

California Department of Food and Agriculture

California Special Interest License Plate
2020 CalAgPlate Grant Program

Grant Management Procedures Manual



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2020 CalAgPlate Grant Program Grant Management Procedures Manual

Program Purpose

The purpose of the CalAgPlate grant program is to promote agricultural education and leadership activities for students at the kindergarten through twelfth grade (K-12), post-secondary, and adult education levels. The program is funded with proceeds generated through the sale of specialized, agriculture-themed license plates through the California Department of Motor Vehicles.

Purpose of the Grant Management Procedures Manual

The 2020 CalAgPlate Grant Management Procedures Manual (Manual) is designed to provide direction to Grant Recipients (Recipients) for the successful management of the CalAgPlate funded projects. The Manual identifies the roles and responsibilities of all parties, and describes the processes and procedures required by the terms and conditions in the Grant Agreement.

General Responsibilities

California Department of Food and Agriculture

The California Department of Food and Agriculture (CDFA), Office of Grants Administration (OGA) oversees the CalAgPlate Recipient Grant Agreements and is responsible for monitoring Recipients to ensure Recipients are compliant with program requirements and grant terms and conditions.

Grant Recipients

Recipients are responsible for project implementation as outlined in the Grant Agreement Scope of Work. Recipients must ensure all project activities, including contract/consultants, are compliant and applicable with state and local laws set forth in the Grant Agreement terms and conditions.

Recipients are responsible for submitting timely and accurate invoices during the project term as well as submitting a Final Performance Report.

Assistance

The OGA is available to answer questions regarding Grant Agreement terms and conditions and program requirements. Recipients should contact the assigned Grant Analyst for assistance with grant management.

Recipient Resources

Forms and templates referenced in this Manual can be found online at www.cdfa.ca.gov/egov/calagplate under Recipient Resources.

Prior Approval Required

Prior approval is required from OGA for the following, but not limited to:

- Revision to the scope of work, budget, objectives, activities, milestones, dates, or deliverables.
- Line item shifts (i.e., budget revisions).
- Program Income not previously approved in scope of work.
- Purchase of equipment.
- Travel outside of California.
- Contracting out or obtaining the services of a third party.

The information required for a request for approval varies according to the type of approval sought. Contact assigned Grant Analyst for the prior approval requirements. Failure to obtain prior approval may result in costs being deemed unallowable and request for reimbursement being denied.

Project Management

Recipients must maintain clear and consistent communication with OGA regarding project progress status throughout the project term, particularly if problems or issues arise resulting in project delays. Upon discovery of problem and/or delays, Recipients must notify OGA immediately for purposes of resolving such problem and/or delays.

Recipients must submit invoices and adequate documentation for expenditures at least quarterly, but no more frequently than monthly to seek reimbursement. Advance payments will not be provided.

Allowable Costs

A cost is allowable if it directly relates to project implementation and is incurred solely to advance work under the Grant Agreement. Allowable costs may include salaries and wages, fringe benefits, travel, equipment, supplies, and subcontractors. Allowable cost must be:

- Necessary and reasonable for proper and efficient performance and administration of the project.
- Authorized or not prohibited under State or local laws or regulations.
- Consistent with policies, regulations, and procedures that apply uniformly to State funds and other activities of the governmental unit.
- Determined in accordance with generally accepted accounting principles.
- Adequately documented.

Unallowable Costs

A cost is unallowable if it does not comply with program requirements or other terms and conditions in the Grant Agreement. Unallowable costs will not be reimbursed.

Unallowable expenses include, but are not limited to administrative costs, scholarships, raffles, incentives, gifts, donations of produce grown with CalAgPlate funds, advertising and promotion, hospitality suites, alcoholic beverages, costs of entertainment (including amusement, diversion and social activities and any costs directly associated with such costs such as tickets to sports events, meals, lodging, rentals, transportation, and

gratuities), and costs for organized fundraising including financial campaigns and solicitation of gifts, or expenditures not identified in the approved Budget Narrative.

Contact OGA to determine whether a cost is allowable.

Direct and Indirect Costs

Indirect Cost Rate

Indirect costs are limited to a maximum of 5 percent of personnel costs (salaries and fringe benefits). Indirect costs may not be increased from the originally approved budget amount. If the Salary and Wages or Fringe Benefit line items are decreased through a Line Item Shift Request, the indirect cost budget must be decreased accordingly.

Charging Direct and Indirect Costs Consistently

Recipients are responsible for charging direct and indirect costs incurred for the project consistently and appropriately. It is not allowable to charge an indirect cost as a direct cost.

Direct costs are costs that can be identified specifically with a particular project or can be directly assigned to a project activity relatively easily with a high degree of accuracy. Typically, direct costs include, but are not limited to, compensation for employees who work directly on the project, travel, equipment, and supplies directly benefiting from the project.

Indirect costs are costs incurred for a common or joint objective that cannot be identified specifically with a particular project. Typically, indirect costs include, but are not limited to, compensation for executive officers, and administrative and clerical staff, costs of operating and maintaining facilities (such as rent, utilities, janitorial, maintenance, internet service, cellular and land-line telephone service), general administration expenses (such as office supplies and insurance that cannot be identified specifically with a particular project), accounting and personnel services.

Direct charging of these costs **may** be appropriate when all the following conditions are met:

1. Administrative or clerical services are integral to the project of activity;
2. Individuals involved can be specifically identified with the project or activity;
3. Such costs are included in approved budget or have prior written approval of OGA;
4. The costs are not also recovered as indirect costs; and
5. The Recipient organization has a written policy on charging direct and indirect costs.

All five criteria above must be met before a determination can be made whether the costs are allowable as direct costs. Compliance with other requirements, such as timekeeping requirements, must also be met.

Scope of Work Revisions

Scope of Work (SOW) Revisions may be required when SOW activities, milestones, dates, and/or deliverables change. Requests for revisions must be made in writing to

OGA no later than thirty (30) days prior to the requested implementation date and provide sufficient information to explain the need and how the change affects the project. Revision requests must be signed by an authorized official of the Recipient organization and approved by OGA.

Examples of project changes that require a SOW revision include by are not limited to:

- Transfer of project work to a third party through a contract, sub-grant, or any other means.
- Replacement or changes in the status of the Project Director such as withdrawing from the project entirely, being absent during any continuous period of three months or more or reducing the time base by 25 percent or more.
- The addition or deletion of activities, deliverables, or a contractor/consultant.
- Changes of Recipient, Recipient organization name, or Recipient organizational status.

Line Item Shift Requests for Budget Revisions

Recipients are required to complete and submit to their assigned Grant Analyst a Line Item Shift Request (LISR) in advance when budget line items need to be adjusted. All un-shaded areas of the form should be completed.

- Enter the current approved budget values (these amounts should be taken from the most recent approved invoice, Project Budget column).
- Enter the amount of funds transferred from a budget line item as a negative by using minus sign “-”, and the amount of funds transferred to a budget line item as a positive amount by using the plus sign “+”. The revised budget will automatically be calculated.

In addition, the following restrictions and requirements apply to LISRs:

- The total project budget cannot be increased or decreased through this process.
- The indirect budget line item cannot be increased from the originally approved budget amount. If total personnel services are decreased, the indirect budget line item must be decreased accordingly.
- LISRs must be accompanied by a revised budget narrative.

Notification of Problems and Delays

Recipients must immediately notify their assigned Grant Analyst of any problems, delays and/or adverse conditions that may materially affect the project. Examples include but are not limited to: inability to collect data, or to complete any activity according to the work plan or work plan schedule of the project according to the Grant Agreement SOW; inability of contractor/consultants to perform work or to fill vacant positions resulting in activities being delayed or eliminated. Some problems and delays may require a SOW revision.

Program Income

Program income is earned from activities supported by or as a result of the grant. Program income must be reinvested into the project and must be expended on

allowable project costs. Recipients are prohibited from retaining program income as profit of funding for the Recipient. Program income may not be used to support unallowable costs or activities.

Program income information must be reported on invoices and on the final performance report. If program income is generated during the grant term the final performance report must include the nature or source of the program income (e.g., registration fees), the amount, and a description of how the program income will be used to support the CalAgPlate Grant Program goals such as agricultural education, agricultural career awareness and development, agricultural career training, and agricultural leadership development. Changes to program income require prior approval.

Timekeeping Requirements

Activity Reports

OGA requires activity reports to support salary and wage and fringe benefit expenditures charged to the CalAgPlate grant. Each report must account for the total activity for which each employee is compensated, as well as the hours worked on the CalAgPlate project. A detailed description of activities and signed approval must be included. This also applies to salaried employees. Costs not properly supported are potentially unallowable and may not be reimbursed.

Travel

All travel costs must be substantiated by receipts. Costs not substantiated by receipts are considered unallowable and will not be reimbursed.

Restriction on Travel to States with Discriminatory Laws

California Assembly Bill 1887 prohibits the use of state-funded or state-sponsored travel to any state that has enacted discriminatory laws or practices. The Attorney General maintains a current list of states that are subject to the travel prohibition online at: <https://oag.ca.gov/ab1887>. Costs associated with travel to the states affected by this restriction are unallowable.

California In-State Travel

Reimbursement is for actual costs up to the maximum allowance for meals, incidentals, and lodging expenses for each complete 24 hours of travel. The maximum travel rates allowable are the rates in effect at the time of travel as established by the California Department of Human Resources (CalHR), and can be found on their website at: <https://www.calhr.ca.gov/employees/Pages/travel-reimbursements.aspx>

Meals and Incidental

CalHR establishes the maximum allowable per diem rates for meals and incidentals.

Lodging

Reimbursements for lodging and applicable taxes are for actual costs and must be substantiated with a receipt. The maximum lodging rates established by CalHR.

Mileage and Parking

Mileage reimbursement for using a privately-owned vehicle will be at the standard mileage rate established by the United States (U.S.) Internal Revenue Service (IRS) and in effect at the time of travel. The standard mileage rate in effect at the time of travel can be found on:

<https://www.irs.gov/newsroom/irs-issues-standard-mileage-rates-for-2021>

Reimbursement for parking is up to the actual cost and must be substantiated with a receipt.

Air Travel

All travelers must use economy-based rates for airfare. Reimbursement is available up to actual airfare expenses incurred and must be supported with receipts.

Contractors/Consultants

Recipients may contract for services that cannot be provided by staff employed by the Recipient. Generally, these services are for a short-term period and provide a specific and identifiable product or service. Recipients are responsible for ensuring their contractors/consultants comply with applicable program requirements.

Prior approval is required when contracting out or obtaining the services of a third party. Please see [Prior Approval Required](#) on page 2 and [Scope of Work Revisions](#) on page 4.

Written Agreement

The Recipient must have a written agreement with each contractor or consultant. The written agreement must include at a minimum: beginning and ending dates, dollar amount, description of services or deliverables, and a budget. The budget must include the same line item categories as the budget narrative. Contractor or consultant invoices must include sufficient information to determine that the expenditures invoiced are allowable.

Indirect Costs for Contractors/Consultants

Indirect costs for contractors/consultants are allowed. The indirect cost rate cannot exceed the maximum allowable (see [Indirect Cost Rate](#), page 3). Indirect costs cannot be increased from the originally approved amount.

Invoicing for Payment

Recipients are accountable for all grant funds awarded and must ensure all funds are used solely for their authorized purposes. Recipients must maintain supporting financial documentation (i.e. receipts, invoices, etc.) for all project expenditures submitted to their assigned Grant Analyst for reimbursement. Advance payments will not be provided.

Reimbursement Payments

Recipients submit invoices to their assigned Grant Analyst for reimbursement of actual expenditures incurred. Invoices must be submitted at least quarterly, but not more frequently than monthly and include all supporting documentation to substantiate expenses.

Reimbursements must be requested on the invoice provided by OGA. A scanned, legible copy of a signed invoice can be emailed to the Administrative Contract identified in Exhibit A of the Grant Agreement.

Invoices

When to Submit Invoices

Once expenditures against the grant funds have been incurred, an invoice can be submitted for those expenses. Invoices are due no later than thirty (30) calendar days after the invoice period and are required regardless of whether or not project costs are incurred during the invoice period. Invoices must be submitted quarterly, but no more frequently than monthly.

The quarterly invoice periods and invoice due dates:

Quarterly Invoice Period	Invoice Due Date
January 1 - March 31	April 30
April 1 - June 30	July 31
July 1 - September 30	October 31
October 1 - December 31	January 31

Invoices and supporting financial documentation submitted to the Grant Analyst will be reviewed for completeness and accuracy. The Grant Analyst will promptly notify the Recipient of any incompleteness or deficiencies, which appear on the invoice. Once the incompleteness or deficiencies are corrected, the Grant Analyst will process the invoice for payment.

Completing an Invoice

The OGA initiates each invoice cycle by generating an electronic invoice template. The Grant Analyst will email Recipients an invoice template with the Grant Agreement Number, Recipient Name, Project Title, Invoice Number, and the Project Budget entered.

Reimbursement Invoice

Recipient completes the Billing Period, Invoice Date, and Amount Requested column on the invoice for the project activities completed, signs, dates, and returns the invoice to OGA. The Recipient will also enter the amount of Program Income earned and Cost Share to date, if applicable.

No Expenditure Invoice

Recipient checks the “NO EXPENDITURES” box, signs, dates, and returns the invoice to the Grant Analyst. No Expenditure invoices must be accompanied by an explanation of why costs were not incurred during the billing period.

Final Invoice

Recipient must submit a Final Invoice for payment within thirty (30) calendar days of the expiration date of the grant agreement along with the Final Performance Report. Recipient marks the invoice as “Final” in the Invoice Number area, indicating all payment obligations have been met and no further payments are due.

Withholds

Withhold Payment Notification

The OGA will issue a Withhold Payment Notification (Notification) to delay payment of an invoice if there is an invoice discrepancy or issues, unallowable cost claimed, or late report. The Notification describes the reason for withholding payment and what actions, if any, may be required to resolve the issues for withholding payment. Invoices are processed once all issues are resolved. A Notification will not be sent for funds withheld pending closeout, see withhold pending closeout below.

See [Appeal Process](#) (page 9) for information regarding appealing a withhold notification.

Withhold Pending Closeout

The OGA will withhold 10 percent of the Grant Agreement award until approval of the Final Invoice and Final Performance Report, and/or resolution of any performance issues or audit findings prior to close out. A Withhold Payment Notification will not be sent, and the 10 percent withhold may not be appealed.

Publicity and Acknowledgement

Publicity

Recipients must notify the OGA in writing at least two business days before any news/press releases or public conferences are initiated by the Recipient or its contractors in regard to the project and any project results.

Acknowledgment of Support

Recipients must acknowledge CDFA’s CalAgPlate support whenever projects funded, in whole or in part, are publicized in any news media, brochures, publications, audiovisuals, or other types of promotional material. The acknowledgement must read as follows: “This publication [or project] was supported by the CalAgPlate Grant Program.” Recipients may not use the CDFA logo. A copy of the publication acknowledging CDFA’s CalAgPlate support should be submitted to the CDFA Grant Analyst for its files.

Reporting Requirements

Final Performance Report

Recipients are required to submit a Final Performance Report that identifies goals and objectives achieved, including quantifiable results, successes, project delays or lessons learned and any other pertinent information. The Final Performance Report is due no later than thirty (30) calendar days following the expiration date of the Grant Agreement or after the project is complete, whichever comes first. Recipients will receive a final report template from OGA approximately one month prior to the end of the project.

Termination of Agreement

OGA may terminate a grant agreement for noncompliance. The Recipient will be notified in writing of the reasons for termination, the date the termination is effective, and the method for appealing the termination.

Appeal Process

Actions that may be appealed include but are not limited to:

- [Withhold of Payment](#) (page 8)
- [Termination of Agreement](#) (page 9)

Appeals must be in writing either mailed to:

California Department of Food and Agriculture
Office of Hearings and Appeals
1220 N Street, Suite 315
Sacramento, CA 95814

Or via email to: CDFA.LegalOffice@cdfa.ca.gov

The appeal must include a copy of the notification or the name of the recipient organization, the Grant Agreement number, the title of the project; the reasons the action should not be imposed, including any documentation to support the appeal, and the signature of the authorized representative.

Appeals must be postmarked (date stamped if via email) within 10 business days of receiving the notification of action from OGA. Appeals not received within the timeframe will be denied. The action specified in the notification remains in effect while the appeal is under review.

Closeout

Before the Grant Agreement is closed, OGA will review the final performance report and invoice, and verify resolution of any project performance concerns. A closeout letter and final payment will be issued when closeout review is completed.

Closeout does not cancel property management, record retention or financial accountability requirements.

Property Management and Disposition of Equipment

Equipment

Equipment is tangible, non-expendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit.

Property Records

Recipients must maintain property records for equipment. At a minimum, property records shall include: a description of the equipment, a serial number or other identification number, identification of the Grant Agreement under which the equipment was acquired, the acquisition date, acquisition cost of the equipment, percentage of state participation in the cost of the equipment, the location, use and condition of the equipment, and any ultimate disposition information including the date of disposal and sale price of the equipment.

Record Retention

Recipient must retain supporting financial records, project records, and any other relevant supporting documents related to the grant award for a period of three (3) years from the date of the close out notification. Records that must be retained include:

- Personnel Activity Reports (i.e., Time sheets) and associated payroll records that reflect the total activity for which each employee is compensated.
- Actual expenditure invoices of direct costs charged to grant fund.
- Travel reimbursement claims, including receipts for lodging, per diem and transportation.
- Documentation supporting calculation or methodology to determine indirect costs.
- All other supporting documentation related to the Grant Agreement. Examples of other records include policies and procedures, and documentation of matching funds and in-kind contributions.