014, is referred to as the Report Preparation Period. **Costs incurred to prepare the Final Report and Final Payment Request are the only costs that are eligible for reimbursement during the Report Preparation Period.** The Final Report and Final Payment Request are due to CalRecycle no later than October 28, 2014.

Grant Term	Grant Performance Period	Report Preparation Period
July 1, 2013 - October 28, 2014	July 1, 2013 - June 30, 2014	July 1, 2014 - October 28, 2014

ELIGIBLE COSTS

Eligible program costs may be incurred only during the Grant Performance Period which begins July 1, 2013, and ends on June 30, 2014. All costs must be directly related to the implementation of the solid waste facilities permit and inspection programs as set forth in the approved projected budget report. Costs must be reasonable and cost-effective.

Eligible costs include, but are not limited to:

- Consulting services;
- Education;
- Purchase of equipment or materials.
- Staffing;
- Training; and
- Travel within the State.

Travel and per diem reimbursement is limited to a maximum of the State rate as described in the *California State Administrative Manual*. Please consult the Grant Manager for guidance. 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.

INELIGIBLE COSTS

Any costs not directly related to the implementation of the facilities permit and inspection programs as set forth in the approved budget are ineligible. Ineligible costs include, but are not limited to, the following:

- Any costs that are not consistent with local, state, and federal statutes, ordinances and/or regulations;
 - Any food or beverages (supplied as part of meetings, workshops, training, or events);
 - Any personnel costs incurred as a result of time an employee assigned to the solid waste program does not actually work on the solid waste program (e.g. use of accrued vacation, sick leave, etc.);
 - Any pre-paid expenditures for future goods or services delivered after the end of the Grant Performance Period. (Exemption: The Grant Manager may consider approving products purchased in full before the end of the Grant Performance Period but delivered after the Grant Performance Period if the delay is caused solely by the supplier and through no fault of the Grantee. The Grantee must
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request an exemption in writing and receive written approval from the Grant Manager.);

- Cleanup of illegal dumping;
- Costs currently covered or incurred under another CalRecycle loan, grant, grant cycle or contract;
- Costs incurred prior to or after the Grant Performance Period, except for costs incurred to prepare the Final Report and final Payment Request, which are eligible for reimbursement during the Report Preparation Period;
- Landfill operations;
- Out-of-state travel, unless pre-approved in writing by the Grant Manager;
- Overhead and indirect costs;
- Overtime costs (except for local government staffing during specially scheduled evening or weekend events that have been pre-approved in writing by the Grant Manager when law or labor contracts REQUIRE overtime compensation);
- Purchasing or leasing of vehicles; and
- Any other costs not deemed reasonable or related to the purpose of the grant by the Grant Manager.

Note: All expenditures are subject to audit. Please contact the Grant Manager if you have any questions concerning eligible costs.

**CHANGES TO
BUDGET**

The approved budget in the Grant Management System (GMS) Web represents the proposed expenditure plan of the Grantee at the time of the application submittal. The Grantee must obtain written pre-approval from the Grant Manager for all changes to the approved budget when the total amount of all changes equals \$5,000 or 10% of the grant amount, whichever is greater. A budget change includes the adjustment of grant funds between the main budget categories as listed in the GMS Web application. Any adjustment of grant funds between budget subcategories within a main budget category does not require pre-approval, regardless of the limits set forth above. The Grantee must notify the Grant Manager of all budget changes when the Grantee submits its Final Report, no later than October 28, 2014, including adjustments between subcategories, made pursuant to this provision. Please retain all notifications to and approvals from the Grant Manager in your grant file for audit purposes.

**RECORDS AND
AUDIT
REQUIREMENTS**

As more fully described in the attached Terms and Conditions "Audit/Records Access" provision, this grant is subject to a desk or field audit. The Grantee must retain all financial and grant program documents including, but not limited to, statistical records, supporting documents, source documents, expenditure ledgers, payroll register entries, time sheets, paid warrants, contracts, change orders, invoices, and canceled checks that substantiate the expenditures claimed. These documents must be available at the time of an audit.

If an audit reveals that CalRecycle funds are not being expended, or have not been expended in accordance with this Agreement, in addition to any other rights of CalRecycle, the Grantee may be required to forfeit the unexpended portion of the funds, and/or repay CalRecycle for any improperly expended monies. Additionally, future grant awards to the Grantee may be jeopardized.

**GRANT
MANAGEMENT
SYSTEM (GMSWEB)**

GMSWeb is CalRecycle’s web-based grant application and grant management system. Access to GMSWeb is secure. Grantees must log in using a WebPass. WebPass accounts are created for individuals, not organizations, and will be tied to your specific email address. If an email address changes, or if it becomes inactive, the Grantee must create a new WebPass account to continue accessing GMSWeb. Establish or manage a CalRecycle WebPass at <https://secure.calrecycle.ca.gov/WebPass/>. Email the assigned Grant Manager for all changes to contacts and web passes to ensure continued access to the system.

Accessing the grant.

Grantees must log into GMSWeb using their web pass at <https://secure.calrecycle.ca.gov/Grants>. After log-in, locate the grant in the **Associated Grant Applications** table and select the **Grant Management** link. The Grant Management module includes the following sections:

- Budget Summary - shows approved budget, paid and remaining amounts. (This section is available to the Grantee in Read-only mode.)
- Payment Request Transactions - reconciles an advance or requests reimbursement.
- Interest Earned - reports and reconciles earned interest from advances.
- Report and Other Grant Documents - this section is not applicable to this grant program.

Follow the instructions in GMSWeb to work in the system. Use the information in the following sections to determine what transactions and supporting documents are required.

Contact Updates

- Access to the grant is limited to those listed in the **Contacts** tab in the **Application Module**. Contact information is available to the Grantee in read-only mode.
- Email the assigned Grant Manager regarding any changes to contact information to ensure continued access.

**PAYMENT
PROCESSES FOR
ADVANCE AND
REIMBURSEMENT
PAYMENTS**

In their applications, Grantees requested either an advance payment or reimbursement payment.

1. If the Grantee requested an **Advance Payment**:

- The advance payment will be processed by the Grant Manager in the GMSWeb - *Grant Management Module* after the Grant Agreement is fully executed and the Payment Request form is approved. The advance payment transaction will be visible to the Grantee after the transaction is completed by the Grant Manager.
- Ten percent (10%) of the Advance Payment is withheld and will be retained until all conditions stipulated in the Grant Agreement have been satisfied.
- Upon receipt of advanced grant funds, the Grantee shall deposit and maintain until expended all grant funds in an interest-bearing account within a federally insured financial institution. Grantee shall maintain a separate accounting system for the grant funds including the earned interest. Any earned interest must be tracked for reporting purposes as discussed in the *INTEREST* section below.
- The remaining ten percent (10%) will be reimbursed to the Grantee upon satisfactory completion of the Grant Agreement. The Grantee must reconcile the advance payment in the GMSWeb - *Grant Management Module* by creating an Advance Reconciliation transaction. The Grantee must enter the final expenditure information in the Payment Request Transaction section of the Grant Management Module.

- 1) Go to the Payment Request Transactions section in the Detail tab.
- 2) Click on the “Create a Reimburse/Advance Reconciliation” button.

**PAYMENT
PROCESSES FOR
ADVANCE AND
REIMBURSEMENT
PAYMENTS (CONT)**

- 3) Choose **Advance Reconcile** for the Transaction Type, enter the Requested Date, enter a note if applicable, and enter the amount spent in each budget sub category.
 - 4) When the transaction is complete click the “Save” button.
- Grant funds must be spent in the following order:
 - 1) Advance payment
 - 2) Reimbursement payment [ten percent (10%) withhold]
 - 3) Interest earned on advance payment, if approved by the Grant Manager.
 - Any unspent grant funds or unspent earned interest must be returned to CalRecycle by the end of the Grant Term.

2. If the Grantee requested **Reimbursement Payment**:

At the end of the grant term, the Grantee must:

- Download the Grant Payment Request form (CalRecycle 87) from CalRecycle’s website at <http://www.calrecycle.ca.gov/Grants/Forms/>. Complete the Grantee sections of the form and obtain a signature of the person authorized in the Resolution or Letter of Designation.
- Create a Reimburse Transaction in GMSWeb-*Grant Management*.
 - 1) Go to the Payment Request Transactions section in the Detail tab.
 - 2) Click on the “Create a Reimburse/Advance Reconciliation” button.
 - 3) Choose **Reimburse** for the Transaction Type, enter the Requested Date, and enter the amount spent in each budget sub-category.
 - 4) When the transaction is complete, click the “Save” button.
 - 5) After the transaction is saved, upload a copy of the Payment Request Form (CalRecycle 87, check box labeled “Final”) as a supporting document (button will be located in the lower right hand corner of the transaction page). Mail the Payment Request Form (CalRecycle 87) with original signature to the Grant Manager at:

Via standard mail:	Via courier/personal delivery:
Department of Resources Recycling and Recovery LEA Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery LEA Grant Program FiRM Branch, 17 th Floor 801 K Street Sacramento, CA 95814

- Reimbursement payment will be made to the Grantee upon satisfactory completion of the Grant Agreement and submittal of the final Payment Request form and entering of the final expenditure information in the GMSWeb – Grant Management Module.

The final Payment Request for reimbursement of the 10% withhold and/or reimbursement of grant-eligible expenditures is due **October 28, 2014**.

Expenditure information enables CalRecycle to determine specific uses of all grant funds. The Grantee may enter the final expenditure information when grant funds have been expended but **no later than October 28, 2014**. Failure to comply with these reporting requirements may result in termination of this Grant Agreement or suspension of any or all outstanding Payment Requests and may jeopardize future grant awards.

INTEREST

Grantees that request an advance payment must account for all interest accrued and received. All interest accrued and received from the grant funds shall be used only for eligible expenses related to the performance of this Agreement.

- Interest earned may not be spent until the full grant award has been expended.
- The earned interest must be reported in the Interest Earned section under the Detail tab within the GMSWeb – Grant Management Module.
- To report interest earned:
 - 1) Go to the Interest Earned section in the Detail tab and click on the “Create an Interest Record” button.
 - 2) Complete required fields by selecting “Earned” as the Interest Type, select the Budget Subcategory where the interest will be spent; enter the date, and the amount of interest earned in the Report Amount filed.
 - 3) Click the “Save” button when the transaction is complete.

Once interest is spent, create another Interest Record by following the same steps as above except choose Reconcile as the Interest Type.

If no interest was accrued during the fiscal cycle, a written explanation that no interest was earned because grant funds were expended within 90 days must be entered in the Note section of the Advance Reconcile Transaction in GMSWeb - Grant Management Module, see Payment Process for Advance Payments section. The Grantee is highly encouraged to immediately reconcile their advance payment if it was fully expended within the 90 days.

All unused interest or unspent grant funds must be returned to CalRecycle at the end of the Grant Term.
