EXHIBIT B
PROCEDURES AND REQUIREMENTS

LOCAL GOVERNMENT WASTE TIRE ENFORCEMENT GRANT PROGRAM
24th Cycle – Fiscal Year 2016–17

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 Enforcement (TEA) 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 and Grant Performance Period Begins** on date indicated on the Notice to Proceed (NTP)
February 28, 2018	**Mid-Year Progress Report Due**
June 29, 2018	**Grant Performance Period Ends**
June 30, 2018 – September 28, 2018	**Report Preparation Period**
September 28, 2018	**Final Report and final Payment Request Due**
September 28, 2018	**Grant Term End**

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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/).

Accessing the grant
Grantees must log into GMS (https://secure.calrecycle.ca.gov/Grants) using their web pass. After login, locate the grant in the **My Awarded/Open Grants** table and select the **Grant Management** button. The **Grant Management Module** includes the following sections:

- **Summary tab** – shows approved budget, paid and remaining amounts. (This section is available to the grantee in read-only mode.)
- **Payment Request tab** - requests reimbursement.
- **Reports tab-** uploads required reports.

- **Documents tab**– uploads other grant documents that are not considered supporting documents to a payment request or a report. This section also provides access to documents that were uploaded within other sections of GMS.

Follow the instructions in GMS to work in the system. 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 <u>any</u> 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.

For further instructions regarding GMS, including login directions, see the section above titled Grant Management System.

GRANT TERM, GRANT PERFORMANCE PERIOD, AND REPORT PREPARATION PERIOD

The Grant Term and Grant Performance Period both begin the date indicated in the Notice to Proceed. The Grant Term ends on September 28, 2018. This is also the date the Final Report and final Payment Request are due to CalRecycle.

The Grant Performance Period begins on the date indicated in the Notice to Proceed and ends on June 29, 2018. Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed and ends on June 29, 2018. In all cases, eligible program costs must be incurred no later than June 29, 2018.

The period from June 30, 2018 to September 28, 2018 is 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.**

ELIGIBLE COSTS

All grant expenditures must be for activities, products, and costs specifically included in the approved Work Plan and approved Budget. To be eligible for reimbursement, costs must be incurred after receiving a NTP and before the end of the Grant Performance Period. All services must be provided and goods received during this period in order to be eligible costs. Invoices for goods and services must be paid by the grantee prior to the inclusion of those goods or services on a payment request.

Exception: On a case by case basis, the Grant Manager may consider approving delivery of goods after the Grant Performance Period as long as the cost was incurred after receiving a NTP and before the end of the Grant Performance Period. The delivery date must be on or before the Grant Term end date. The grantee must submit the request in writing via email and receive written approval from the Grant Manager.

Any proposed revision(s) to the Inspection Priority 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).

The following are eligible activities under Inspections, Enforcement, Training, Education, and should be charged under the appropriate category (i.e. inspection training under Inspection budget):

- Coordinating with other grantees when both the city and county in which they are located are grantees to ensure no duplication or gaps in activities.
- Grant-related meetings of the grantee's tire enforcement staff.
- Staff time spent on grant-related activities (i.e., providing training, receiving training, file maintenance, communicating with CalRecycle about grant requirements, waste tire facility permitting, hauling, storage and disposal laws, regulations and procedures).
- Developing tools to track activities including maintaining files.
- Activities related to improving or correcting performance on inspections and associated activities with CalRecycle Inspectors and the Grant Manager.
- Writing policies, processes and procedures for tracking and reporting staff time, activities and costs.

Administrative Costs

Direct Administrative Costs

Direct administrative costs must be less than or equal to 15 percent of the total approved Budget.

The following direct administrative activities/costs are eligible:

- Preparing and submitting Progress Reports, Payment Requests, and all other required documents, forms and information.
- Grant-related communications with the CalRecycle Grant Manager, Evaluation staff, Enforcement staff and state auditors.
- Costs related to compliance with performance evaluation or audits.
- Developing and maintaining a system to accurately capture and report staff time, activities, and costs for waste tire enforcement, including maintenance of records.

Indirect Costs

Grantees may charge actual indirect cost rates not to exceed 20 percent of approved direct costs.

Grantees must employ an indirect cost rate that conforms to Generally Accepted Accounting Principles and which is prepared by their accounting, finance or budget office or external accounting contractor.

Grantees must maintain, and shall provide if requested, documentation to support indirect charges and the components thereof, which demonstrates the methodology used to calculate these costs.

Education

The amount requested and reimbursed under Education must be less than or equal to 10 percent of the approved Budget, unless the Grant Manager has approved an educational and outreach plan with a larger percentage. Eligible education activities and costs are as follows:

1. Identifying new TPIDs, which may include:
    - Obtaining Waste Tire Management System (WTMS) reports of newly issued Tire Program Identification (TPID) numbers, or
    - Canvassing business areas to determine if new or established businesses perform waste tire activities.
2. Printing and distributing CalRecycle flyers when conducting educational visits for TPIDs.
3. Informing businesses, and business owners/operators about applicable waste tire laws and regulations and available compliance resources.
4. Providing tire related education to Local Conservation Corps.
5. Providing other outreach activities as requested or approved by CalRecycle.

Enforcement

Enforcement Actions and Surveillance

Eligible enforcement and surveillance activities include steps taken beyond normal inspection activities that a grantee undertakes to identify illegal waste tire activity and collect evidence, as defined below.

1. All eligible enforcement and surveillance activities MUST be related to conducting and reporting on investigations, researching, surveilling, identifying, and documenting at least one of the following:
    - Illegal (unpermitted) waste tire storage sites and activities with 500 or more waste tires.
    - Individuals responsible for illegal dumping of waste tires.
    - Private property on which illegal dumping of waste tires is occurring or has occurred with 500 or more waste tires.
    - Unregistered waste tire haulers.
2. Eligible enforcement and surveillance activities may include the following:
    - Coordinating and working with CalRecycle, the California Highway Patrol, local DA, task forces, TEAs, and other local law enforcement on:
        - Gathering and sharing information and resources.
        - Providing training to local law and code enforcement personnel within the TEA jurisdiction to encourage referrals or citations.
        - Establishing and conducting checkpoints to identify unregistered waste tire haulers.

    - Attending administrative, court and/or CalRecycle hearings, and supporting case development.
- Assisting CalRecycle with investigations and referrals:
    - Making waste tire enforcement referrals, as approved or required.
    - Investigating waste tire referrals, complaints, violations, discrepancies, legal records searches, etc., as requested.
    - Obtaining inspection and other warrants as needed.
    - Participating with local law enforcement activities, performing interviews and field investigations, developing enforcement cases.
    - Researching databases and past enforcement activities.
- After appropriate enforcement and surveillance, coordination with other agencies to remediate environmental damage due to illegal dumping and storage of waste tires, including:
    - Review of regulations and procedures.
    - Coordination with Local Conservation Corps to coordinate cleanups, and other related activities.
    - Coordination with CalRecycle for cleanup and lien options.

  Note: Private property with more than 500 illegally stored waste tires must be referred to CalRecycle for enforcement prior to seeking remediation.

- Record Keeping
    - Production and maintenance of documents and files to track waste tire enforcement-related activities.

3. Grantees must report enforcement and surveillance activities to CalRecycle Inspection Liaison as follows:
    - Report to CalRecycle all enforcement actions on waste tire-related cases, including any referrals to the DA's Office and any actions taken by the DA's Office on waste tire related cases within 15 days.
    - Making waste tire enforcement referrals, as approved or required. See "Inspection Referral."

Field Patrolling and Small Cleanup

Field Patrolling is an enforcement activity with the sole purpose of reducing and deterring illegal hauling and dumping of waste tires. The grantee shall be limited to 15 percent of the total approved Budget, and adhere to the following:

1. All field patrolling activities must be documented and supported by filling the CalRecycle Field Patrolling form (CalRecycle 229).
2. Eligible field patrolling activities include:
    - Preparation and planning of field patrol.
    - Follow-up on locations with known illegal waste tire dumping and on illegal dumping complaints and referrals
    - Cleanup of small tire piles with 35 or less tires on public land including disposal fees.
3. The grantee must report field patrolling activities quarterly in the following manner:
    - The Field Patrolling forms shall be submitted electronically to WasteTires@CalRecycle.ca.gov to the attention of their CalRecycle Inspector Liaison.

- List of violations of illegal waste tire dumpers or unregistered waste tire haulers.
- Summary of documented fluctuations, increases and decreases, in illegally dumped waste tires, etc.

4. The grantee shall be limited to patrolling areas every quarter, unless otherwise approved by CalRecycle.

Equipment

Only equipment, materials and supplies necessary to perform eligible waste tire activities under the TEA Grant are eligible for reimbursement and shall be limited to ten percent of the total approved Budget, and as described below.

1. The grantee may claim only the cost of an item that is proportionate to its use in the Waste Tire Enforcement Program.
2. The only eligible equipment and quantity/cost of equipment under the grant that is listed in the Budget, or that has been subsequently pre-approved by the Grant Manager. The following are examples of eligible equipment costs:
    - Personal Protective Equipment: including boots, reflective vests or logo/identifying windbreakers, hard hats/sun hats, gloves, binoculars, face masks, safety glasses.
    - Field equipment: including measuring devices, GPS, camera and accessories.
    - Cell phones, mobile WiFi hotspots and cell service.
    - Computers or tablets and related standard accessories.

Inspections

Inspections are the core component of the grant and the activity on which the Grantee shall spend most of its time and money. Unless otherwise approved, the eligible activities are listed below and the grantee must perform inspection activities in accordance with the following:

1. Priority and Eligibility - the grantee shall inspect TPIDs as authorized and described in the Inspection Priority Work Plan and as described below, unless prior written approval is given by CalRecycle Inspector Liaison and the Grant Manager.

    If any of the below are not achieved, CalRecycle may withhold payment.
    - All inspections on the “Inspection Priority Work Plan” must be completed by June 29, 2018.
    - Active TPIDs with an outstanding Notice of Violation (NOV) must be inspected within 15 days of the compliance deadline. Grantees may make referrals to CalRecycle after the first inspection, but must do so within 15 days and as described under “Inspection Referrals”.
    - The grantee shall inspect tire locations or refer to CalRecycle within 15 days, under the following circumstances and as directed below:
        1. If requested by the CalRecycle Inspector Liaison.
        2. The grantee receives a waste tire regulation related complaint or becomes aware of:
            - an illegal waste tire facility with 500 or more waste tires (unpermitted as defined in 14 CCR 18420).
            - an illegal waste or used tire hauler (unregistered as defined by 14 CCR 18451).

        - a tire location that poses an immediate risk or threat to public health and safety, and/or the environment. (This does not apply to illegal sites that the Grantee knows CalRecycle is aware of and/or actively pursuing enforcement actions against.)
    3. Grantees must note on the Inspection Report the information they received that necessitated the inspection, and must mark “Referral” as the Inspection Type.
- If all TPIDs listed in the “Inspection Priority Work Plan” can and will be inspected within the grant period, the Grantee may inspect Active TPIDs not on the “Inspection Priority Work Plan” any time during the grant cycle except for ineligible inspection activities listed below. Inspection scheduling is the responsibility and at the discretion of the Grantee.
- Only **Inspections at the following frequencies** are eligible:
    - Only one Routine inspection is allowed per active TPID.
    - A maximum of two re-inspections may be performed per active TPID if a Notice of Violation was documented during the original routine inspection.
    - Only one Observation inspection may be performed, as described below, per active TPID.
    - Only one Educational inspection may be performed per each active, new TPID within the grant cycle.
- Only the following are eligible inspection activities:
    - On-the-job inspection training for TEA staff.
    - Scheduling and pre-inspection research.
    - Physically **inspecting** the TPID locations, taking photographs, interviewing personnel, writing and submitting a complete and correct inspection report.
    - Researching, updating or correcting WTMS records and the grantee's database.
    - Providing technical assistance to tire businesses during or after an inspection on waste tire laws and regulations.
    - Conducting an observation inspection if a TEA inspector is in the field conducting other eligible waste tire activities and observes the potential for a violation. *

***Note:** The Inspection Report must document the circumstances that prompted the inspection, and “Observation” must be marked as the Inspection Type.

- Inspection reports may only be completed when the inspector performs an inspection at the TPID's physical address.
- Ineligible inspection activities include inspections of the following except as otherwise pre-approved in writing or requested by the CalRecycle Inspector Liaison:
    - Locations where the TPID does not have a site (physical) address in the Grantee’s jurisdiction or at an address that is not listed in WTMS.

Note: When the Grantee learns of a new or changed TPID site (physical) address, that information must be submitted to the Waste Tire Hotline (toll-free 1-866-896-0600 or WasteTires@CalRecycle.ca.gov) or to the CalRecycle Inspector Liaison assigned to the Grantee within seven days and be noted on the Inspection Report.

- Closed and inactive TPIDs (refers to the TPID's Business Status in the WTMS)
- Small quantity generators (SQG) (refers to the TPID's Business Role identified in the WTMS)
    i. Inspections of SQGs included on your Inspection Priority Work Plan, as well as inspections of SQGs that previously have never been inspected, are considered pre-approved.
- Farm/Ranch/Dairy/Ag Sites
- Permitted Major or Minor Waste Tire Facilities

2. Quality of Inspections - Inspections shall be conducted in a manner consistent with state laws and regulations and according to CalRecycle guidance and business practices implementing sound investigative techniques, and as described below:
    - Inspection reports shall be filled out completely and correctly and shall contain, at a minimum, the following on all reports:
        - A statement that permission to inspect the facility was requested and obtained with the name and title of the person who granted the inspector permission (including taking photos and making site maps),
        - Waste tire count for the facility including indicating the counting method(s) used (e.g., direct count, volumetric estimation, combination, etc.). If volumetric estimation was used, a description of the tire piles, their location, dimensions, and all volume calculations and conversions to waste tires.
        - Results of the CTL review and any discrepancies noted. Include additional information that would support a future enforcement action and that would enable the report to stand on its own without any explanations or additional information.
    - Inspection reports must be filled out to accurately reflect compliance/ noncompliance at the TPID in accordance with the inspection report instructions (http://www.calrecycle.ca.gov/Tires/Enforcement/Inspections/FormInstruct.htm#Page2), the Grantee Toolbox (www.calrecycle.ca.gov/tires/enforcement/Grantee/), and according to training provided by CalRecycle as follows:
        1. The Grantee shall conduct a pre-inspection review of hauler records, CTLs, WTMS, authorizations, prior inspections and enforcement actions prior to inspections.
        2. Violations shall be cited correctly and consistently, including citing the correct code sections, through the re-inspection process.
        3. Violations and corrections to violations shall be noted on the inspection report and supported with written comments and

documentation. Documentation may include photographs, description of conditions at the site, information gathered through interviews, and any other documentation which support violations or corrections of violations.

4. Statements or directives the Inspector made to the owner/operator must be noted in the report.
5. TEA inspectors shall verify that the information in WTMS was current and accurate, including Operational Status, authorizations, addresses, owners, operators, contacts information, etc. If discrepancies are noted, the inspector shall submit corrections to the Hauler Hotline or to the CalRecycle Inspector Liaison assigned to the Grantee within 7 days. Inspectors are also to note these corrections in the inspection reports.

- Inspection reports must be submitted according to established CalRecycle business practices.
  - Inspection reports must be submitted no later than 15 calendar days after the inspection date. All inspection reports must be submitted electronically using the WTMS e-reporting process.
  - One inspection report is to be submitted per TPID number, regardless of whether there are multiple roles noted in WTMS for the TPID.
- Enforcement Referrals to CalRecycle shall be on a CalRecycle 228 Form that is completed correctly. All inspections resulting in the issuance of an NOV may result in a referral to CalRecycle for enforcement action and shall be handled in the following manner:
  1. On the First Inspection:
     - The TEA inspector shall advise the TPID owner/operator or representative of the violation(s) and provide them a copy of the CalRecycle Notice of Violation and Citable Offenses Handouts (calrecycle.ca.gov/Tires/Enforcement/Inspections/Forms.htm#NOV).
     - Document on the Inspection Report in detail:
       - To whom and how the NOV and Citable Offenses handouts where delivered (e.g., in person, by mail or email).
       - Description of all violations noted and specifically what needs to be corrected.
       - Compliance deadline date when all violations must be corrected that shall be no more than 30 days from the date of the inspection, except for violations of recordkeeping or manifest requirements contained in 14 CCR 17357 and 14 CCR 18459.2.1 through 18462, the compliance deadline date shall be no more than 90 days from the date of the inspection to provide adequate time to assess whether corrective action has been taken regarding recordkeeping and manifest issues.
     - If the violation is significant, chronic, or if it is anticipated that the violation will not be corrected, the TEA inspector shall

refer the TPID and violation to CalRecycle to allow for an expedited enforcement. See below for more on "Inspection Referrals" to CalRecycle.

2. On the Second Inspection (First Re-inspection):
    - The Grantee shall re-inspect the site within 15 days of the NOV compliance deadline date.
    - The Inspection Report must include written documentation and evidence (photographs, copies of documents, etc.) that address <u>all</u> of the same violation(s) using the same citations as documented in the previous inspection, by either documenting:
        - Evidence of correction of the violation(s).
        - Partial correction(s) or good faith effort made, the justification of the extension, and the new compliance deadline date, not to exceed 30 days from the date of the re-inspection.
        - Continued violation(s) without significant good faith, and refer the TPID and uncorrected violation(s) to CalRecycle for further enforcement action.
    - Document any new violations noted during the inspection. Note: New violations noted during a re-inspection do not extend the limit of two re-inspections authorized under the Grant.
3. If applicable, on the Third Inspection (Second Re-inspection).
    - The Grantee shall re-inspect the TPID within 15 days of the extended NOV compliance deadline date.
    - Continue to cite the same codes being violated and the reasons. Also document violations that were corrected since the last inspection.
    - If all violations have not been corrected, including new violations detected during re-inspections, refer the TPID and violation(s) to CalRecycle for further enforcement action by completing/submitting the CalRecycle Referral Form (CalRecycle 228) (www.calrecycle.ca.gov/Tires/Enforcement/Inspections/Forms.htm#Referral). Indicate the referral in the Enforcement Status section of the inspection report.
    - The referral shall be made within 15 days of the second re-inspection and must include the first and second inspection reports, photographs, and other documentation and evidence.

- The grantee may make referrals to CalRecycle after the first inspection.
- CalRecycle will provide training and assistance on the above requirements as needed or requested. The grantee is responsible for correcting errors so they do not become ongoing or chronic.

3. Timeframes - Inspections and referral documents shall be submitted in a timely manner, as follows:
    - All inspections shall be delivered to the TPID representative or owner/operator and be submitted electronically to CalRecycle within 15 days of the inspection date.

- All NOVs shall be issued with a compliance date 30 days or less.
- For violations of recordkeeping and manifest requirements contained in 14 CCR 17357 and 14 CCR 18459.2.1 through 18462, the compliance deadline date shall be no more than 90 days from the date of the inspection to provide adequate time to assess whether corrective action has been taken regarding recordkeeping and manifest issues.
- The first re-inspections (for NOV) shall be conducted within 15 days following the compliance deadline date.
- The second re-inspections (for NOV), if applicable, shall be conducted within 15 days following the extended compliance deadline date.
- Outstanding NOVs shall be referred to CalRecycle after the Second Re-inspection or earlier as appropriate.
- NOV referral packages shall be submitted to CalRecycle within 15 days of the inspection noting “Referred to CalRecycle” in the Enforcement Status section of the inspection report.
- All unregistered haulers must be referred to CalRecycle within 15 days using the Hauler Observation Report (CalRecycle 775).

4. Reasonable Expenditures to Carry out Inspections:
    - Personnel expenditures will be reimbursed based on actual time spent on Inspections.
    - The Grantee must record actual time spent on all phases of the inspection including preparation, on-site time, travel time, and reporting/follow-up. CalRecycle may require a grantee to report time in more detail or develop a more in-depth time task analysis to support reimbursement requests.
    - Time allocated for conducting physical inspections in the field and pre-inspection research shall be reasonable and relative to the state average for similar sites. The timeframe shall be sufficient to conduct a complete and correct inspection.
    - Travel time shall be kept to a minimum by inspecting as many sites in one area at one time as is practical.

Note: Neither the TEA Grant Program nor the terms of the Grant Agreement affects or changes CalRecycle’s right to enter any California jurisdiction for the purpose of: (1) enforcing regulations relating to the storage of waste tires and used tires, as provided in Public Resources Code (PRC) Section 42850(c); (2) enforcing regulations relating to the hauling of waste and used tires, as provided in PRC Section 42963(b); and (3) fulfilling any other enforcement obligations with which it is charged by statute or regulation.

Training

Reimbursement for training is limited to tire enforcement staff and supervisors. In-house training is to be charged under the appropriate category (i.e. inspection training under Inspection budget). Unless otherwise approved, grantee training requirements and eligibility are as follows.

1. Grantee must maintain and provide to CalRecycle a list of inspectors and lead inspectors, their qualifications and the amount time (percentage or quantity inspections) they are committed to the program.

2. All inspectors must be trained and approved by CalRecycle prior to conducting eligible inspections. Existing inspectors may be approved without additional training.
3. The following are **mandatory training** activities:
    - New inspector inspection training must be provided and approved by CalRecycle.
    - CalRecycle-sponsored waste tire Round Tables.*
    - WTMS Training.*
    - Annual Technical Training Series. *
    - Other mandatory trainings as requested by CalRecycle.

    *Grantee must send at least one inspector to each of these events.
4. The following are eligible non-mandatory training activities/costs:
    - Meetings, training or conferences as requested by CalRecycle.
    - Coordinating and hosting Round Tables or other CalRecycle-sponsored training events.
    - CalEPA sponsored Enforcement Symposium.
    - Basic Inspector Academy.
    - Conducting Effective Interviews for Inspectors.
    - Environmental Enforcement Training.
    - Basic and refresher health and safety classes.
    - Costs/training approved in the Budget or that have been pre-approved in writing by the Grant Manager.
5. When multiple sessions of a training event are scheduled, grantees must attend the session closest to their location. Exceptions must be supported by a compelling justification.
6. If attending an event with multiple subjects of which only part is related/beneficial to waste tire enforcement, the portion of the class fee charged to the TEA grant must be proportional to the class time devoted to waste tire enforcement.

Transportation

The amount budgeted and eligible for reimbursement under Transportation **must be necessary** to perform waste tire activities under the TEA Grant. The total must be less than or equal to ten percent of the total approved Budget.

Any activities/costs not specifically listed below must be pre-approved in writing by the Grant Manager to be reimbursable. The following activities/costs are eligible:

- Use of grantee-owned or personal vehicles. Grantees may claim vehicle usage costs based upon actual mileage at the lesser of the grantee or state mileage rate. Mileage rates generally cover the cost of fuel, maintenance, insurance, licensing, registration, depreciation, and all other costs associated with operation and usage of the vehicle. Therefore, grantees cannot claim vehicle usage costs using both a mileage rate and the separate cost of the items covered by the mileage rate. Grantees must use the rate in effect at the time the mileage was incurred.
- Travel and per diem. All travel costs must be in accordance with the California State Travel policies (http://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx). Reimbursable mileage and other travel expenses (per diem) may not exceed the state rates as set forth in the State Administrative

Manual. Documentation submitted for travel reimbursement must include departure and return times and dates.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to performance of eligible activities are ineligible for reimbursement. Contact the Grant Manager if clarification is needed.

Ineligible costs include, but are not limited to:

- Costs incurred prior to the date of the NTP letter or after June 29, 2018.
- Expenditures outside the grantee's jurisdiction(s), or not specified in the approved Budget.
- Any costs that are not consistent with local, state, and federal laws, guidelines and regulations.
- Costs associated with Amnesty Day events, such as creating and distributing hauler exemption letters.
- Investigation of local code violations that don't involve waste tires.
- Educational activities provided to the general public via small and large community events or at events consisting primarily of K-8 children.
- Costs associated with activities related to the use of recycled products.
- Preparing and submitting the next cycle's grant application.
- Costs that the Grant Manager deems unreasonable, excessive, ineligible, inappropriate, duplicative, disproportionate or not related to the TEA Grant Program.

BUDGET CHANGES

Revision(s) to approved Budget must be submitted in writing and pre-approved in writing by the Grant Manager prior to grantee incurring the proposed expenditure. The Grant Manager will not approve changes that result in the reduction of the performance of core program functions for inspections, enforcement, or mandatory training. The approval document shall be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

REPORTING REQUIREMENTS

A Progress Report and a Final Report are required by this Agreement; however, the Grant Manager may request a Progress Report at any time during the Grant Term. All reports must be uploaded in GMS. Failure to submit the Final Report with appropriate documentation by the due 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.

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 Document Type, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.

- You may upload multiple documents to complete reporting requirements.
- The maximum allowable file size is 35MB.

5. Click the **Submit** button when the report is complete.

The reports must 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.

MID-YEAR PROGRESS REPORT

The grantee must submit a **Mid-Year Progress Report** by **February 28, 2018.** This report shall cover grant activities that occurred from the NTP date through **December 31, 2017.**

FINAL PROGRESS REPORT

The Final Report is due **September 28, 2018.** This report should cover grant activities from the **NTP through June 29, 2018.** The following items must be included:

1. The Grant Number, Grantee's name and Grant Term. The following disclaimer statement on the cover page:
   "The statements and conclusions of this report are those of the grantee and not necessarily those of the Department of Resources Recycling and Recovery (CalRecycle), its employees, or the State of California. The state makes no warranty, express or implied, and assumes no liability for the information contained in the succeeding text."

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. Reimbursement may be requested twice or quarterly during the Grant Term in conjunction with submission of the Progress Report and in conjunction with the Final Report.
3. The grantee must submit the required Progress Report/Final Report, and the Grant Manager must approve the report prior to, or concurrent with submission of the Grant Payment Request.
4. The grantee must submit a completed Grant Payment Request and provide supporting documentation as described in the "Payment Request and Documentation" section for completed project(s) only.
5. Grant payments will only be made to the grantee. It is the grantee's responsibility to pay all contractors and subcontractors for purchased goods and services.
6. Ten percent of each approved Grant Payment Request will be withheld and retained until all conditions stipulated in the Agreement, including submission and Grant Manager approval of the Progress and/or Final Report, have been satisfied.

7. 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

Failure to submit the final Payment Request with appropriate documentation by the due 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.

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 the Document Type, enter a document title, 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.
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

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, Letter of Designation, or Letter of Commitment to:

Via standard mail:	Via courier/personal delivery:
Department of Resources Recycling and Recovery TEA Grant Program FiRM Branch, 13th Floor P.O. Box 4025 Sacramento, CA 95812-4025	Department of Resources Recycling and Recovery TEA Grant Program FiRM Branch, 13th Floor 1001 I Street 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.

A. TEA Inspection Personnel Expenditure Summary (CalRecycle 767-B) for reporting inspection related personnel hours.

B. TEA Personnel Expenditure Summary (CalRecycle 767)
C. Expenditure Itemization Summary (CalRecycle 736)
D. CalRecycle Inspection Priority Work Plan
E. CalRecycle Waste Tire Field Patrolling Form (CalRecycle 229) for all field patrolling activities
F. Proof of payment for disposal fees related to small cleanups.
G. Travel Expense Log Form (CalRecycle 246) for hotel, meals, per diem and other expenses, hotel receipts and other receipts for conference fees, tuition, etc.
H. Mileage logs
I. Hourly Rate Document
J. Proof of payment is required for any expenditures over $500. Acceptable proof of payment includes receipts/invoices, cancelled checks or other documents containing: vendor name, phone number and/or address; purchase amount and date; and, a description of the goods, services and/or materials purchased (if the grantee only claimed a portion of an invoice, the amount billed to the grant should be highlighted).
K. Certificate of completion for non-mandatory training.

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

PERSONNEL HOURS

Grantees must maintain, and provide if requested, detailed timekeeping records of personnel hours worked. For each pay period, the employee's timekeeping document must contain at least the:

- Employee name and classification.
- Total hours worked and leave taken during the pay period.
- Hours worked/leave taken per day.
- For each hour worked, a description/listing of the activity/task on which the employee worked.

Supervision of staff conducting eligible activities constitutes a direct grant cost; therefore, grantees may claim under each Budget category a direct supervision time and costs related to that category.

Hourly Rate

Grantees may calculate an actual/loaded hourly rate for each employee that includes actual salary, wages, shift differentials, and contractual fringe benefits.

PERFORMANCE EVALUATION

The grantee will be evaluated on its effectiveness in fulfilling the procedures and requirements outlined in this document. Particular focus will be given to the Grantee's performance in carrying out its mandatory responsibilities, especially those Inspection functions and Training activities. The evaluation will be based on program data related to quality and efficiency as well as eligible activities in all categories, but particularly in Inspections, Enforcement, and Education.

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 the 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.