



CALIFORNIA DEPARTMENT OF FOOD and AGRICULTURE

2014 State Water Efficiency and Enhancement Program

Round 2

Grant Award Procedures

General Information

Purpose

The 2014 State Water Efficiency and Enhancement Program (SWEEP) Round 2 Grant Award Procedures (GAP) is designed to provide direction to Grant Recipients (Recipients) for the successful management of SWEEP funded projects. The GAP identifies 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) Grant Manager oversees the SWEEP Recipient Grant Agreements. The CDFA Grant Manager ensures Recipients are compliant with program requirements and grant terms and conditions. The CDFA Grant Specialist will also provide Recipients with on-going assistance and consultation throughout the duration of the project term.

Grant Recipients

Recipients are responsible for project implementation as outlined in the Grant Agreement Scope of Work. It is important Recipients monitor the implementation of their project to ensure compliance with Grant Agreement terms and conditions. Recipients are responsible for submitting timely and accurate invoices during the project term. In addition, Recipients are expected to use and maintain their system for a minimum of 10 years to the extent feasible or according to the USDA, NRCS [Practice Life Span Table](#).

Recipients may also be required to provide additional documentation related to the project as CDFA deems necessary.

Assistance

The CDFA Grant Specialist is available to answer questions regarding program requirements and Grant Agreement terms and conditions. Recipients should contact the CDFA Grant Specialist at sarah.weaver@cdfa.ca.gov or (916) 403-6539 for assistance with grant management.

Required Forms

Forms and templates referenced in this GAP document can be found at www.cdfa.ca.gov/go/SWEEP.

Project Management

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 supplies, equipment, and contractor/consultant services.



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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 may include, but are not limited to, monthly service charges, unit costs exceeding the U.S. Department of Agriculture, Natural Resource Conservation Service (USDA, NRCS) payment schedule, or expenditures not identified in the approved Budget Worksheet. Please contact the CDFA Grant Specialist to determine whether a cost is allowable.

Contractors/Consultants

Recipients are responsible for ensuring their contractors/consultants comply with applicable State requirements. The Recipient must have a written agreement with each contractor/consultant. The written agreement must include at a minimum: beginning and end dates, dollar amount, description of services or deliverables, and a budget. In addition, contractor/consultant invoices must include sufficient information to determine that the expenditures invoiced support project implementation.

Notifications of Problems and Delays

Recipients must immediately notify the CDFA Grant Specialist of any problems, delays and/or adverse conditions that will materially affect the project. Examples include, but are not limited to, inability to complete any portion of the project installation according to the Grant Agreement Scope of Work; substituting commodities identified in the Budget Worksheet; inability of contractor/consultants to perform work resulting in activities delayed or eliminated.

Scope of Work Revisions

Scope of Work revisions may be required when project changes are needed to complete project implementation. Request for revisions must be made in writing to the CDFA Grant Specialist and provide sufficient information to explain the need and how the change affects the project's originally proposed water savings and greenhouse gas emission reductions. All Scope of Work revisions may require Technical Review approval.

Examples of project changes that require a Scope of Work revision include but are not limited to:

- Change in project design
- Addition or deletion of activities
- Budget revisions
- Change of consultants/contractors

For revisions to the Budget Worksheet, a LISR must be submitted for approval by CDFA. Please follow instructions under Financial Management, LISR section to request a budget revision.



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Matching Funds

Matching funds may only be used to support project implementation. Matching funds can include cash and/or in-kind contributions. Cash contributions are the amount of funds that are contributed by the Recipient to the project. In-kind contributions include contributions by the Recipient in the form of contractor/consultant (labor) involved with project installation.

Recipients must report matching funds on monthly invoices, and include supporting financial documentation for matching funds contributed to the project. Matching funds supporting financial documentation must include sufficient information to determine that the expenditures invoiced support project implementation.

Note: USDA, NRCS Environmental Quality Incentive Program (EQIP) financial assistance cannot be used as matching funds for SWEEP projects.

Financial Management

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 the CDFA Grant Specialist for reimbursement.

Payment Methods

There are two payment methods for allowable project costs incurred: (1) advance payments; and (2) reimbursement payments. The two payment methods are discussed in turn below:

Advance Payments

Recipients may be eligible to receive an advance payment up to twenty five percent (25%) of the total grant award to begin project implementation. Requests must be submitted using the Advance Payment Request (APR) form. The remaining funds will be allocated on a reimbursement basis through monthly invoicing.

Advance Payment Request Process:

- Estimate the advance amount up to 25% of the total grant award to begin project implementation.
- Submit an APR and justification (i.e. cash flow issues).
- The State Controller's Office issues checks.
- Follow the instructions under Completing an Invoice to invoice against the advance payment.

Reimbursement Payments

Recipients submit invoices to the CDFA Grant Specialist for reimbursement of actual expenditures incurred to implement their project. Invoices must be submitted at least quarterly, but no more frequently than monthly and include all supporting financial documentation to substantiate expenses.



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Reimbursements must be requested on the invoice provided by the CDFA Grant Specialist. A scanned, legible copy of the signed invoice can be emailed to the CDFA Grant Specialist or a hard copy can be mail to:

California Department of Food and Agriculture
Federal Funds Management Office
Attn: Sarah Weaver, Grant Specialist
1220 N Street, Room 120
Sacramento, CA 95814

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 quarterly or monthly invoice period, and are required regardless of whether or not project costs are incurred during the invoice period.

The quarterly periods are:

Quarterly Period	Invoice Due
January 1 – March 31	April 30
April 1 – June 30	July 31

The monthly periods are:

Monthly Period	Invoice Due
January 1 – 31	February 28
February 1 – 28	March 31
April 1 – 30	May 31
June 1 – 30	July 31

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

Completing an Invoice

Request for Reimbursement Invoice

The CDFA Grant Specialist initiates each invoice cycle by generating an electronic invoice template. The CDFA Grant Specialist emails Recipients an invoice template with the Grant Agreement Number, Recipient Name, Project Title, Invoice Number, and the Project Budget Entered. Recipients complete the following and return to the Grant Specialist:

- Billing Period – Month/year when costs occurred
- Amount Requested – Dollar amount requested by budget category



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- Preparer's Signature – Signature, phone number, email address of preparer and date prepared.
- Authorized Signature – Signature, phone number, email address of the agriculture operation owner.

No Expenditure Invoice

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

Advance Payment Invoice

Recipients follow the instructions for a *Request for Reimbursement Invoice*. The invoice template automatically calculates the amount to be paid less the advance payment. The CDFA Grant Specialist adjusts the “Less Advance” amount for the following billing period until the advance is offset 100% by expenditures.

Withholds

Withhold Payment Notification

The CDFA Grant Specialist issues a Withhold Payment Notification (Notification) to delay payment of an invoice if there is an invoice discrepancy or issues regarding project implementation. The Notification describes the reason for withholding payment and what actions, if any, may be required. The CDFA Grant Specialist will contact the Recipient within ten (10) days of receiving the Notification for purposes of resolving any issues. Invoices are processed once all issues are resolved.

Withhold Pending Closeout

CDFA will withhold ten percent (10%) from the total grant award until the verification requirement is complete to ensure Recipients install their grant project as approved in the Grant Agreement Scope of Work. After receiving the report from the Resource Conservation District (RCD) confirming the verification is complete, the 10% withhold of grant funds will be released to the Recipient.

Line Item Shift Request

When adjustments to the grant project result in the need to shift funds from one budget category to another, Recipients are required to complete and submit to the CDFA Grant Specialist a Line Item Shift Request (LISR). All un-shaded areas of the LISR form should be completed. Recipient must enter the following:

- Enter the current approved budget values (these amounts should be taken from the most recent approved invoice, Project Budget column).



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- Enter the amount of funds shifted from a budget category as a negative by using brackets “()”, and the amount of funds shifted to a budget category as a positive amount by using the plus sign “+”. The revised budget will automatically be calculated.
- The total project budget cannot be increased or decreased through this process.

Verification Requirement

CDFA will work with a local Resource Conservation District (RCD) to schedule the verification requirement. Following project implementation, the RCD will verify proper completion of the project, and gather quantitative data on water efficiencies gained and reduction of greenhouse gases achieved. For example, the verifier will confirm the following:

- The system was installed properly as indicated in the project design.
- The system is functioning as designed
- Calculate water savings and greenhouse gas reductions

The verifier will provide CDFA with a verification report indicating the project results and other project related information as applicable. The verification must be completed in order for Recipients to receive the final payment (10% of the total award).

Project Closeout

Before the Grant Agreement is closed, the CDFA Grant Specialist will review the verification report and final invoice, and ensure resolution of any project concerns. CDFA will withhold 10% of the Grant Agreement amount pending resolution of any issues. A closeout letter and final payment will be issued when resolution is complete.

Record Retention

Recipient must retain supporting financial records, project records, and any other relevant supporting documents for a period of three (3) years from the date the Grant Agreement is closed.

Records that must be retained include:

- Actual expenditure invoices of supplies and equipment charged to grant fund;
- Contractor/Consultant reimbursement claims for work (labor) performed on the project;
- All other supporting financial documentation related to the Grant Agreement.