

2022 California Livestock Methane Measurement, Mitigation, and Thriving Environments Research Program (CLIM3ATE-RP) Projects

The 2022 CLIM3ATE-RP is funded by the California State Budget



GRANT AWARD PROCEDURES (GAP) MANUAL



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Overview

Authority and Program Purpose

The California Department of Food and Agriculture's (CDFA) 2022 California Livestock Methane Measurement, Mitigation and Thriving Environments Research Program (CLIM3ATE-RP) awards competitive grant(s) to California-based Institutions for research projects that address key barriers to achieving California's climate goals, including the reduction of methane emissions to 40% below 2013 levels by 2030 as codified in [SB 1383 \(Lara, 2016, Chapter 395\)](#) as well as efforts to continue advancing climate smart agriculture.

The Budget Act of 2021 ([SB 170, Chapter 240](#)) appropriated a total of \$5 million from the California State Budget to CDFA for research grants to measure and verify emissions reductions associated with livestock methane reduction projects.

Research shall include "Assessment of the cost-effectiveness of various livestock methane reduction strategies on a per ton basis, including comparison of projects funded under the Alternative Manure Management Program (AMMP) and the Dairy Digester Research and Development Program (DDRDP) as well as alternative methane reduction strategies such as dietary modifications, and research on manure-based product development. To the extent feasible, research shall include measurement of emissions of greenhouse gas and criteria pollutants before and after livestock methane reduction projects are implemented."

Purpose of the Grant Award Procedures Manual

The 2022 CLIM3ATE-RP Grant Award Procedures (GAP) manual is designed to provide direction to Grant Recipients (Recipients) for the successful management and completion of funded projects. The GAP manual 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 CDFA's [Office of Environmental Farming and Innovation \(OEFI\)](#) oversees the 2022 CLIM3ATE-RP Recipient Grant Agreements. The OEFI will manage the 2022 CLIM3ATE-RP Grant Agreements and ensure Recipients are compliant with program requirements and grant terms and conditions. This will include providing Recipients with assistance and consultation throughout the Grant Agreement term, and consultation on technical aspects of project implementation as

necessary. OEFI is also responsible for conducting verifications for the completed projects.

Grant Recipients

Recipients are responsible for project implementation as outlined in the Grant Agreement Scope of Work (SOW) which includes ensuring that all project activities, including contractor/consultant activities, are compliant with applicable federal, state, and local laws, regulations, and ordinances set forth in the Grant Agreement terms and conditions. Moreover, Recipients are responsible for obtaining and maintaining all necessary permits, licenses, agreements, and approvals for the construction, operation, and maintenance of projects.

Recipients are responsible for submitting timely and accurate invoices and reports during the project term. Additionally, Recipients must maintain clear and consistent communication regarding project progress status throughout the grant term, particularly if problems or issues arise resulting in project delays. Upon discovery of problems and/or delays, Recipients must notify the CDFA OEFI Grant Analyst (Grant Analyst) immediately for purposes of resolving such problems and/or delays.

Recipients may be required to provide specific requested documentation related to the project as CDFA deems necessary.

Recipient Resources

Forms and templates referenced in this manual will be provided by the assigned Grant Analyst. Forms can also be requested through email (cdfa.oefi_clim3ate_tech@cdfa.ca.gov).

Prior Approval Required

Prior approval is required from CDFA for material revisions, including, but not limited to:

- Revision of the Scope of Work (i.e., work plan, project description, facilities, equipment, and other resources).
- Budget changes.
- Line-item shifts.
- Purchase of special purpose equipment.
- Contracting out or obtaining the services of a third party.
- Change in Recipient organization or key personnel.
- Absence of key personnel.

Recipients should contact their assigned Grant Analyst in writing whenever a change requiring prior approval is necessary, or if they are uncertain whether a

project activity or cost requires prior approval. Failure to obtain prior approval may result in costs being deemed unallowable, and request for grant funds being denied.

Project Management

Recipients are responsible for the overall management of the project, ensuring all project activities are completed as identified in the SOW and comply with program requirements and the Grant Agreement terms and conditions.

Project Communication

Recipients must maintain clear and consistent communication with CDFA regarding project progress status throughout the project term, particularly if problems and/or delays occur resulting in delays. This includes but is not limited to:

- Notification of changes to project implementation, timelines, contractors (reference [Scope of Work Revisions](#)).
- Notification of issues affecting project progress (reference [Notification of Problems and Delays](#)).
- Responding to requests for project status updates and revised work plans.

Allowable Costs

A cost is allowable if it directly relates to the approved project and is incurred solely to advance the work under the Grant Agreement. Allowable costs may include salaries and wages, fringe benefits, travel, equipment (used only for project-related research, scientific or other technical activities), supplies, contractual, and indirect cost.

Expenditures must conform to CDFA program requirements, be made in compliance with State laws and regulations as applicable, and be:

- Necessary and reasonable for proper and efficient performance and administration of the project.
- Easily identifiable to a specific project activity and tracked separately from other funding sources.
- 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.

Allowable costs must be documented, reasonable, and allocable to the project. The 2022 CLIM3ATE-RP project costs must be incurred for the purpose for which the funding was granted and charged to the award on a specifically calculated basis. All project expenses billed to the 2022 CLIM3ATE-RP project must maintain

all documents including but not limited to invoices, receipts, and agreements. In addition, 2022 CLIM3ATE-RP project expenses must be necessary for award performance, as well as prudently incurred.

Note: all the project expenses billed to the 2022 CLIM3ATE-RP project must be paid by the Recipient prior to reimbursement, and must be supported with proper documentation including, but not limited to a copy of cashed check(s) or receipts of wire transfer(s) of payment, or reference number(s) of specific transactions made toward these payments.

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 SOW and is not necessary, supported with adequate proof of payment documentation, and reasonable to advance the work of the project.

Unallowable expenses may include, but are not limited to:

- Costs incurred outside of the proposed grant agreement term.
- Direct and/or indirect expenditures for purchasing or leasing land and/or buildings, including costs associated with the land use, loss of crop(s), and implementation of the project.
- Costs associated with travel (e.g., hotels, flights, per diem, etc.) not directly related and necessary for the execution of the described research and/or professional communication of the results.
- Pre-development costs, including, but not limited to application preparation, permits obtained prior to the grant agreement term, project designs, and any other activities that contribute to a project's "shovel readiness".
- Costs associated with mitigation of potential adverse impacts (i.e., California Government Code Section 16428.86(a)).
- Costs not supported with adequate proof of payment documentation.

*For more guidance on Allowable and Unallowable Costs please reference CCR 330.2 and guidance posted by CDFA here: [Final Selected Items of Cost Guidance \(ca.gov\)](https://www.cdfa.ca.gov/Portals/0/documents/Programs/ClimateChange/2022%20CLIM3ATE-RP%20Final%20Selected%20Items%20of%20Cost%20Guidance%20-%20Final%20-%2020220601.pdf).

Matching Funds

Matching Funds are a portion of project costs not borne by the 2022 CLIM3ATE-RP grant. Matching contributions include allowable costs (i.e., supplies and

materials, equipment, contractor/consultant fees, and other associated project costs) incurred that are directly related to the implementation of the project.

In-kind contributions are donated goods or services for which fees would ordinarily be paid or provided to the applicant at no cash cost. In-kind contributions include contributions in the form of project installation (labor), pre-development activities conducted prior to the project term, and donated supplies, materials, or equipment necessary to the project. For donated services, the project team members and contractors/consultants performing the service must have the proper licenses/certificates required in their respective disciplines. Recipients must have a mechanism in place to track costs associated with 2022 CLIM3ATE-RP project activities. Accordingly, Recipients must ensure cost of 2022 CLIM3ATE-RP activities are readily distinguishable from all other matching funding sources.

The Recipient is to notify the assigned Grant Analyst if the amount or activities covered by the cost share has changed.

Direct and Indirect Costs

Indirect Cost Rate

The indirect cost rate specified in the Recipient's approved SOW will remain in effect for the duration of the agreement. Recipients should contact their assigned Grant Analyst with questions regarding indirect cost rates.

Charging Direct and Indirect Costs Consistently

It is not allowable to charge 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 as direct cost.

Direct costs are costs that can be identified specifically with a particular project or can be directly assigned to a project 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, and supplies necessary to the project.

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:

- Administrative or clerical services are integral to the project or activity;
- Costs involved can be specifically identified with the project or activity;
- Such costs are explicitly included in the approved budget; and,
- The costs are not also recovered as 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 CDFA. Compliance with other requirements, such as [Timekeeping Requirements](#), must also be met.

Contractors/Consultants

Recipients may contract for services that cannot be performed 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 all applicable federal, state, and local laws, regulations, and ordinances. Moreover, all contractors/consultants must have the proper licenses/certificates required for their respective disciplines. If adding or changing a contractor/consultant, Recipients must provide reasonable notice to the Grant Analyst. Refer to [Scope of Work Revisions](#).

Written Agreement

The Recipient must have a written agreement with each contractor. The written agreement must include at a minimum: beginning and ending dates, dollar amount of the contract, a description of activities, services to be performed with a time schedule, or deliverables, and a budget. The budget must include the same line-item categories as the Grant Agreement budget.

Compensation

Contractor invoices must include sufficient information to determine that the expenditures invoiced are allowable. Recipients must maintain contractor invoices as supporting financial documentation along with documentation for all project expenditures submitted for reimbursement. Refer to [Invoicing for Payment](#).

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 project-related research, scientific or other

technical activities is allowable with prior approval from CDFA. General purpose equipment which is not specific for the proposed research, scientific or technical activities specific to project needs and not utilized for other purposes (e.g., office equipment and furnishings, or farm equipment used for non-project purposes) is not allowable.

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.

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 will maintain a current list of states that are subject to the travel prohibition on its website: <https://oag.ca.gov/ab1887>. Costs associated with travel to the states affected by this restriction are unallowable.

Lodging

Reimbursements for lodging and applicable taxes are for actual costs and must be substantiated with a receipt. Recipients should utilize the most economical lodging option available.

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 assigned Grant Analyst. Fuel reimbursement when using a rental vehicle will be at the actual cost for the fuel and must be supported with receipts.

Privately Owned Vehicle

Mileage reimbursement for using a privately-owned vehicle will be at the standard mileage rate established by the United States Internal Revenue Service (IRS) in effect at the time of travel. The standard mileage rate in effect at the time of travel can be found on the IRS website. Mileage logs should be utilized to substantiate mileage costs.

Parking

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

Air Travel

Reimbursement is available up to actual airfare expenses incurred. Economy-based rates are to be used by all travelers.

Timekeeping Requirements

Activity reports or timesheets must be submitted to support salary and wage, and fringe benefit expenditures charged to 2022 CLIM3ATE-RP grants or contributed to the project as match/in-kind contributions. Each report must account for the total activity for which each employee is compensated, as well as hours worked on a particular 2022 CLIM3ATE-RP grant project. Costs not supported by timekeeping requirements are potentially unallowable.

Permits, Licenses, Agreements, and Approvals

Recipients must obtain and maintain any and all permits, licenses, agreements, and approvals required for the project. Recipients are required to notify the Grant Analyst in writing regarding the status of all necessary permits, licenses, agreements, and approvals. Furthermore, once permits, licenses, agreements, and approvals are issued, the Recipient is required to provide a copy to the Grant Analyst. Recipients must demonstrate compliance with California Environmental Quality Act (CEQA) and all applicable permits within 12 months of the execution of the grant agreement.

If there are issues or unforeseen circumstances resulting in delays in obtaining required permits and licenses, Recipients must notify the Grant Analyst immediately in writing.

Notifications of Problems and Delays

Upon discovery of problems, delays, or adverse conditions that will materially affect project implementation, Recipient must immediately notify CDFA in writing. Examples include, but are not limited to:

- Inability to complete any portion of the project installation according to the Grant Agreement SOW.
- Inability to obtain the necessary permits or licenses to implement the project as planned in the SOW.
- Substituting supplies, materials, or equipment identified in the Budget Worksheet.
- Change in project technologies.

- Inability of contractor/consultants to perform work resulting in activities delayed or eliminated.

Scope of Work Revisions

SOW revisions are required when implementation dates or methods affect Recipients' ability to complete implementation of the approved project and activities. Request for revisions must be made in writing to the assigned Grant Analyst no less than thirty (30) days prior to the requested implementation date and provide a detailed justification explaining the need for the change and how the proposed change benefits or enhances the project.

Revisions must be requested by an authorized official of the Recipient organization and approved by CDFA, at its discretion. CDFA may choose to accept or deny any changes. If accepted and after negotiations are concluded, the agreed upon changes will be made and become part of the Grant Agreement. 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 SOW revisions include and previous approval are but not limited to:

- Changes within the budget line items (addition/deletion of personnel, travel, supplies, indirect costs, etc.).
- 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.
- Transfer of project work to a third party through a contract, sub-grant, or any other means.
- Addition or deletion of activities, deliverables, or a contractor, or revisions to existing activities, deliverables, or contractor activities or deliverables.
- Change of staff personnel involved in project and their roles.

Line-Item Shift Request

In the event a change to a budget line item is necessary, Recipients are required to complete and submit to CDFA a SOW revision along with a Line-Item Shift Request (LISR). Approval for the LISR must be obtained from CDFA 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.
- LISRs must be accompanied by a SOW revision.

Amendment

Changes to the Agreement term requires an amendment and must be requested in writing to the Grant Analyst no later than sixty (60) days prior to the requested implementation date. Amendments are subject to CDFA approval, and, at its discretion, may choose to accept or deny these changes. No amendments are possible if the Agreement is expired.

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 financial supporting documentation (i.e., receipts, invoices) for all project expenditures. Accordingly, Recipients must provide financial supporting documentation for both expenditures submitted to the Grant Analyst for reimbursement of the project.

Payment Process

CDFA will provide the Recipient with the necessary grant award and invoicing documents. Recipients will be required to submit a quarterly invoice for reimbursement of actual expenses incurred to support the approved project activities, in addition of a quarterly progress report. Invoice must include documentation to support the reimbursement requested. Salary and wage amounts charged to grant supported projects or programs for personnel services must be based on an adequate payroll distribution system that documents such distribution in accordance with generally accepted practices of like organizations.

Reimbursement Payment

Recipients submit invoices to CDFA for reimbursement of actual expenditures incurred. Invoices must be submitted quarterly in arrears. The quarterly periods are provided below in [Table 1](#).

Table 1. Quarterly Periods for Reporting and Reimbursement of Expenditures

Quarterly Period	Invoice Due (no later than)
January 1 – March 31	April 30
April 1 – June 30	July 31
July 1 – September 30	October 31
October 1 – December 31	January 31

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.

Invoices and financial supporting 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, and the CLIM3ATE-RP team has reviewed the quarterly progress report for the quarter period, the Grant Analyst will process the invoice for payment. It may take up to 45 days from the date the invoice is approved for a payment check to be issued by the State Controller's Office.

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.

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

It may take up to 45 days from the date the invoice and the quarterly progress report are approved for a check to be issued by the State Controller's Office on behalf of CDFA.

When to Submit Invoices

Invoices are due no later than 90 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 90 days following the expiration of the Grant Agreement term or after the project is complete, whichever comes first.

Recipients can email a scanned, legible copy of the signed invoice to their assigned Grant Analyst.

Completing an Invoice

Invoice

Recipient completes the Amount Requested column on the invoice, signs, dates, and submits the invoice with supporting documentation to CDFA. For detailed instructions on completing the CDFA invoice template, refer to [Appendix A](#).

Request for Reimbursement Invoice

The Grant Analyst initiates each invoice cycle by generating an electronic invoice template. The Grant Analyst 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 Analyst:

- Billing Period – Month/year when costs occurred.
- Amount Requested – Dollar amount requested by budget category. Recipients should refer to the project's approved Budget Worksheet; reimbursement for project expenditures is based on these budget categories and amounts.
- Preparer's Signature – Signature, phone number, email address of preparer and date prepared.
- Authorized Signature (individual authorized on the Grant Agreement) – Signature, phone number, email address of the authorized representative.

No Expenditure Invoice

If no expenses were incurred during the quarter/billing period, the 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 follows the instructions for an Invoice, and checks the "FINAL INVOICE" box, indicating all payment obligations have been met and no further payments are due. Final Invoices are due no later than 90 calendar days following the completion of the project. For detailed instructions on completing the CDFA invoice template, refer to [Appendix A](#).

Withholds

Withhold Payment Notification

CDFA will issue a Withhold Payment Notification to delay payment of an invoice if there is an invoice discrepancy or error, unallowable costs claimed, or outstanding reports. 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](#) for information regarding appealing a Withhold Payment Notification.

Withhold Pending Closeout

CDFA will withhold ten percent of the Grant Agreement award until approval of the Final Invoice, [Reporting Requirements](#), [Project Verification](#), and/or resolution of any performance issues through the project term. A Withhold Payment Notification will not be sent, and the 10 percent withheld may not be appealed. The 10 percent withholding will be released contingent upon approval of the Project Verification and resolution of all outstanding performance issues.

Reporting Requirements

Reporting Requirements

Recipients will be required to submit quarterly Progress Reports during the project term. The Progress Report is used to identify tasks and activities achieved, potential concerns, matching funds expended to date, and other pertinent information. The Progress Report will require Recipients provide project information related to the activities developed as part of the work plan.

A draft of the final performance report will be required no later than 30 days after the grant project has concluded. The Final Performance Report will require Recipients to provide an evaluation of project outcomes and how the project contributed to its specific funding track. Grant Awardee's will work with CDFA staff to ensure the final report is prepared for public dissemination.

Recipients must agree to a Critical Project Review/Site Visit (in-person or online) during the project term to verify project progress as reported in Progress Reports submitted to CDFA.

If it is determined by CDFA, from the Critical Project Review, that at that time the grant project is not meeting, and is unlikely to meet, certain milestones, CDFA has the right to terminate the Grant Agreement pursuant to the Terms and Conditions of the Grant Agreement. If the grant is terminated and has incurred any costs during the term, the Grantee must return any previously reimbursed funds. Termination may result in forfeiture by the grantee of any funds retained pursuant to 10 percent retention policy.

Recipients are required to submit a Final Report no later than 30 calendar days after the project is complete, or by the grant agreement end date, whichever is earlier. Recipients will receive a final report template from CDFA approximately one month prior to the end of the project.

GHG and Criteria Pollutant Emission Reduction Calculations

Projects should measure greenhouse gases and air pollutants, including defined criteria pollutants, if possible. While measurement feasibility and applicability will differ among proposed project scopes, measurements should include, but are not limited to methane (CH₄), nitrous oxide (N₂O), nitrogen oxides (NO_x), particulate matter (specifically PM 2.5), and ammonia (NH₃).

Data Collection Component: Recipients must provide a scientifically sound data collection component to measure actual greenhouse gas and criteria air pollutant emissions reductions from the proposed project. The data collection plan must provide a detailed plan for collection of GHG and criteria pollutant emissions data before (baseline scenario) and after (project scenario) project implementation. Provide details including, but not limited to, defining of project boundary, data collection plan (i.e., frequency and location(s) of data collection), data measurement methodology (i.e., instrumentation and statistical analyses). Continuous, real-time monitoring of emissions is encouraged.

For projects addressing Impact Area 1. Verification of methane reduction - Recipients are required to compare methane measurements with the estimated GHG emission reductions resulting from the proposed project for both AMMP and DDRDP.

For DDRDP verification activities: Recipients must use the quantification methodology titled "Greenhouse Gas Quantification Methodology for the California Department of Food and Agriculture Dairy Digester Research and Development Program" and associated "DDRDP Benefits Calculator Tool", if the proposed practice is listed in the DDRDP Benefits Calculator Tool, which are available on the CARB CCI Quantification, Benefits and Reporting materials webpage: www.arb.ca.gov/cci-resources. This quantification methodology and calculator were developed specifically for the DDRDP and are based on the [CARB Compliance Offset Protocols for Livestock Projects \(2014\)](#) with some modifications.

For AMMP verification activities: Recipients must use the quantification methodology titled "California Department of Food and Agriculture Alternative Manure Management Program" and associated "AMMP Benefits Calculator Tool", if the proposed practice is listed in the AMMP Benefits Calculator Tool, which are available on the CARB CCI Quantification, Benefits and Reporting materials webpage: www.arb.ca.gov/cci-resources. This quantification methodology and calculator were developed specifically for the AMMP.

For projects addressing impact area 2 (and impact area 3 if applicable to the project): Recipients whose project aims to reduce methane and criteria air

pollutants must submit estimated emission reductions and quantification methodology used to calculate reductions. Recipients must provide appropriate justifications and citations to support their calculations. The methodology must be supported by multiple scientific papers published in reputable peer reviewed journals. Recipient must review GHG quantification methodologies published by CARB and integrate assumptions as recommended by CARB as best as possible.

Compliance

Project Verification

The State of California has the right to review project documents and conduct audits during project implementation and over the project life.

Termination of Grant Agreement

CDFA 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 [Withhold Pending Closeout](#));
- Termination of Grant Agreement (see above)

Appeals must be in writing either emailed (preferred) to:
CDFA.LegalOffice@cdfa.ca.gov

Or via mail to:

California Department of Food and Agriculture
Legal Hearing and Appeals Office
1220 N Street
Sacramento, CA 95814

The appeal must include a copy of the notification or the name of the Recipient organization, the project 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 the notice of action from CDFA. 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

Project Closeout

Before the Grant Agreement is closed, CDFA will review the project's final report and final invoice and ensure resolution of any project concerns. CDFA will withhold 10% of the Grant Agreement amount pending project completion verification, final reporting, and resolution of any issues. A closeout letter and final payment will be issued when closeout review and any needed 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 or until final resolution of any litigation related to the grant. Records that must be retained include:

- Actual expenditure invoices of supplies and materials and equipment charged to grant fund;
- Contractor/Consultant reimbursement claims for work performed on the project;
- Permits, licenses, approvals and agreements obtained for project implementation;
- All other supporting financial documentation related to the Grant Agreement.

Before the project is closed, CDFA will review the [Final Invoice](#), [Project Verification](#), and [Final Report](#), as well as verify resolution of any project performance concerns. A closeout letter will be issued when closeout review is completed.

Note: Close-out does not cancel record retention, financial accountability, or post-project requirements.

Critical Project Review

CDFA may request a Critical Project Review of Recipients. Recipients must agree to a Critical Project Review and audit during the project term to verify project progress. If it is determined by CDFA from the Critical Project Review that at that time the grant project is not meeting and is unlikely to meet certain milestones, CDFA has the right to terminate the Grant. Termination may result in forfeiture by the grantee of any funds retained pursuant to 10 percent retention policy. Critical Project Review may be completed through an auditing process.

Appendix A: CDFA Invoice Template

Bill to: STATE OF CALIFORNIA CA DEPARTMENT FOOD & AGRICULTURE OFFICE OF ENVIRONMENTAL FARMING AND INNOVATION 1220 N STREET, ROOM 162-1 SACRAMENTO, CA 95814 GRANTS INVOICE Rev. 3/2021	INVOICE CLIM3ATE-RP <div style="background-color: #0056b3; color: white; padding: 10px; font-size: 24px; font-weight: bold; margin: 10px 0;">EXAMPLE ONLY</div>	XYZ Hello Street, Tulare, CA 1234 Grant Manager: XYZ
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Grant Agreement Number: <u>XX-XXXX-000-SG</u>	Billing Period: <div style="border: 1px solid black; padding: 2px; text-align: center;">MM/DD/YYYY to MM/DD/YYYY</div>	Invoice Date: <div style="border: 1px solid black; padding: 2px; text-align: center;">MM/DD/YYYY</div>	Invoice Number: <u>XX-XXXX-000-SG-1</u>
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Recipient's Name: XYZ (Title of the Project)

Project Budget (2/15/2023 to 12/31/2023)	Invoiced to Date	Amount Requested	Remaining Balance
1 PERSONNEL			
a) Salaries & Fringe Benefits \$100,000.00	\$0.00	\$0.00	\$100,000.00
2 OPERATING EXPENSES			
a) Supplies \$15,000.00	\$0.00	\$0.00	\$15,000.00
b) Special Purpose Equipment \$500.00	\$0.00	\$0.00	\$500.00
c) Travel \$0.00	\$0.00	\$0.00	\$0.00
3 CONTRACTORS/ LABOR COSTS \$0.00	\$0.00	\$0.00	\$0.00
4 OTHER DIRECT COSTS \$2,000.00	\$0.00	\$0.00	\$2,000.00
5 INDIRECT COSTS \$500.00	\$0.00	\$0.00	\$500.00
Totals: \$118,000.00	\$0.00	\$0.00	\$118,000.00

Funds to be withheld Until Project Completion and Verification: 0% = NA	
Matching Funds to Date: NA	
Approved Line Item Shifts: 0	

Amount to be Paid:

\$0.00

NO EXPENDITURES

I certify the amount requested is for actual and allowable expenditures incurred for Demonstration Projects activities performed in accordance with the Grant Agreement provisions.

PROJECT FUNDING SIGNATURE _____ _____	PHONE NUMBER _____	E-MAIL ADDRESS _____	DATE _____
AUTHORIZED SIGNATURE (REQUIRED) _____ _____	PHONE NUMBER _____	E-MAIL ADDRESS _____	DATE _____

FOR STATE USE ONLY

\$	2022/2023 and 2023/2024	GRANT SPECIALIST INITIALS AND DATE	ACCOUNT CODE	PROGRAM CODE	SUPPLIER ID
AMOUNT	STATE FISCAL YEAR				
	X				
CDFA AUTHORIZED APPROVER	CDFA AUTHORIZED SIGNATURE	DATE	OBJECT CODE	PRGM COST ACCT (FCA)	VENDOR ID

☐ Liquidate against Advance payment.

☐ Withhold 10% of Grant Award until Project is verified.

☐ Project verified. Final payment.

* - CDFA withholds 10% of the total grant amount and it will not be released until all tasks noted in project Scope of Work are completed by Recipient and verified by CDFA, including approval of the Final Project Report by CDFA. A Withhold Payment Notification will not be sent, and the 10 percent withhold may not be appealed.

CDFA Invoice Template Instructions and Definitions

Recipients must complete all yellow shaded sections (when applicable) identified on the CDFA invoice template. The following provides definitions and instructions on completing specific sections of the CDFA invoice template to request reimbursement payments for costs incurred to implement the project. For questions regarding and assistance with completing this template, Recipients should contact the Grant Analyst.

1) Project Budget: The total grant award amount for each budget category (for CLIM3ATE-RP, these are Salaries and Wages, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, Indirect Costs) as identified in the approved Budget. Reimbursement for project expenditures is based on these categories and amounts.

2) Billing Period: The period in which project costs were incurred. For example, if project costs were incurred during the second billing quarter, the billing period could be October 1, 2023 – December 31, 2023.

3) Invoice date: The date Recipient completes and signs the CDFA Invoice template. This date cannot precede the latest date indicated on the Billing Period. For example, if the Billing Period is October 1 – December 31, the Invoice Date must be after December 31.

4) Amount Requested: Enter the dollar amounts in each budget category to request reimbursement for project costs that were incurred during the billing period. The amount requested in each budget category cannot exceed the total amounts listed in the “Project Budget” box or the amount detailed in the project’s approved Budget Worksheet.

5) Amount to be Paid: The total payment amount requested for project costs that were incurred during a billing period. *The invoice template will automatically calculate this total.* Once OEFI approves the invoice, the “Amount to be Paid” will be the amount issued for reimbursement.

6) Remaining Balance: The amount of grant funding remaining that has not been paid. CDFA will not approve an invoice with negative balances in this column. Contact your assigned Grant Analyst if a budget revision is needed.

7) Invoiced to Date: The total project cost amount reimbursed for each budget category based on previously approved invoices. CDFA will adjust the “Invoiced to Date” amount each billing period.

8) No Expenditures: Mark this box if no project costs were incurred during the Billing Period and include a brief explanation below of why costs were not incurred.

9) Preparer/Authorized Signatures: An authorized representative (individual authorized on the Grant Agreement) of the operation must print their name and sign on the “Authorized Name and Signature” line to certify the amount requested for each billing period. If the invoice was prepared on behalf of the

Recipient, the preparer should print their name and sign on the "Preparer's Name and Signature" line. *CDFA will not approve invoices without the Recipient signing as the "Authorized Signature."* The form has been created to allow for electronic signatures.

Appendix B: Project Modification Request Form



State of California
California Department of Food and Agriculture
Office of Environmental Farming and Innovation

Project Modification Request Form

Date:	Grant Agreement #:	Grant Award Amount:	Revision Request #:
10/01/23	22-XXXX-XXX-SO	\$500,000.00	1
Grant Recipient Information:			
Grant Program CLIM3ATE-RP			
Organization Name: ABC Dairy Inc			
Contact Name: Alex Example			
Telephone: XXX-XXX-XXXX			
Email:			
Type of Modification (Check All Applicable)			
<input type="checkbox"/> Work Plan (e.g. addition or deletion of activities/deliverables; change to start/end dates of tasks)			
<input type="checkbox"/> Scope of Work (e.g. project narrative, design, project partners/team members)			
<input type="checkbox"/> Budget			
<input type="checkbox"/> Others (explain below)			
Description of the Modification			
<p>1. Provide a detailed description of proposed modification in this section.</p> <p>2. For all modifications except Budget Revisions: Attach a revised document as applicable. Please review the project's SOW and mark any proposed modifications by striking through any old text (do not delete), and adding new text in red font.</p> <p>3. For Budget Revisions: Please fill out the section "Line Item Shift Budget Adjustment Table" below. If the budget revision includes changes in cost of equipment, supplies or services, please provide an updated quote.</p>			
Justification:			
<p>Justification should cover reasons for request and detailed explanation of how the change will impact the project, including but not limited to: 1) Project Timeline 2) Budget 3) Estimated GHG Emission Reduction 4) Permits</p>			

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Line Item Shift Budget Adjustment Table (only fill out if applicable)			
Project Budget Categories	Current Project Budget Amounts (A)	Line Item Shift Revisions enter negative amount with (-) enter positive amount with (+) (B)	Revised Project Budget (A+B)
1. PERSONNEL			
a) Salaries & Wages	\$0.00	\$0.00	\$0.00
b) Fringe Benefits	\$0.00	\$0.00	\$0.00
2. OPERATING EXPENSES			
a) Supplies and Materials	\$0.00	\$0.00	\$0.00
b) Equipment	\$0.00	\$0.00	\$0.00
c) Travel	\$0.00	\$0.00	\$0.00
3. CONTRACTORS/LABOR	\$0.00	\$0.00	\$0.00
4. OTHER DIRECT COSTS	\$0.00	\$0.00	\$0.00
5. INDIRECT COSTS	\$0.00	\$0.00	\$0.00
Totals:	\$0.00	\$0.00	\$0.00
		(MUST NET \$0)	(MUST EQUAL GRANT AWARD AMOUNT)
Requestor Information:			
<input checked="" type="checkbox"/> By checking this box, I certify that I am an authorized representative for this project			
Name		Telephone Number	
Alex Example		XXX-XXX-XXXX	
Title/Role on Project		Date	
Dairy Owner/Manager		10/2/2023	
For Department Use Only			
Program Comments and Recommendation:			
<input type="checkbox"/> Reviewed by Program staff			
<input type="checkbox"/> Approval does not require SO-36 Form <input type="checkbox"/> Approval requires SO-36S Form <input type="checkbox"/> NOT APPROVED			
CDFA AUTHORIZED SIGNATURE:		DATE:	
X			

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Recipients should complete all sections highlighted in red. For Requestor Information, an ink signature is not needed – checking the box serves as certification that an authorized representative of the project (usually the Recipient or authorized contact identified on the grant agreement) is submitting the request. The form should be returned as an Excel document.