

EXHIBIT B PROCEDURES AND REQUIREMENTS

Local Government Waste Tire Amnesty Grant Program TA3 Cycle - Fiscal Year (FY) 2015–16

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 Local Government Waste Tire Amnesty 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

NTP Date	Grant Term on date indicated on the Notice to Proceed (NTP)
With each Payment Request	Progress Report Due
June 30, 2017	Final Progress Report and Final Payment Request Due. All costs must be incurred by this date.
June 30, 2017	Grant Term Ends

No extensions will be granted for submittal of Final Progress Report and final Payment Request. Failure to submit the Final Progress Report and Final Payment Request with appropriate documentation by June 30, 2017 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 **Associated Grant Applications** table and select the **Grant Management** link. 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. Upload waste tire manifests, Expenditure Itemization and all documents that support the payment request.
- **Reports tab**- uploads Reliable Contractor Declaration, Progress Report/Checklist and Final Report/Checklist
- **Documents tab**– uploads other grant documents that are not considered supporting documents to a payment request, or a report such as a letter, a revised Budget or Work Plan. This section also provides access to documents that were uploaded within other sections of GMS.

Note: The Grant Management module is only available after the Grant Agreement has been fully executed.

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.

After the Grant Agreement (Agreement) is signed by CalRecycle, the Grant Manager will provide the Grantee with a copy of the fully executed Agreement and the Notice to Proceed. While receipt of the Notice to Proceed allows the Grantee to begin work on the project, be aware of the following requirement:

Reliable Contractor Declaration

A Reliable Contractor Declaration must be completed and submitted for each business/company that is paid with grant funds to perform a service, regardless of whether there is a formal contract. **The form must be submitted to the Grant Manager prior to authorizing a contractor(s) to commence work under this grant.** The declaration is signed, under penalty of perjury, and states 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) [CalRecycle's form web page \(http://www.calrecycle.ca.gov/Funding/Forms/default.htm\)](http://www.calrecycle.ca.gov/Funding/Forms/default.htm)

Note: You will not be able to upload the Reliable Contractor Declaration until your Agreement has been fully executed and the Grant Management module of GMS has been activated.

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.

Waste & Used Tire Hauler and End Use and Disposal Facilities

CalRecycle has specific requirements for the tracking of used and waste tires remediated with grant funds. In order to be reimbursed for the costs of tire collection, Grantees and their contractors must use a waste/used tire hauler that is registered with CalRecycle, unless it is exempt pursuant to Public Resources Code section 42954. Furthermore, the tires must be transported to a facility that is permitted, excluded, exempted or otherwise authorized by CalRecycle, by statute, or by regulation, to accept waste and used tires, or to a facility that lawfully accepts waste and used tires for reuse or disposal.

When planning for an amnesty event, the Grantee shall contact the CalRecycle Tire Management Program Hotline (Hotline) at (866) 896-0600 (toll free) to verify that the Local Government Waste Tire Amnesty Grant Program, TA3 FY 2015–16

used tire hauler (tire hauler) and end use facility (facility) it intends to use are in compliance with applicable laws and regulations. The name and address of the tire hauler and the facility are necessary for verification. If you have any questions, contact your Grant Manager.

A TPID Number will need to be obtained, by calling the Hotline number listed above, for each amnesty event location.

Waste Tire Hauling Limits

The Grantee must comply with the hauling and manifest requirements set forth in Title 14, California Code of Regulations, sections 18461(b)(2) and (3). For purposes of amnesty events, these regulations provide that:

- The Grantee may accept up to 9 waste tires at amnesty events from individuals who are not registered waste tire haulers.
- The Grantee may accept 10-20 waste tires if the individual has a waiver from the Local Enforcement Agency (LEA).
 - If the individual does not have a waiver from the LEA to haul more than 9 tires, the Grantee may accept the tires, but must report this information on the Unregistered Hauler & Comprehensive Trip Log Substitution Form (Unregistered Hauler Trip Log) (CalRecycle 204) and submit the form to CalRecycle within 30 days of acceptance of the tires.
 - If the Grantee accepts more than 20 waste tires from an individual, the Grantee must report this information on the Unregistered Hauler Trip Log and submit the form to CalRecycle within 30 days of acceptance of the tires.
 - The Unregistered Hauler Trip Logs should be sent to the following:
By mail:
CalRecycle, Tire Hauler Compliance Unit
P.O. Box 4025
Sacramento, CA 95812
Email: wastetires@calrecycle.ca.gov
Fax: 916-319-7605

In addition, Senate Bill 230 (Cogdill, Chapter 41, Statutes of 2009) sets forth the following additional requirements:

- Any person transporting waste or used tires that were illegally dumped onto their property to an amnesty event must have written authorization from the LEA, which includes, dates and documentation that a police report has been filed for the illegally dumped tires.

GRANT TERM

The Grant Term begins on the date indicated in the Notice to Proceed and ends on June 30, 2017. This is also the date the Final Progress Report and final Payment Request are due to CalRecycle. There is no longer a Report Preparation Period.

Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. Eligible program costs must be incurred no later than June 30, 2017

CalRecycle recommends reserving the period from May 1, 2017 to June 15, 2017 exclusively for the preparation of the Final Progress Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final Progress 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 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 include, but are not limited to, the following:

1. Cost of loading tires into transporting vehicles at the waste tire amnesty events;
2. Cost of transporting waste tires by a waste tire hauler, registered or exempted by CalRecycle, to a permitted, excluded or exempted waste tire storage facility, or other solid waste facility;
3. Cost of transporting waste tires for a specific end-use to a CalRecycle approved end-use facility. Waste tires must be transported by a CalRecycle approved waste tire hauler to a CalRecycle approved end-use facility;
4. Cost of disposing of waste tires at a permitted, excluded or exempted waste tire storage facility or disposal site;
5. Any salaries and benefits for personnel directly involved in the administration and supervision of amnesty events, and the preparation of payment requests and reports, **not to exceed 15 percent** of the total amount of the approved Budget;
6. Any salaries and benefits for personnel directly involved in event planning, creation of educational materials and advertisements in support of amnesty events and working at the amnesty events;
7. Costs associated with outreach, such as the production/media buys for educational materials such as flyers, brochures and radio and newspaper advertisements in support of the amnesty events, **not to exceed 10 percent** of the approved Budget;
8. Supplies necessary for the events such as gloves, traffic cones and clipboards;
9. Costs of loading and transporting tires collected from specific cleanup days such as beach and river cleanups;
10. Mileage of up to 57.5 cents per mile (or the current rate in the State Administrative Manual) for travel to amnesty events; and
11. Overtime costs for local government staffing during specially scheduled evening or weekend events when **pre-approved** in writing by the Grant Manager when law or labor contracts require overtime compensation.

INELIGIBLE COSTS

Ineligible costs include, but are not limited to:

1. Personnel time for the preparation of a Waste Tire Amnesty Grant Application;
2. Any costs that are not consistent with local, state and federal laws, guidelines and regulations;
3. 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.);
5. Costs covered by, or incurred under, another CalRecycle-funded loan, grant, grant cycle or contract;
6. Overhead (costs for accounting/budget/finance staff, rental/lease of space, utilities, copying, office supplies, etc.);
7. Costs for obtaining necessary permits and licenses;
8. Fines or penalties due to violation of federal, state or local laws, ordinances or regulations;
9. Personnel travel or per diem costs, unless pre-approved in writing by the Grant Manager;
10. Cameras, cell phones, electronic personal data devices, pagers, and other similar electronic devices;
11. Costs connected with contractor claims against the grantee;
12. Cost of collecting waste tires from waste tire generating businesses and/or waste tire haulers;
13. Cost of collecting waste tires from businesses that are responsible for contracting with registered waste tire haulers for the removal of their waste tires. If it is determined that the Grantee has used grant funds for this purpose, costs incurred will be deemed ineligible and disbursed grant funds associated with these costs must be returned to CalRecycle; and
14. Any costs that are unrelated to the grant project or unreasonable as determined by the Grant Manager.

Budget Changes

Changes to the approved budget are allowed when the change will not materially alter the scope of the project or include ineligible costs.

To request a change to the budget, Grantee shall submit, by email, a proposed revised budget document along with justification for the request.

Publicity and Advertising

The cost to advertise amnesty events is allowed under the grant if approved in the budget. Any publicity or advertisement must clearly state:

- Tires will be accepted at no charge
- Whether tires on rims are accepted
- No tires from tire generating businesses will be accepted
- The number of tires allowed
 - Up to 9 tires without an exemption

- Between 10 and 20 tires with an exemption from the Local Enforcement Agency (LEA). If you choose to allow this you should provide a contact phone number for the LEA.
- Acknowledgement of CalRecycle's support along with the CalRecycle logo. Initials or abbreviations for CalRecycle shall not be used. The Grant Manager may approve deviation from this requirement on a case-by-case basis where such deviation is consistent with CalRecycle's Communication Strategy and Outreach Plan.
- *Where do I find a CalRecycle logo?* Low-resolution images may be viewed at [CalRecycle's Logos](http://www.calrecycle.ca.gov/Gallery/Logos/) website (<http://www.calrecycle.ca.gov/Gallery/Logos/>). High-resolution logos can no longer be downloaded directly from the website but will be sent by email upon request. Send requests to the Office of Public Affairs, opa@calrecycle.ca.gov.

An advertisement for an amnesty event may be combined on the same publication with other advertising and a portion of the cost charged to the amnesty grant accordingly.

It is unnecessary to have each advertisement pre-approved by the Grant Manager. Grantee shall maintain a copy of each advertisement and submit a copy of each advertisement paid for with grant funds when reimbursement is requested. Upon review, if the advertisements do not include all of the above, the expenditure may be reduced, or rejected.

Amnesty events allow individuals to take waste tires to a convenient location for proper management up to twice per month per location (maximum of 40 tires per person per month). An amnesty event can be held in a local parking lot or can consist of a coupon program that allows individuals to take waste tires to a transfer station, landfill or Household Hazardous Waste Facility free of charge.

Waste tires from vehicles used for business operations (such as tires from a tractor used on a farm) are eligible for collection at amnesty events.

REPORTING REQUIREMENTS

Progress Reports and a Final Progress Report are required by this Agreement. 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 appropriate **Document Type**.
5. 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.

6. Under Document Description, put the time frame the report covers and what payment request numbers it goes with.
7. 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 REPORT

The grantee must submit a **Progress Report** with each Payment Request. The Progress Report must be completed on the **Payment Request Checklist/Progress Report Form** (CalRecycle 753). This report should cover grant activities that occurred since the last Progress Report was submitted.

FINAL PROGRESS REPORT

Approval of the Final Report by the Grant Manager is mandatory in order for the Grantee to receive final payment of the grant award, which includes release of the 10 percent withhold. This report is a work product and as such is a condition of the Agreement. The Final Report must be prepared using the **Final Payment Request Checklist/Final Report Form** (CalRecycle 754).

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

The Final Payment Request Checklist/Final Report Form must be uploaded in GMSWeb by June 30, 2017 and the Payment Request Form (CalRecycle 87) with the original signature of the signature authority must be received by CalRecycle by that same date. Failure to submit the Payment Request Form and completed Payment Request Checklist/Final Report Form, with appropriate documentation, by this date 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 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. The grantee must submit the required Progress Report/Final Progress Report, and the Grant Manager must approve the report prior to, or concurrent with, submission of the Grant Payment Request.
3. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the "Payment Request and Documentation" section.

4. Grant payments will only be made to the grantee, not to a contractor or consultant of the Grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
5. 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 Progress and/or Final Progress Report, have been satisfied. Reimbursement of the ten percent retention must be requested in the final Grant Payment Request.
6. 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.

PAYMENT REQUEST AND DOCUMENTATION

Grant funds are paid on a reimbursement basis. **The Grantee must incur and pay for expenditures, including payments to contractors and subcontractors, prior to submitting a Payment Request for reimbursement.**

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 a document type and type a title. Under Document Note list amnesty event location and event date. 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.
 - Reports should be uploaded under the Reports tab.
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

All of the following elements are necessary for a complete payment request.

- 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:
Department of Resources Recycling and Recovery	Department of Resources Recycling and Recovery
Tire Amnesty Grant Program FiRM Branch, 9 th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Tire Amnesty Grant Program FiRM Branch, 9 th Floor 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. Expenditure Itemization Summary (CalRecycle 755): Use this form to document grant expenses, arranged in the same budget categories as the approved Budget. Include only those expenditures authorized in the grant budget. Provide sufficient detail to allow the Grant Manager to match supporting documentation for each expenditure. Include subtotals.

C. Personnel Expenditure Summary (CalRecycle 165): Use this form for all grantee claimed personnel expenses. A grantee may use their own personnel expenditure summary form as long as it includes all the same components. Personnel hours and costs on the Personnel Expenditure Summary must be summarized and totaled by task and staff. It is not necessary to submit timesheets, however, they must be readily available should the Grant Manager, or an auditor, request them. Time must be computed on actual time spent on grant related activities and must be the actual amount paid to the employee. If the Summary shows time spent on additional projects, highlight the entries applicable to the grant. It is not necessary to submit a Personnel Expenditure Summary for contractors.

D. Cost and Payment Documentation: Include a receipt for each expense on the Expenditure Itemization Summary form documenting that expenditures have been paid for. All expenses must be dated, or initiated, after the Notice to Proceed and prior to June 30, 2017

E. Waste Tire Manifests: Grantee must provide documentation showing the transportation of all waste tires to an eligible facility. This can be in the form of waste tire manifest copies, or a spreadsheet approved by the Grant Manager

F. Public Education/Advertising Artwork: Include a copy of all artwork paid for with grant funding during this reporting period, if applicable.

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/).

Note: Payment Request will not be approved until the applicable progress report form is uploaded in the Reports tab, see the Progress Report section for details.

Payment Requests will be reviewed for accuracy and cost eligibility. The Grant Manager may request additional documentation and will make adjustments as necessary.

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.