

2023 CalAgPlate Grant Program California Special Interest License Plate

Grant Management Procedures Manual

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Office of Grants Administration**

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Table of Contents

Overview.....	1
Program Purpose	1
Purpose of the Grant Management Procedures Manual	1
General Responsibilities	1
Office of Grants Administration	1
Grant Recipients	1
Recipient Resources	1
State Regulations	2
Prior Approval Required	3
Project Management	4
Allowable Costs	4
Unallowable Costs	4
Direct and Indirect Costs	4
Indirect Cost Rate	4
Charging Direct and Indirect Costs Consistently	5
Scope of Work Revisions	6
Line Item Shift Requests	6
Notification of Problems and Delays	7
Program Income	7
Timekeeping Requirements.....	8
Travel	8
California In-State Travel.....	8
Travel Outside of California.....	8
Ground Transportation	9
Parking.....	9
Air Travel.....	9
Contractors/Consultants	9
Competitive Process	10
Written Agreement	10
Compensation	10
Indirect Costs for Contractors/Consultants.....	11
Equipment	11
Publicity and Acknowledgment.....	11
Publicity.....	11
Acknowledgment of Support	11

Invoicing	12
Payment Methods.....	12
Advance Payments	12
Reimbursement Payments	12
Invoices	13
When to Submit Invoices.....	13
Completing an Invoice.....	13
Supporting Documentation.....	14
Withholds.....	14
Withhold Payment Notification	14
Withhold Pending Closeout.....	14
 Reporting Requirements.....	 15
 Remedies for Noncompliance	 16
Remedies for Noncompliance.....	16
Additional Conditions	16
Termination of Grant Agreement	17
Appeal Process	17
 Closeout	 18
Property Management and Disposition.....	18
Special Purpose Equipment.....	18
Property Records	18
Record Retention.....	18

Overview

Program Purpose

The California Department of Food and Agriculture's (CDFA) California Agriculture License Plate Grant Program (CalAgPlate) is funded by fees associated with the original purchase, annual renewal, and conversion of CalAgPlates from the California Department of Motor Vehicles.

The purpose of the CalAgPlate grant program is to support and promote agricultural education, agricultural career awareness and development, agricultural career training, and agricultural leadership development to assist students at the kindergarten through twelfth grade (K-12), post-secondary, and adult education levels. Supporting these educational and training areas will provide participants further agricultural opportunities and experiences at the local and statewide levels.

Purpose of the Grant Management Procedures Manual

The 2023 CalAgPlate Grant Management Procedures Manual (Manual) is designed to provide direction to Grant Recipients (Recipients) for the successful management of 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

Office of Grants Administration

The CDFA Office of Grants Administration (OGA) manages the CalAgPlate Grant Agreements and ensures Recipients are compliant with program requirements and grant terms and conditions. The OGA also provides Recipients with technical assistance throughout the Grant Agreement term.

Grant Recipients

Recipients implement the Grant Agreement scope of work and ensure all project activities, including contractor/consultant activities, comply with applicable state and local laws, program requirements, and 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.

Recipient Resources

Forms and templates referenced in this manual, as well as the Manual, can be found on the CDFA CalAgPlate [Recipient Resources webpage](#).

State Regulations

California Code of Regulations, Title 3, Division 1, Chapter 5, [Grant Administration](#), (Regulation) outlines the administrative regulations applicable to CalAgPlate grant funds. Additionally, pursuant to Section 330.2, is a list of [allowable and unallowable items of cost](#). Failure to mention a particular item of cost is not intended to imply the cost is allowable or unallowable.

Additional guidance regarding the Regulations and the allowable and unallowable items of cost is available from the assigned Grant Analyst.

Prior Approval Required

Prior approval is required from OGA for the following:

- Revision of the scope of work, objectives, outcome measures, work plan, activities, milestones, dates, or deliverables
- Budget changes
- Line-item shifts
- Purchase of equipment
- Travel outside of California
- Contracting out or obtaining the services of a third party
- Change in Recipient organization or key personnel
- Absence of key personnel, or a reduction of key personnel time committed to the project of 25 percent or greater
- Program Income not previously approved, or changes to the use of Program Income (if applicable)

The information required for a request for approval varies according to the type of approval sought. Contact the assigned Grant Analyst for the information required for your situation.

Failure to obtain prior approval may result in costs being deemed unallowable and request for reimbursement being denied.

Project Management

Allowable Costs

A cost is allowable if it directly relates to the approved project and is incurred solely to advance work under the Grant Agreement. Allowable costs may include salaries and wages, fringe benefits, travel, special purpose equipment, supplies, contractors, or other direct costs such as registration fees, speaker/trainer fees, meeting space or equipment rentals, subscriptions, etc.

Expenditures must conform to CDFA program requirements, and 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 both 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 of the Grant Agreement. A cost is also unallowable if it is not contained in the approved scope of work or is not necessary and reasonable to advance the work of the project. Unallowable costs will not be reimbursed.

Specific expenses that are unallowable include, but are not limited to, administrative costs, incentives, gifts, raffles, donations (including produce or products as a direct result of the use of grant funds), 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 shows or sports events, meals, lodging, rentals, transportation, and gratuities), costs associated with lobbying, costs for organized fundraising including financial campaigns and solicitation of gifts, scholarships, advertising and promotion (including giveaways to the public, such as key chains, t-shirts, hats, pens, stickers, etc.).

Additional guidance regarding allowable and unallowable costs and activities is available from the assigned Grant Analyst.

Direct and Indirect Costs

Indirect Cost Rate

Indirect costs are limited to a maximum of five percent (5%) of the total amount of Salary and Wages plus Fringe Benefits. Indirect costs may not be increased from the

originally approved budget amount. This also applies to the Recipient's contractors/consultants.

Charging Direct and Indirect Costs Consistently

Recipients are prohibited from charging an indirect cost as a direct cost. Recipients are responsible for presenting costs incurred for the same purpose in like circumstances consistently and must not include costs associated with their organization's indirect cost policy as direct costs.

Direct costs

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, special purpose equipment, and supplies necessary to the project.

Indirect costs

Indirect costs (also known as "facilities and administrative 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, general administration expenses (such as supplies that cannot be identified specifically with a particular project), accounting and personnel services, depreciation, and insurance.

The salaries of administrative and clerical staff should normally be treated as indirect costs. However, direct charging of these costs may be appropriate where all of the following conditions are met:

1. Administrative or clerical services are integral to the project or activity;
2. Costs involved can be specifically identified with the project or activity;
3. Such costs are explicitly included in the approved budget;
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 criteria above must be met before a determination can be made whether the costs are allowable as direct costs. Approval must also be obtained from OGA. Compliance with other requirements, such as timekeeping requirements, must also be met.

The following are considered indirect and should not be charged to the grant as direct costs:

- Information technology services
- Rent

- Janitorial or maintenance services
- Utilities and internet service
- Telephone service (mobile and landline)
- General office supplies
- Insurance and indemnification

Scope of Work Revisions

Scope of Work (SOW) revisions are required when changes to activities, milestones, dates, deliverables, support from other grant programs, and/or budget occur. Requests for revisions must be made in writing and provide sufficient information to explain the need and how the change affects the project. Revisions must be requested by an authorized official of the Recipient organization and approved by OGA. Reimbursement is available only for approved project activities. Failure to obtain prior approval of SOW revisions may result in costs being deemed unallowable and request for reimbursement denied.

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

- Changes within the budget line items (addition, deletion, or revision of personnel, contractors/consultants, travel, supplies, etc.).
- 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 Principal Investigator or 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, deletion, or revision of activities and/or deliverables.
- Change of Recipient, Recipient organization name, or Recipient organizational status.
- Changes to the outcome measures.
- The Recipient receives grant funds to support similar project costs/activities from another federal or state grant program.
- The Recipient receives federal or state assistance to support costs that are also supported with CalAgPlate funds (e.g., a forgiven loan from the Paycheck Protection Program or a California Small Business COVID-19 Relief Grant).

Consult with the assigned Grant Analyst for further instructions on completing a SOW revision.

Line Item Shift Requests

In the event a change to the project's budget line items is necessary, Recipients are required to complete and submit to OGA a SOW revision along with a Line Item Shift

Request (LISR) in advance to adjust budget line items. Approval for the LISR must be obtained from OGA prior to incurring costs under the revised budget.

The following restrictions and requirements apply to LISRs:

- The project award amount 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 costs decrease, the indirect budget line item must be decreased accordingly.
- LISRs must be accompanied by a SOW revision.

Note: Recipients may have multiple LISRs throughout the Agreement Term.

Notification of Problems and Delays

Recipients must immediately notify the assigned Grant Analyst of any delays, problems, and/or adverse conditions that may materially affect the project. Some problems and delays may require a SOW revision. Examples include but are not limited to:

- Challenges completing any activity according to the work plan or work plan schedule;
- Challenges quantifying, collecting data, or completing activities related to the expected measurable outcomes;
- Challenges or inability to fill vacant positions resulting in activities being delayed or eliminated;
- Delays meeting required due dates for invoices or the final report.

Program Income

Program income is earned by the Recipient from activities supported by or as a result of the grant. Program income has the same restrictions as grant funds; therefore, program income must be reinvested into the project to further enhance the project objectives and must be expended on allowable project costs. Recipients are prohibited from retaining program income as profit or funding for the Recipient. Program income may not be used to support unallowable costs or activities.

Program income is reported on invoices and the final performance report. Reporting on the final performance report includes the nature or source of the program income (e.g., registration fees), the amount, and a description of how the program income was used. The Recipient must track program income generated and its use and make available upon request by CDFA.

Changes to the use of program income require prior approval through a SOW revision.

Timekeeping Requirements

Personnel activity reports are required to support salary and wage and fringe benefit expenditures charged to CalAgPlate grants. This also applies to salaried employees, such as Executive Directors. Costs not adequately supported are unallowable and will not be reimbursed. Each personnel activity report must:

- Identify the number of hours worked on a daily basis for the CalAgPlate grant;
- Account for the total activity for which each employee is compensated;
- Provide a description of activities performed with enough detail to determine whether the activity is project related; and
- Be signed by both the employee and the supervisor.

Fringe benefits must be billed at or below actual cost in accordance with the Recipient's established fringe benefits policy; billing fringe benefits based on estimated rates is unallowable.

Travel

All travel costs must be substantiated by receipts. Costs not substantiated by receipts are considered unallowable and will not be reimbursed. Credit card statements are not acceptable as receipts to support travel costs.

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 lesser of the rates in effect at the time of travel as established by the [California Department of Human Resources](#) (CalHR), or the Recipient's established travel policy.

Luxury accommodations include lodging at all-inclusive hotels/resorts or multi-bedroom suites are never an appropriate use of grant funds. Luxury accommodations or other forms of lodging that exceed the CalHR rate, even when travel involves multiple individuals sharing a single accommodation such as a suite, are unallowable.

Travel Outside of California

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 lesser of the rates in effect at the time of travel as established by the [U.S. General Services Administration](#) for each of the states within the U.S., or the Recipient's established travel policy.

Prior approval is required for travel outside of California. Please see [Prior Approval Required](#) on page 3 and [Scope of Work Revisions](#) on page 6.

Ground Transportation

Privately Owned Vehicle

Mileage reimbursement for using a privately owned vehicle will be at the [standard mileage rate](#) established by the U.S. Internal Revenue Service (IRS) in effect at the time of travel. Mileage logs should be utilized to substantiate mileage costs.

Rental Vehicle

Recipients should utilize the most economical rental vehicle option available. Reimbursement is up to the actual cost. Excessive costs will be disallowed and/or reduced to a reasonable, allowable rate. In cases where there is a need for another type of vehicle (such as several people traveling together with luggage or carrying equipment), the Recipient must provide a justification to the Grant Analyst.

Fuel reimbursement when using a rental vehicle will be at the actual cost for the fuel and must be supported with receipts. Recipients will not be reimbursed the standard mileage rate established by the IRS for a rental vehicle.

Rideshare Service

Recipients should utilize the most economical rideshare service (e.g., Uber, Lyft, taxicab) option available. Reimbursement will be at the actual cost and must be supported with receipts.

Note: Travel by a luxury vehicle such as a limousine is never appropriate using grant funds and will not be reimbursed.

Parking

Recipients should utilize the most economical parking option available. Reimbursement for parking is up to the actual cost and must be supported with receipts. Excessive costs will be disallowed and/or reduced to a reasonable, allowable rate.

Air Travel

All travelers must use economy-based rates for airfare. Reimbursement is available up to the actual airfare expenses incurred and must be supported with receipts. The following costs related to air travel are unallowable and will not be reimbursed:

- Upgraded seats
- Priority boarding
- Excessive booking fees
- Seat assignment fees

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. Contracting out must not affect the Recipient's overall responsibility for the management of the project, and the Recipient must reserve sufficient rights and controls to enable it to fulfill its responsibilities for the project.

Prior approval is required when contracting out or obtaining the services of a third party. See [Prior Approval Required](#) on page 3 and [Scope of Work Revisions](#) on page 6.

Competitive Process

The Recipient shall follow its own written procurement policy and procedures when procuring goods or services. In the absence of a written policy and procedures, procurement transactions for goods or services of \$5,000 or more shall be conducted in a manner providing full and open competition, consistent with the following:

- The contract opportunity must be advertised or bids or proposals solicited.
- At least three bids or proposals should be obtained. If three bids or proposals are not obtained, the following must be documented:
 - The manner of advertising, including the names of any publications in which the contract opportunity was advertised, if applicable.
 - The names and addresses of the firms or individuals solicited for bids or proposals.
 - The names and addresses of the firms or individuals that submitted a bid or proposal, and the bid or proposal amount for each.
- An invitation to bid or request for proposal cannot be drafted in a manner that limits the bidding directly or indirectly to one bidder.

Written Agreement

The Recipient must have a written agreement with each contractor/consultant. The written agreement must include at a minimum: identification of the parties, beginning and ending dates, dollar amount of the contract, a description of activities, services or deliverables to be performed with a time schedule, a budget, payment provisions, and signature and date by both the Recipient and the contractor/consultant. An amendment to the contract between the Recipient and the contractor/consultant is required if there are changes to the contract, such as the budget, payment provisions, services provided, etc. Amendments require a signature and date by both the Recipient and the contractor/consultant. Lastly, the budget in the contract must include the same line-item categories as the Grant Agreement budget (e.g., flat rate, personnel, fringe, etc.).

Compensation

Contractor/consultant invoices provided to the Recipient must include sufficient detail and information to determine that the expenditures invoiced are project related, reasonable and allowable.

The rate and method of compensation (e.g., salary and fringe, flat rate, etc.) must match

the SOW as well as the written agreement between the Recipient and the contractor/consultant. A SOW revision is necessary if the rate and/or method of compensation changes from the approved SOW.

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 4). Indirect costs cannot be increased from the originally approved amount.

Equipment

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

Special purpose equipment (used only for research, scientific, or other technical activities) may be purchased using CalAgPlate funds when reasonable and necessary and with prior approval from OGA. General purpose equipment cannot be purchased using CalAgPlate funds but may be rented when reasonable and necessary to project success with prior approval.

Please see [Property Management and Disposition](#) on page 18 for additional requirements.

Publicity and Acknowledgment

Publicity

Recipients must notify OGA in writing at least two business days before any news/press releases or public conferences are initiated by the Recipient or its contractors relating 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 Grant Analyst for its files.

Invoicing

Payment Methods

There are two payment methods for allowable costs – advance payments and reimbursement payments. It may take up to 45 days from the date the invoice payment request is received for a check to be issued by the California State Controller’s Office on behalf of CDFA.

Advance Payments

Non-profit 501(c)(3) Recipients may be eligible to receive an advance payment to cover anticipated project expenditures. Advance payments may not exceed 25 percent of the total award. Advance payment is not allowable under the following circumstances:

- an existing advance is not completely liquidated;
- the advance will reduce the project balance below 10 percent of the award amount;
- there is an invoice dispute;
- there is a pending resolution of an audit;
- the project is not current in invoicing;
- the project is in the final three months of the project duration; and/or
- additional conditions imposed prohibit an advance payment.

Advance Payment Request Procedures

Requests must be submitted using the Advance Payment Request and Advance Payment Request Supplement forms found on the CDFA CalAgPlate [Recipient Resources website](#). In addition, Recipients must, 1) be in good standing as a non-profit 501(c)(3), and 2) submit documentation to support the need for advance payment, which may include, but is not limited to, invoices, contracts, estimates, payroll records, and financial records.

Recipients that receive advance payments must deposit the funds into a federally insured account (the account must be in the recipient entity’s name and cannot be in the name of any of its directors or officers). The account must provide the ability to track interest earned and withdrawals. Any accumulated interest is deemed to be grant funds that must be spent on allowable costs and activities in the same manner as grant funds.

Recipients must establish procedures to minimize the amount of time that elapses between the receipt of the advance payment and the expenditure of those funds.

Reimbursement Payments

Recipients submit invoices to OGA for reimbursement of actual expenditures incurred. Invoices must be submitted at least quarterly, but not more frequently than monthly, in arrears. The quarterly periods are:

- Quarter 1: January 1 – March 31
- Quarter 2: April 1 – June 30
- Quarter 3: July 1 – September 30
- Quarter 4: October 1 – December 31

Invoices

The OGA initiates each invoice cycle by generating an electronic invoice template. OGA emails Recipients an invoice template with the Grant Agreement Number, Recipient Name, Recipient Mailing Address, Project Title, Invoice Number, Project Budget, and Invoiced to Date entered. The invoice template provided by OGA must be used; invoices generated or altered by the Recipient will not be accepted.

When to Submit Invoices

Invoices are due no later than 30 days after the quarterly invoice period and are required even if no project costs are incurred during the invoice period. Final invoices are due no later than 30 days following the expiration of the Grant Agreement term or after the project is complete, whichever comes first.

Completing an Invoice

Reimbursement Invoice

Recipient completes the Billing Period, Invoice Date, the Amount Requested column, Cost Share to Date (if applicable), Program Income Generated to Date (if applicable), and certifies that the information is correct with an authorized representative's name, phone number, email, and date. Recipient then submits the invoice to OGA for processing.

No Expenditure Invoice

Recipient completes the Billing Period, Invoice Date, checks the "NO EXPENDITURES" box, and certifies that the information is correct with an authorized representative's name, phone number, email, and date, and submits the invoice to OGA. No Expenditure Invoices must be accompanied by an explanation of why no costs were incurred during the billing period.

Advance Payment Offset Invoice

Recipient follows the instructions for a Reimbursement Invoice. The invoice template automatically calculates the amount to be paid, less the advance payment. OGA adjusts the Less Advance amount each billing period until the advance is offset 100 percent by expenditures.

In addition, the Recipient must provide progress on the expenditure of advanced funds no less than on a quarterly basis by submitting the Advance Payment Request Liquidation form found on the CDFA CalAgPlate [Recipient Resources website](#).

Final Invoice

Recipient follows the instructions for a Reimbursement Invoice and marks the invoice as “Final” indicating all payment obligations have been met and no further payments are due.

Supporting Documentation

Recipients must collect and submit all source documentation associated with costs incurred as a result of the Grant Agreement along with the Reimbursement Invoice to CDFA to ensure compliance with the Grant Agreement. Source documentation includes, but is not limited to, receipts, paid bills, payroll (time and activity reports), and contractor’s invoices. If recipients pay a portion of the total amount indicated on the source document, it must appropriately identify the specific expenses and total amount charged to the grant.

Withholds

Withhold Payment Notification

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

See [Appeal Process](#) on page 17 for information regarding appealing a Withhold Payment Notification.

Withhold Pending Closeout

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

Reporting Requirements

Recipients are required to submit a Final Performance Report no later than 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. The Final Performance Report is used to identify goals and objectives achieved, including quantifiable results, successes, project delays or lessons learned, and any other pertinent information, such as program income.

Remedies for Noncompliance

Remedies for Noncompliance

OGA may take one or more of the following remedies for failure to comply with state laws and regulations, Grant Agreement terms and conditions, grant program requirements, and/or the Manual:

- Disallowance of costs for all or part of the cost of the activity or action not in compliance, or for the invoicing or reporting period not in compliance;
- Withdrawal of authorized personnel approval;
- Withholding of payments;
- Denial of advance payment requests;
- Recovering of grant funds paid to the Recipient;
- Imposition of additional conditions; and,
- Suspension or termination of the Grant Agreement.

Additional Conditions

OGA may impose additional specific conditions on Recipients that have been identified as high risk or are noncompliant with state laws and regulations, Grant Agreement terms and conditions, grant program requirements, and/or the Manual.

Reasons for imposing additional conditions include but are not limited to:

- Late invoices or final performance report;
- Audit findings;
- History of unsatisfactory performance
- Noncompliance with terms and conditions of current or previous awards; and/or
- Noncompliance with grant program requirements.

Additional condition examples include but are not limited to:

- More frequent submission of progress reports;
- More frequent submission of invoices;
- Audits;
- Requiring payments as reimbursements rather than advance payments; and/or
- Establishing additional prior approvals.

Recipients will be notified in writing of the additional conditions imposed; the reasons for imposing the additional conditions; the actions required, if any, to remove the additional conditions; the timeframe in which the required actions must be completed; and the method of appealing the additional conditions imposed.

Termination of Grant 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 Payment Notification (see [page 14](#));
- Additional Conditions (see [page 16](#)); or
- Termination of Agreement (see [page 17](#))

Appeals must be in writing either mailed to:

California Department of Food and Agriculture
Office of Hearings and Appeals
1220 N Street
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 calendar days of the date of the notification of the action from OGA. Appeals not received within this 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 final invoice and verify resolution of any project performance concerns or audit findings. 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

Special Purpose Equipment

The purchase, use, management, maintenance, disposition, and reporting of special purpose equipment purchased with or developed under a Grant Agreement is governed by the property standards contained in the Regulations Section 324.1-324.2. It is important to note these requirements remain in effect after the close of the Grant Agreement.

Property Records

Recipients are to complete the first section of OGA Form 2.1.6. Equipment Inventory Record found on the CDFA CalAgPlate [Recipient Resources webpage](#) when the special purpose equipment is purchased and provide to OGA. Recipients must maintain property records for special purpose equipment, including but not limited to a description of the equipment, a serial number or other identification number, identification of the Grant Agreement under which the equipment was acquired, who holds title, the acquisition date, acquisition cost, percentage of grant funded participation in the cost of the equipment, the location, and use and condition of the equipment. At the close of the Grant Agreement, the Recipient must complete the second section of OGA Form 2.1.6 Equipment Inventory Record, indicating the fair market value for each piece of special purpose equipment and the intended purpose of the special purpose equipment after the grant ends. The Recipient will complete the third section of OGA Form 2.1.6. Equipment Inventory Record with the ultimate disposition information including the date of disposal, how it was disposed, value at time of disposition, and the sales price of the equipment (if sold).

Record Retention

Recipients must retain financial records, project records, and any other relevant supporting documents for a period of three (3) years from the date of the closeout notification or until any litigation related to the grant is resolved, whichever is later. All records must be made available to OGA or its designees upon request.

Records that must be retained include:

- Timesheets and payroll records that reflect the total activity (including descriptions) for which each employee is compensated;
- Actual expenditure invoices of direct costs charged to grant funds;
- Employee reimbursement claims including lodging, per diem, and transportation receipts;
- Documentation supporting calculation or methodology to determine indirect costs; and,
- All other supporting documentation related to the Grant Agreement (e.g., policies, procedures, contracts, etc.).