

Attachment E



**ATTACHMENT E
PROCEDURES AND REQUIREMENTS**

**ORGANICS GRANT PROGRAM
3rd Cycle – Fiscal Year 2017–18
Revised July 2018**

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

Table of Contents

Introduction	2
Milestones	2
Grants Management System (GMS)	2
Accessing the grant	3
Contact Updates	3
Prior to Commencing Work	3
Reliable Contractor Declaration	3
Grant Term	4
Eligible Costs	4
Ineligible Costs	5
Indirect Costs	6
Modifications	6
Acknowledgements	7
Retention of Public Education	7
Reporting Requirements	8
Progress Report	8
Critical Project Review	12
Final Report.....	12
Grant Payment Information	15
Payment Request and Documentation.....	16
Supporting Documentation.....	16
Annual Survey.....	18
Audit Considerations	18

INTRODUCTION

The Department of Resources Recycling and Recovery (CalRecycle) administers the Organics Grant Program. 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

Table 1. Milestones

Date	Activity
Notice to Proceed Date	Grant Term Begins on the date the Notice to Proceed is emailed.
Dec. 17, 2018	Progress Report Due Covering activities from date of Notice to Proceed to Nov. 30, 2018
March 15, 2019	Progress Report Due Covering activities from Dec. 1, 2018 to Feb. 28, 2019
To be scheduled March – June 2019	Critical Project Review Covering activities from Notice to Proceed to Feb. 28, 2019
June 17, 2019	Progress Report Due Covering activities from March 1, 2019 to May 31, 2019
Sept. 16, 2019	Progress Report Due Covering activities from June 1, 2019 to Aug. 31, 2019
Dec. 16, 2019	Progress Report Due Covering activities from Sept. 1, 2019 to Nov. 30, 2019
March 16, 2020	Progress Report Due Covering activities from Dec. 1, 2019 to Feb. 29, 2020
June 15, 2020	Progress Report Due Covering activities from March 1, 2020 to May 31, 2020
Sept. 15, 2020	Progress Report Due Covering activities from June 1, 2020 to Aug. 31, 2020
Dec. 15, 2020	Progress Report Due Covering activities from Sept. 1, 2020 to Nov. 30, 2020
April 1, 2021	Final Report and final Payment Request Due
April 1, 2021	Grant Term End

GRANTS MANAGEMENT SYSTEM (GMS)

GMS is CalRecycle's web-based grant application and grants 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>) 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 and performance payments.
- **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.
- **Sites tab** – lists approved project sites.

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.

Reliable Contractor Declaration

Prior to authorizing a contractor(s) (or subcontractor(s)) to commence work under this grant, the grantee shall submit to the Grant Manager a declaration from the contractor(s), signed under penalty of perjury, stating that within the preceding three (3) years, none of the events listed in Section 17050 of Title 14 (<http://www.calrecycle.ca.gov/Laws/Regulations/Title14/default.htm#Div2Chap5>), California Code of Regulations, Natural Resources, Division 7, has occurred with respect to the contractor(s) or subcontractor(s).

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) from CalRecycle's form web page (www.calrecycle.ca.gov/Funding/Forms).

A scanned copy of the signed Reliable Contractor Declaration form (CalRecycle 168) 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 Grants Management System.

Facilities on Non-Owned Property

A grantee that wants to establish facilities or expand existing facilities on property not owned by the grantee must prove a legally binding long term commitment. The application must clearly state the ownership or leasehold interests of the parties. A copy of any agreement between the grantee and private owner must have been uploaded in the application.

If a grantee is planning to lease buildings for any part of their submitted project, the lease must meet the requirements for developing a permanent facility on privately owned property (e.g., long-term lease evidencing commitment to utilize facility for purpose set forth in the grant; commitment to utilize facility as described in the application for life of facility)

GRANT TERM

The Grant Term begins on the date of the Notice to Proceed email. Grant-eligible program expenditures may start no earlier than the date indicated in the Notice to Proceed. The Grant Term ends on April 1, 2021 and all eligible program costs must be incurred by this date.

The Final Report and final Payment Request are due on April 1, 2021. CalRecycle recommends reserving the period from March 1, 2021 to March 31, 2021 exclusively for the preparation of the Final Report and final Payment Request, though they may be completed earlier. **Costs incurred to prepare the Final Report and final Payment Request are only eligible for reimbursement during the Grant Term.**

PROJECT REQUIREMENTS

Projects must be located in California and result in permanent, annual, and measurable:

1. Reductions in GHG emissions compared to existing practice of landfilling of California-generated green or food materials; **and**
2. Increases in quantity (tons) of California-generated green materials, or food materials, newly diverted from landfill disposal or ADC use, **and** composted or digested.

For purposes of this program, “newly diverted” means the tons of materials that are currently being landfilled or used as ADC that will instead be diverted as a result of this project.

ELIGIBLE PROJECTS

- Construction, renovation, or expansion of facilities to increase in-state infrastructure for the digestion or composting of organics into compost, soil amendments, biofuels, or bioenergy.
- Construction, renovation, or expansion of facilities to increase in-state infrastructure for the preprocessing of organics when providing preprocessed

materials to an in-state digestion or composting facility that is using the waste to make compost, soil amendments, biofuels, or bioenergy.

1. Project must result in an increase in tons of material diverted from landfills beyond that which the preprocessor was already diverting.
2. Preprocessor must provide proof of binding agreement with a California facility that is receiving the preprocessed feedstock to make compost, soil amendments, biofuels or bioenergy.
3. If the composting or digestion facility that receives materials from a preprocessing applicant also submits an application, the applicant must demonstrate how each project will result in discrete increases in tons of material diverted from landfills and GHG emissions reduction.

Food waste prevention and rescue projects must be partnered with a compost or digestion project and submitted as a cooperative application. The food waste prevention and rescue project must result in measurable food waste reduction. The food waste prevention and rescue component of a project is one that measurably prevents food waste or rescues edible food from becoming waste normally destined for landfill disposal. The food rescue aspect shall result in rescued food being distributed to people; any food waste residuals from the project must be sent to a compost or digestion facility when one is available within the food waste prevention and rescue projects service area.

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 Notice to Proceed and before the end of the Grant Term on April 1, 2021. 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.

Food waste prevention and rescue salaries (i.e., driver and nonprofit labor wages) can account for up to 50 percent of the food waste prevention and rescue budget. The purchase of food waste prevention and rescue software that can be shared with food waste generators is eligible.

INELIGIBLE COSTS

Any costs not specifically included in the approved Budget and not directly related to the Work Plan and the approved grant project 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 Notice to Proceed email or after April 1, 2021
- The purchase or retrofitting of vehicles or containers for collection of feedstock when not associated with a food waste prevention and rescue component.
- Collection/delivery/purchase of organics [i.e., green waste, food materials or alternative daily cover (ADC)] feedstock.
- Food dehydrators and liquefiers unless the dehydrated or liquefied material is subsequently digested or composted. These projects must result in increased tons of California-generated food materials diverted from landfills.
- Combined costs for permitting, public education/outreach, indirect costs, and salaries not related to construction or installation exceeding five percent of the total amount requested.
- Design and engineering costs exceeding five percent of total amount requested.

- The same activities or purposes already being funded through other agencies using California Climate Investments funds.
- Costs currently covered by another CalRecycle loan, grant, or contract, or covered by a grant or contract offered by another state agency.
- Environmental review for project permitting, including the preparation of Environmental Impact Reports or related documents.
- Lease of land or buildings.
- Purchase of buildings that are not associated with the processing of materials.
- Travel costs exceeding the state-approved rates for mileage, per diem, lodging, etc.
- Purchases of offsets or allowances.
- Costs deemed unreasonable or not related to the grant project by the Grant Manager.
- Costs associated with the purchase of equipment and supplies that will not be under the direct control of a grantee.
- Labor costs shall not exceed 50 percent of the food waste prevention and rescue budget.

INDIRECT COSTS

Indirect costs can be claimed by the grantee. The following guidelines must be used when claiming these costs.

- Total indirect costs shall not exceed five percent of the total grant award. 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 indirect costs. All indirect costs charged to the grant must be associated with grant activities as shown in the approved Budget.
- Direct costs charged directly to the grant shall not be included in the indirect cost formula. Supervision performed by managers and supervisors can be included in the 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 supervising staff working on the project), costs associated with this activity may be included as a direct charge. Such activity must be clearly supported by appropriate documentation and shall not be charged to the grant as an indirect cost.
- 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 CalRecycle.

MODIFICATIONS

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. Proposed revisions must be clearly marked on the Work Plan and/or Budget and must be accompanied by a summary of proposed changes/modifications, including the justification(s) for the proposed changes. Costs based on the proposed revisions may not be incurred until Grant Manager approval. If approved, the grant manager will upload the final revised Work Plan and/or Budget to GMS. Proposed revisions may be submitted in conjunction with a Progress Report but cannot be submitted as part of the Progress Report. The approval document(s) should

be retained by the grantee for audit purposes. See Audit Record/Access section of the Terms and Conditions (Exhibit A).

ACKNOWLEDGEMENTS

The grantee shall acknowledge both California Climate Investments as funding source and CalRecycle's administration of funds each time projects funded, in whole or in part, by this Agreement are publicized in any medium, including news media, brochures, or other types of promotional materials. The acknowledgement of California Climate Investments and CalRecycle's support must incorporate the appropriate 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.

All publicity and education materials must include the following:

1. "Funded by a grant from the Department of Resources Recycling and Recovery (CalRecycle) through California Climate Investments." 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.
2. CalRecycle logo – as reflected on the [CalRecycle website](http://www.calrecycle.ca.gov/Gallery) (www.calrecycle.ca.gov/Gallery): contact the CalRecycle Office of Public Affairs at opa@calrecycle.ca.gov.
3. California Climate Investments logo – as reflected on the [California Climate Investments website](http://www.caclimateinvestments.ca.gov/logo-graphics-request/) (<http://www.caclimateinvestments.ca.gov/logo-graphics-request/>).



Sample acknowledgement language:

[Insert grantee and project name here] located in *[enter city]* is being funded in part by CalRecycle's Organics Grant Program, a subset of California Climate Investments. CalRecycle funds paid for *[enter grant expenses here]* for the *[enter project type here]* facility in *[enter location here]*. California Climate Investments is a statewide program that puts billions of cap-and-trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment—particularly in disadvantaged and low-income communities. The Cap-and-Trade program also creates a financial incentive for industries to invest in clean technologies and develop innovative ways to reduce pollution. For more information, visit [California Climate Investments](http://www.caclimateinvestments.ca.gov).

RETENTION OF PUBLIC EDUCATION

For audit purposes, grantees are required to retain a sample of all publicity and education materials for three years AFTER the close of the Grant Term, or a longer period if warranted, to resolve any issues with this grant. [See Audit/Records Access section in 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. 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.

All reports must be uploaded in GMS. For further instructions regarding GMS, including login directions, see the section above entitled, Grants 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**.
 - Select the **Back** button to upload another document and continue the process until all required documents as listed below are uploaded.
 - The maximum allowable file size for each document is 35MB.
5. Click the **Submit Report** button to complete your report submittal. The **Submit Report** button will not be enabled until all required reporting documents are uploaded.

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** each quarter by the due date assigned in the Milestones. CalRecycle will provide the reporting template the grantee must use. Each Progress Report should cover grant activities that occurred within that reporting quarter. The report should include the following:

1. General Information

The Grant Number, Grantee's name, and reporting period. The following disclaimer must appear on the cover page of the report:

"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."

2. Description

A description of work completed, arranged according to tasks and expenditure categories as shown in the Work Plan. Responses to the following questions should be included:

- Did you accomplish all of the tasks and activities which were scheduled to be completed in this quarterly reporting period according to the Work Plan? If not, what was not accomplished, why, and how will you complete the delayed tasks and activities to make up the lost time? Include any permitting issues and local opposition.

- A brief description of work that will be conducted during the subsequent quarterly reporting period. If necessary, discuss any adjustments to the Work Plan that you may be requesting as a result of the evaluation process.
- Document any issues or challenges that will prevent the project from meeting the goals in the Work Plan.

3. Performance Data

Provide both qualitative and quantitative data from the previous quarterly reporting period in a format approved by your CalRecycle grant manager. The report must include how your project contributed to increased greenhouse gas (GHG) emission reductions, tons diverted from landfills, and all benefits to Disadvantaged and/or Low-income Communities (AB 1550 Communities). You are expected to meet the approved, projected newly diverted tonnages and greenhouse gas reductions as stated in your application. If your project will not meet the projected newly diverted tonnage and GHG emission reduction goals at any point throughout the grant term, you must communicate your concern in the progress report and the Grant Manager will determine next steps. A performance table will be provided to the grantee to capture quantitative data (see Diverted Organic Tonnage and GHG emission Reductions section of the Progress Report template). Reported outcomes must include all of the following:

a) California tons of newly diverted material from landfills

Grantees must report the tons diverted that occurred in the previous quarter as a result of the project.

- Indicate the date the project will become operational.
- Provide performance table including all diverted tonnage from the previous reporting quarter.
- Provide Feedstock Certification forms (CalRecycle 778-GHG) with each progress report and performance table submission. The documented tonnage in the performance table should match the documented tonnage in the Feedstock Certification forms (CalRecycle 778-GHG).
 - i. Additional supporting documentation *may be* requested by CalRecycle staff at any time during the Grant Term, which includes but is not limited to: Bill of Lading, weight tickets, shipping documents, Letter of Intent, Invoice, Contract, or other similar items.
- Discuss whether the current annualized throughput is sufficient to achieve the tons per year goals cited in the grant application. If not, discuss the specific steps which the grantee will take to increase throughput to those levels and the dates by which these steps will occur.
- The gross tons of organic materials processed for the quarter, using feedstock described above.
- The total tons of residual material (contaminants separated from the delivered feedstock) sent to the landfill or not used in the manufacturing of the finished product.
- The quantity of products produced, (e.g., tons of compost, standard cubic foot of biogas, gallons of biodiesel).
- The total tons of food waste prevented and/or food rescued as a result of the food waste prevention component of the project.
- The quantity of ancillary products produced and their fate.
 - If the project is anaerobic digestion, report on the tons and/or gallons of solid and/or liquid digestate produced, and its use. For example, if

digestate is sent to composting, provide weight receipts indicating where and how much digestate was composted.

- If the project is composting, and mulch, biomass fuel, or ADC is also being produced, provide weight tickets or other proof indicating where and how many tons of these products were produced. Indicate the end use of the finished product.

b) GHG Emission Reductions

Grantees must report the GHG emission reductions that occurred in the previous quarter as a result of the project. Indicate the date of when the project will begin reducing greenhouse gases. The approved CARB quantification methodology referenced in the Grant Agreement must be used to calculate GHG emissions. Note: The qualification methodology and estimated GHG emission reductions may have been modified by CARB and CalRecycle during the application review.

c) AB 1550 - Disadvantaged and Low-income Communities

Grantees must report benefits to AB 1550 communities that occurred in the previous quarter as a result of the project. AB 1550 communities can be determined by using, the following tools:

- 1) Combined Disadvantaged and Low-income Community Map:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincomemapfull.htm>
 - 2) CalEnviroScreen 3.0 map (used to view scores and individual population and pollution burden factors associated with disadvantaged communities):
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>
 - 3) Spreadsheet (both the Disadvantaged and Low-income Communities tabs) is used when you do not have a specific address, only a census tract. The hyperlink to the spreadsheet is located below the Combined Disadvantaged and Low-income Community Map:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>
- Identify any progress on jobs created and job training.
 - Total number of jobs
 - Project work hours
 - Classification and trade for each job
 - Approximate salaries and benefits for each job classification and trade
 - Duration of each job (i.e., temporary or permanent, and if temporary, how long will the job last?).
 - Provide the census tract where these employees reside for verification
 - For all job training programs:
 - Total number of people that completed job training programs
 - Project work hours performed by employees participating in job training programs
 - Industry-recognized credentials or certifications earned
 - For job training programs provided to residents of AB 1550 communities, if applicable.
 - Number of AB 1550 community residents that completed job training programs.

- Project work hours performed by residents of AB 1550 communities participating in job training programs. Provide the census tract where participants reside for verification.
 - Industry-recognized credentials or certifications earned
- If your project includes a food rescue component, indicate the amount of food that has been rescued from becoming waste as a result of the project. If your project includes a food waste prevention component, estimate the associated amount of waste avoided. Identify the specific sources of rescued food and locations where it was distributed to people. If rescued food was served as meals, indicate approximately how many meals were served and the average weight per meal. Estimate how many meals were served to residents of AB 1550 communities, the specific AB 1550 communities served (including the census tract), and your method for that estimation. If applicable, quantify the amount of food waste and identify the name and location of the landfill(s) in AB 1550 communities that will receive less food waste because of these food waste prevention activities.
- If this project provides other benefits to an AB 1550 community, please describe the benefits provided; the specific AB 1550 community served, including the census tract; and your method for quantifying these benefits. Describe how the project benefits have addressed a specific community need.
- If your project reduces or increases emissions of odor causing or criteria air pollutants (other than GHG emissions) and/or toxic air contaminants during the previous quarter, describe the methodology used for quantification.
- Describe how you have engaged the community within a ½ mile radius of the facility project and along project truck routes, if applicable. Include details of outreach conducted and copies of outreach materials, if applicable, and summarize the results of your outreach (i.e., the community's concerns, questions, or comments and how they were addressed).

4. Performance Table

CalRecycle will provide a table within which to enter quantitative data related to diverted tons, GHG emissions reductions, disadvantaged or low income communities, and other grant performance data within the prior quarter. CalRecycle will develop a performance table for each grantee based on information submitted in the application and work with the grantee to customize the table to meet quantitative reporting needs. The performance table will be finalized towards the beginning of the grant term and will be submitted in conjunction with each progress report to track quantitative data. The quantitative data includes, but is not limited to, feedstock type, quantity of feedstock, GHG emissions reduced, quantity of end product, and DAC/AB1550 benefits. Feedstock Certification forms (CalRecycle 778-GHG) are required with each performance table submission. The documented tonnage in the performance table should match the documented tonnage in the Feedstock Certification forms (CalRecycle 778-GHG). The quantitative data captured in the performance table is designed to support the qualitative claims being made in each progress report. The data captured in the performance tables should be accurate and should not be estimated. (Required documents and reports are subject to change due to CARB Funding Guidelines).

5. Pictures

Provide photographs showing the progress of the grant project during the previous quarter.

NOTE: If requesting a payment with your Progress Report please refer to the section labeled "Grant Payment Request and Documentation" for additional details.

CRITICAL PROJECT REVIEW

A **Critical Project Review** will be scheduled by the Grant Manager in the first quarter of 2019. The review may be conducted via phone call or meeting. This review will cover activities **from the date of Grant Agreement execution to the date of the review**. During this review, the grantee will discuss the progress on tasks included in the work plan and budget. If the project hasn't started construction one year after award, CalRecycle may terminate the agreement.

The Grant Manager may schedule subsequent Critical Project Reviews at any time during the Grant Term. If it is determined by CalRecycle from the Critical Project Review that, at that time, the grant project is not meeting, and is unlikely to meet, certain milestones, CalRecycle shall have the right to terminate the Grant Agreement pursuant to the Terms and Conditions (Exhibit A) of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, the grantee may be required by CalRecycle to return any previously reimbursed funds. Termination may result in forfeiture by the grantee of any funds retained pursuant to CalRecycle's 10 percent retention policy.

FINAL REPORT

The **Final Report** is due **April 1, 2021**. This report should cover grant activities **from the Notice to Proceed through April 1, 2021**. The following items must be included:

1. General Information

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."

2. Description

Description of activities that were started, continued, and completed during the entire grant term. Activities must be arranged by the categories shown in your approved Work Plan.

- What aspects of the project worked well and why?
- What aspects of the project did not work well and why?
- What aspects of the project will be continued beyond the grant term?
- Describe how other funding sources have leveraged the project.

3. Performance Data

Provide a cumulative total of all quarterly reports in a format approved by your CalRecycle grant manager. The report must include how your project contributed to GHG emission reductions, tons diverted from landfills, and all benefits to AB 1550 communities. This will include a performance table which CalRecycle will provide to enter quantitative data. Reported outcomes must include all of the following:

- **GHG reductions, in MTCO₂e**, achieved during the grant term, along with all supporting calculations. Report the annual GHG reductions in MTCO₂e that occurred during the grant term. In addition, project what will occur each subsequent year through the project life until December 31, 2027, based on the actual projected tons of diverted material for that period in paragraph (b).
- **Total tons of organic waste material generated in California and newly diverted from landfills** during the grant term, along with all supporting documentation. Report the net annual tons of material that was diverted from a landfill each year during the grant term. Net annual tons are newly diverted organic material minus the weight of any residual materials that will be landfilled or used for ADC. In addition, project the annual tons that will be diverted from a landfill each subsequent year through the project life until December 31, 2027.
- **Benefits to AB 1550 Communities** - Describe and quantify benefits to AB 1550 communities including improvements in air quality, as well as economic and social indicators identified in the application. AB 1550 communities can be determined by using, the following tools:
 - 1) Combined Disadvantaged and Low-income Community Map:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/lowincome/mapfull.htm>
 - 2) CalEnviroScreen 3.0 map (used to view scores and individual population and pollution burden factors associated with disadvantaged communities):
<https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30>
 - 3) Spreadsheet (both the Disadvantaged and Low-income Communities tabs) is used when you do not have a specific address, only a census tract. The hyperlink to the spreadsheet is located below the Combined Disadvantaged and Low-income Community Map:
<https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/communityinvestments.htm>
- Identify any progress on jobs created and job training since the last progress report.
 - Total number of jobs
 - Project work hours
 - Classification and trade for each job
 - Approximate salaries and benefits for each job classification and trade
 - Duration of each job (i.e., temporary or permanent, and if temporary, how long will the job last?)
 - Provide the census tract where these employees reside for verification
 - For all job training programs:
 - Total number of people that completed job training programs
 - Project work hours performed by employees participating in job training programs
 - Industry-recognized credentials or certifications earned
 - For job training programs provided to residents of AB 1550 communities, if applicable.
 - Number of AB 1550 community residents that completed job training programs

- Project work hours performed by residents of AB 1550 communities participating in job training programs. Provide the census tract where participants reside for verification.
 - Industry-recognized credentials or certifications earned
- If your project includes a food waste recovery or rescue component, indicate the amount of food rescued from becoming waste as a result of the project. If your project includes a food waste prevention component, estimate the associated amount of waste avoided. Identify the specific sources of rescued food and locations where it was distributed to people. If rescued food was served as meals, indicate approximately how many meals were served and the average weight per meal. Estimate how many meals were served to residents of AB 1550 communities, the specific AB 1550 communities served (including the census tract), and the method for that estimation. If applicable, quantify the amount of food waste and identify the name and location of the landfill(s) in AB 1550 communities that will receive less food waste because of these food waste prevention activities.
- If this project provides other benefits to an AB 1550 community, please describe the benefits provided; the specific AB 1550 community served, including the census tract; and your method for quantifying these benefits. Describe how the project benefits have addressed a specific community need.
- If your project reduces or increases emissions of odor causing or criteria air pollutants (other than GHG emissions) and/or toxic air contaminants, describe the methodology used for quantification.
- Describe how you have engaged the community within a ½ mile radius of the facility project and along project truck routes, if applicable. Include details of outreach conducted and copies of outreach materials, if applicable, and summarize the results of your outreach (i.e., the community's concerns, questions, or comments and how they were addressed).

4. Performance Table

CalRecycle will provide a table within which to enter quantitative data related to diverted tons, GHG emissions reductions, disadvantaged or low income communities, and other grant performance data within the prior quarter. CalRecycle will develop a performance table for each grantee based on information submitted in the application and work with the grantee to customize the table to meet quantitative reporting needs. The performance table will be finalized towards the beginning of the grant term and will be submitted in conjunction with each progress report to track quantitative data. The quantitative data includes, but is not limited to, feedstock type, quantity of feedstock, GHG emissions reduced, quantity of end product, and DAC/AB1550 benefits. Feedstock Certification forms (CalRecycle 778-GHG) are required with each performance table submission. The documented tonnage in the performance table should match the documented tonnage in the Feedstock Certification forms (CalRecycle 778-GHG). The quantitative data captured in the performance table is designed to support the qualitative claims being made in each progress report. The data captured in the performance tables should be accurate and should not be estimated. (Required documents and reports are subject to change due to CARB Funding Guidelines.)

Pictures of Project Implementation or Improvement

Provide digital images of each stage of your project when submitting the Final Progress Report. The photographs should be in PDF, JPG, or PNG format.

5. Final Payment Request (CalRecycle 87), if needed

An Expenditure Itemization Summary form (CalRecycle 777) and required documentation can be submitted if reimbursement is desired. Refer to the "Grant Payment Request and Documentation" section below for more details.

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 and performance payments may be requested quarterly during the Grant Term in conjunction with submission of the Progress Report and the Final Report. Reimbursement and performance payments must be made on separate Grant Payment Request forms (CalRecycle 87) and completed as separate Payment Request transactions in GMS.
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. Performance payments may be requested when project starts processing newly diverted tons. Approval of a performance payment is contingent upon submission of a Feedstock Certification (CalRecycle 778) form and Performance Table with the Progress Report.
5. Performance payments are issued for each ton of California-generated greenwaste, food materials, or ADC diverted from landfills and composted or digested. The payments will be issued quarterly on a per ton basis with the dollar amount previously determined by dividing the amount requested and approved for performance payments by the total number of tons diverted under the project during the grant term, as stated in the application.
6. 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. If project includes a food waste prevention and rescue partner, the grantee must submit proof of payment for food rescue or prevention expenses prior to reimbursement.
7. 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. Approved performance payments are excluded from the ten percent withhold.
8. 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.
9. The grantee must provide a Reliable Contractor Declaration (CalRecycle 168) (<http://www.calrecycle.ca.gov/Funding/forms/>) signed under penalty of perjury by the grantee's contractor(s) and subcontractor(s) in accordance with the "Reliable Contractor Declaration" provision of the Terms and Conditions (Exhibit A). The declaration must be received and approved by the Grant Manager prior to commencement of work. See "Reliable Contractor Declaration" provision in Terms and Conditions (Exhibit A) for more information.

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, Grants Management System.

To submit a Payment Request for reimbursement (project and food rescue activities):

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 (except for Performance Payment).
 - 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. The **Submit Transaction** button will not be enabled until all required supporting documents are uploaded.

Note: Once a transaction is saved, select the transaction number from the Payment Request tab to access it again. Please do not create multiple transactions for the same requested funds.

Supporting Documentation

- A. A scanned copy of the **Grant Payment Request form** (CalRecycle 87) with the signature of the signatory or his/her designee, as authorized by grantee's Resolution or Letter of Commitment, must be uploaded to GMS.

Note: 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. Cost and Payment Documentation

Acceptable cost and payment documentation must include at least one of each of the following.

- a) Invoices, receipts, or purchase orders must include the vendor's name and telephone number, address, description of goods or services purchased, amount due, and date. The claimed expenses should be highlighted and identified with applicable task number on each invoice.
- b) Proof of payment may include:
 - i. copy of cancelled check(s) that shows an endorsement from the banking institution
 - ii. invoice(s) showing a zero balance, or stamped "paid" with a check number, date paid, and initials

- iii. accounting system report from local government if it contains the vendor name, date of invoice, invoice number, check number or internal ID, and date the amount was paid
 - iv. bank statement(s) along with a copy of the endorsed check or invoice showing the check number
 - v. copy of an electronic funds transfer confirmation
 - vi. copy of a credit card statement(s)
- C. **Expenditure Itemization Summary (EIS)** (CalRecycle 777). All expenditures must be itemized and arranged by the reporting and expenditure categories as contained in the grantee's approved Budget and Work Plan.
- a) Each EIS must be accompanied by supporting documentation for each line item expense (see above). The grantee should retain the original documents.
 - b) The EIS must include the following certification.
"I certify under penalty of perjury, under the laws of the State of California, that the above information is correct and that all funds received have been expended in accordance with the Grant Agreement."
 - c) The certification must be dated and signed by the person authorized in the grantee's Resolution, Letter of Designation, or Letter of Commitment. An EIS received without the signed certification will not be approved.
- D. **Personnel Expenditure Summary** (CalRecycle 165 or grantee's version). 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 Grant Manager).
- E. **Travel Expense Log Form** (CalRecycle 246 or grantee's version). Document costs related to travel and include supporting documentation.

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

To submit a Payment Request for performance payments:

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 in the budget sub category of **Performance Payment**.
 - 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 **Grant Payment Request Form** as the Document Type, enter a document title, click the **Browse** button to search and upload the document, and then **Save**.
 - i. The Grant Payment Request form (CalRecycle 87) is the only required supporting documentation to a performance payment. However, Feedstock Certification forms (CalRecycle 778) and Performance Table must be included with the Progress Report to support the amount requested as a performance payment.
 - 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. The **Submit Transaction** button will not be enabled until all required supporting documents are uploaded.

ANNUAL SURVEY

Post-grant term Annual Surveys may be requested by CalRecycle or CARB to verify continuous progress of projects funded by the Organics Grant Program. The grantee may be asked to complete and submit an Annual Survey for the Organics Grant Program every year for three years after the end of grant term, based on the schedule below. You will be notified via email once the annual online survey is available.

Table 2. Annual Survey

Survey Due	Survey Period
June 30, 2021	End of Grant Term – June 30, 2021
June 30, 2022	July 1, 2022 – June 30, 2022
June 30, 2023	July 1, 2023 – June 30, 2023

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, competitive bids, grant amendments (if any) relating to the budget or work plan, copies of any agreements with contractors or subcontractors if utilized, 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.