

Water Efficiency Technical Assistance

GRANT AWARD PROCEDURES MANUAL - 2022



California Department of Food and Agriculture
Office of Environmental Farming and Innovation
1220 N Street
Sacramento, CA 95814
cdfa.oefi_csa_ta@cdfa.ca.gov

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General Information

Authority and Purpose

The 2022 WETA funding arises from the Budget Act of 2021 which allocated \$5 million from the General Fund to CDFA for irrigation water efficiency and nutrient management technical assistance grants. The WETA grant program is designed to facilitate technical assistance to agricultural operations for on-farm water and energy use efficiency and nutrient management.

Purpose of the Grant Award Procedures Manual

The 2022 WETA Grant Award Procedures (GAP) Manual is designed to provide direction to Grant Recipients (Recipients) for the successful management of WETA funded projects. The GAP identifies roles and responsibilities of all parties and describes the processes and procedures required by the Grant Agreement terms and conditions.

General Responsibilities

California Department of Food and Agriculture

The California Department of Food and Agriculture (CDFA), Office of Environmental Farming and Innovation (OEFI) oversees the WETA Recipient grant agreements and is responsible for monitoring Recipients to ensure compliance with program requirements and grant terms and conditions. The OEFI will provide Recipients with assistance and consultation on all matters related to their Grant Agreement.

Grant Recipients

Recipients are responsible for project implementation as outlined in the Grant Agreement Scope of Work (SOW) and Budget. Recipients are responsible for submitting timely and accurate invoices and progress reports during the project term.

Assistance

The OEFI is available to answer questions regarding program requirements throughout the Grant Agreement term. Recipients will be assigned a Grant Specialist from the OEFI to answer questions and assist with grant management. For questions or assistance, Recipients should contact their assigned Grant Specialist.

Required Forms

Forms and templates referenced in this GAP document can be found at:

<https://www.cdfa.ca.gov/oefi/technical/weta/recipientresources.html>

Project Management

Recipients are responsible for the overall management of their project, including monitoring activities conducted by contractors/consultants, to ensure compliance with program requirements and Grant Agreement terms and conditions. In addition, Recipients must directly monitor project progress to ensure project activities are completed within the project term.

Recipients must maintain clear and consistent communication with OEFI regarding project progress, at least quarterly, throughout the grant term, particularly if problems or issues arise resulting in project delays. Upon discovery of problems and/or delays, Recipients must notify their assigned Grant Specialist immediately for purposes of resolving such problems and/or delays. (Refer to Notification of Problems and Delays section for further details.)

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. All contractors/consultants must have the proper licenses/certificates required for their respective disciplines.

Recipients are responsible for ensuring their contractors/consultants comply with all applicable state and local laws, regulations, and ordinances. Contracting out must not affect the Recipient's overall responsibility for the management of the project, and the Recipient must reserve sufficient rights and control to enable them to fulfill their responsibilities for the project.

Contractor invoices shall include sufficient detail and information so CDFA can make a determination that the expenditures invoiced are deemed reasonable and allowable under the approved SOW and Budget. In the event the contractor outsources to a subcontractor for a specific product and/or service, supporting subcontractor invoices must also include detailed itemization to ensure that only actual expenses are charged to grant funds. In addition, contractor/consultants and subcontractors must retain all project records for a period of three years following project implementation for purposes of an examination/audit by CDFA.

If adding or changing a contractor, Recipients must provide reasonable notice to their assigned Grant Specialist in writing.

Notification of Problems and Delays

Upon discovery of problems, delays, or adverse conditions that will materially affect project implementation, the Recipient must notify OEFI in writing within ten (10) business days. Some problems or delays may require a revised SOW.

Examples include, but are not limited to:

- Inability to complete any portion of the project activities according to the approved SOW
- Significant personnel changes, such as a change in the lead technical assistance provider
- Change in project objectives and activities

Prior Approval

Prior approval is required for any revision to the project as approved in the SOW or Budget. Recipients must submit a revision request in writing to their assigned Grant Specialist. The information required for a request for approval varies according to the type of approval sought. Contact the assigned Grant Specialist in writing to obtain prior approval requirements.

Prior approval is required from OEFI for the following:

- Revision of the SOW and/or Budget
- Project Modification Request Form (i.e., Budget revisions)

Failure to obtain prior approval may result in CDFA disallowing expenditures, suspending payments, or terminating the Grant Agreement.

Scope of Work Revisions

SOW revisions may be required when unforeseen circumstances prevent Recipients from completing the project objectives and activities outlined in the SOW and budget.

Requests for project revisions must be made in writing to the assigned Grant Specialist and provide a detailed justification explaining the need for the change and how the proposed change benefits or enhances the project. SOW revision requests must clearly outline changes to project activities and any impacts to the implementation timeline and budget.

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

- Deviation from activities outlined in the SOW and budget
- Removal of planned activities from the SOW and budget
- Budget revisions

Recipients must obtain prior approval from OEFI in writing before proceeding with project revisions to the SOW. Failure to obtain prior approval of SOW revisions may result in unallowable costs, as reimbursement is available only for approved project components.

Budget Revisions

If changes to the Budget are necessary to implement the project, Recipients are required to complete and submit to their assigned Grant Specialist a (Modification Request) form to request adjustments to budget items. The Project Modification Request Form must be accompanied by a revised Budget Worksheet. The total project award amount cannot be increased or decreased through this process. A budget revision of \$2,000 or less in the invoice of the project may not require a Project Modification Request Form, but the Recipient must consult with their assigned Grant Specialist. Grant Specialists can be reached at the following address: cdfa.oefi_csa_ta@cdfa.ca.gov

Recipients must obtain written approval from OEFI prior to incurring costs under the revised Budget. Failure to obtain prior approval of Budget revisions may result in CDFA disallowing expenditures.

Project Modification Request Form

All unshaded areas under the “Line-Item Shift Budget Worksheet Adjustment Table” must be completed as follows:

- Enter the current approved budget values. These amounts should be taken from the most recent approved invoice, “Project Budget Categories” column.
- 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.

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 receipts, invoices, etc. for project expenditures submitted to OEFI for reimbursement.

Allowable Costs

Examples of allowable costs include:

- Personnel and/or Contractor expenses associated with:
 - Conducting on farm water use efficiency audits with the purpose of calculating distribution uniformity (DU) and other efficiency metrics.
 - Developing, facilitating, and administering in-person and online irrigation and/or nutrient management trainings for interested parties.
 - Coordination of and/or performance of pump tests to identify pumping systems’ characteristics including overall pumping

efficiency.

- Developing and administering irrigation water management (IWM) system audits to ensure the proper use, function and understanding of technology related to IWM such as flow meters, soil moisture sensors, and/or evapotranspiration sensors.
 - Translation services to increase the impact of irrigation efficiency related activities, workshops, and/or trainings.
 - Reporting and invoicing.
 - Participating in professional development courses and training relevant to the program objectives.
- Travel Expenses to farms or training venues including mileage, lodging and per diem.
 - Supplies and/or Equipment needed for irrigation system or pump evaluation or training including computers, software and vehicle renting or leasing.

Unallowable Costs

Examples of unallowable costs include but are not limited to:

- Personnel or contractor hours that are not related to water efficiency and/or nutrient management evaluation, audits, training, administration, or other non-related fields.
- Completion of tasks that are outside of approved workplan and budget
- Assisting farmers or ranchers as they apply for or implement CDFA Climate Smart Agriculture grant projects (SWEEP, HSP, or AMMP).
- Research
- Food/drinks and entertainment

A cost is unallowable if it does not comply with program requirements or other terms and conditions in the Grant Agreement. A cost is also unallowable if it is not contained in the approved SOW and Budget or is not necessary or reasonable to advance the work of the project. Unallowable costs will not be reimbursed. Questions regarding allowable costs should be directed to the assigned Grant Specialist.

Payment Method

Reimbursement Payments

Reimbursement payments may take up to 45 days from the date the invoice payment request is approved for a payment check to be issued by the State Controller's Office.

To request reimbursement payments, Recipients must submit a completed and signed CDFA invoice template, including all supporting invoices and receipts to

detail expenses, to their assigned Grant Specialist for reimbursement of allowable project costs incurred to implement their project.

Supporting invoices and receipts submitted must include an itemized account for personnel hours billed during the invoicing period, total supplies, equipment, contractor/consultant (labor) fees, and all other allowable project costs necessary for the project. Further, Recipients must submit both the primary contractor and subcontractor invoices to account for total labor fees charged to the grant. All supporting invoices for contractor and subcontractor fees charged to the grant must include the hours worked and provide a brief description of activities performed. CDFA reserves the right to reduce the amount reimbursed if costs are found to be unallowable.

Reimbursements must be requested on the CDFA invoice template provided by the assigned Grant Specialist. Recipients can email a scanned or electronically completed, legible copy of the signed invoice to their assigned Grant Specialist at cdfa.oefi_csa_ta@cdfa.ca.gov

Invoices

When to Submit Invoices

CDFA invoices must be submitted quarterly and include all supporting invoices and receipts to substantiate expenses.

Invoices are due no later than 60 calendar days after the quarterly period and are required regardless of whether project costs are incurred during the invoice period.

The quarterly periods are:

Quarterly Period	Invoice Due <i>(no later than)</i>
September 1 – November 30	January 31
December 1 – February 28	April 30
March 1 – May 31	July 31
June 1 – August 31	October 31

Final invoices are due no later than 60 calendar days following the expiration of the Grant Agreement term or after the project is complete, whichever comes first.

CDFA invoices and supporting invoices and receipts submitted to the Grant Specialist will be reviewed for completeness and accuracy. The 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 Grant Specialist will process the invoice for payment. The Grant Specialist

may request additional information or supporting documentation to determine the eligibility and/or ineligibility of allowable costs.

Completing an Invoice

Request for Reimbursement Invoice

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

Recipients complete the following sections and return to their assigned Grant Specialist:

- Billing Period – Indicate time period (i.e., month and year) of when costs were incurred.
- Amount Requested – Enter dollar amount requested for payment for each budget category.
- Preparer's Signature – Name and Signature, phone number, email address of preparer, and date prepared.
- Authorized Signature – Name and Signature, phone number, email address of the agriculture operation owner.

For detailed instructions on completing the CDFA invoice template, refer to [Appendix A](#).

No Expenditure Reimbursement

If no costs were incurred during a billing period, Recipient marks the "NO EXPENDITURES" box, signs, dates, and returns the invoice template to their assigned Grant Specialist. No Expenditure invoices must be accompanied by an explanation of why costs were not incurred during the billing period.

Final Reimbursement

Recipient marks "Final Reimbursement" below the invoice number on the CDFA Invoice template, indicating all payment obligations are met and no further payment is due. Any remaining balance will be reverted back to CDFA.

Withholds

Withhold Payment Notification

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

resolved.

Withhold Pending Closeout

The OEFI will withhold ten percent (10%) from the total grant award until approval of the final invoice, the verification requirement, and/or resolution of any performance issues prior to close-out. A Withhold/Dispute will not be sent, and the ten percent withhold may not be appealed.

Suspension of Payments

If a Recipient is not compliant with the Grant Agreement terms and conditions, CDFA may suspend reimbursement. Upon discovery of any violations of the Grant Agreement terms and conditions, the Recipient will be advised in writing of the terms breached and the reasons for imposing suspension of payments.

A determination of breach may be appealed in writing and addressed to the CDFA Legal Hearing and Appeals Office and sent to the address below or emailed to CDFA.LegalOffice@cdfa.ca.gov:

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 OEFI. Appeals not received within this timeframe will be denied. The action specified in the notification remains in effect while the appeal is under review.

Verification Requirement

Recipients must notify their assigned Grant Specialist in writing that project objectives are complete. Once OEFI is notified projects are complete, a CDFA Environmental Scientist will review the final progress report and contact Recipients to schedule an exit interview to complete the verification requirement.

The purpose of the verification requirement is to verify proper completion of the project according to the approved SOW. For example, during the exit interview the verifier will seek to understand:

- The aggregate impact of the project including the number of individuals

assisted

- The location of any written or internet-based materials that were developed with grant funding
- Any feedback that the Recipient would provide CDFA on the program.

The verifier will complete a verification report indicating the project results and other project related information as applicable. Once the verification is complete and the verification report reflects that project SOW has been fulfilled, the Recipient will be issued the final payment.

Critical Project Review

The State of California has the right to review project documents and conduct audits during project implementation and over the project life. CDFA may conduct a Critical Project Review upon reasonable notice at any time during the grant term. The purpose is to determine whether deliverables are being met and evaluate project implementation progress to ensure projects are complete within the project term.

If a Recipient is not meeting deliverables resulting in delays with project implementation, CDFA will conduct a Critical Project Review to assess the project status. Recipients may be required to submit financial records and project documentation to ensure WETA funds are used for their intended purposes in compliance with the Grant Agreement terms and conditions, and this GAP manual. Documentation may include, but is not limited to, invoice/receipts for project costs, contractor/consultant and sub-contractor invoices and agreements, permitting/agreement fees associated with interconnection, etc. Recipients must allow access to project records and documentation relevant to the Grant Agreement.

Project Close-out

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

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

Record Retention

Recipients must retain invoices and receipts, project records, and any other relevant supporting documents for a period of three full calendar years following the close-out letter.

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.

Appendix A: Sample CDFA Invoice Template

Recipient must complete all yellow shaded sections below.

Bill to:
CA DEPARTMENT FOOD & AGRICULTURE
 1220 N STREET
 SACRAMENTO, CA 95814

INVOICE

State Water Efficiency and Enhancement Program

Make Check Payable to:
Recipient Name
 Street Address
 City, State Zip Code
 Attn: Recipient Grant Manager

Grant Agreement Number: 19-xxxx-xx-SO Billing Period: 06/15/2020 - 08/31/2020 Invoice Date: 31-Aug-20 Invoice Number: 19-xxxx-000-SO-1
Month/Year to Month/Year Date Signed

Recipients Name: ABC Farms, Inc Project Title: ABC Farms Irrigation and Solar Improvements

Grant Budget	Invoiced to Date	Amount Requested	Remaining Balance
1 OPERATING EXPENSES:			
a) Supplies	\$0.00	\$0.00	\$60,000.00
b) Equipment	\$0.00	\$0.00	\$15,000.00
2 CONTRACTORS / LABOR COSTS	\$0.00	\$0.00	\$20,000.00
3 OTHER	\$0.00	\$0.00	\$5,000.00
Totals:	\$0.00	\$0.00	\$100,000.00

Approved Line Item Shifts: 0 10% = \$10,000.00 Less Remaining Advance: \$0.00

Matching Funds to Date: \$1,200.00 **Amount to be Paid: \$0.00** NO EXPENDITURES

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

PREPARER'S NAME & SIGNATURE	PHONE NUMBER	E-MAIL ADDRESS	DATE
AUTHORIZED NAME & SIGNATURE	PHONE NUMBER	E-MAIL ADDRESS	DATE

FOR STATE USE ONLY

\$	2018-19	5432500	xxxxxxx
<small>AMOUNT</small>	<small>STATE FISCAL YEAR</small>	<small>GRANT SPECIALIST INITIALS AND DATE</small>	<small>SUPPLIER ID</small>
X	659000094L	632-09	VENDOR ID
<small>CDFA AUTHORIZED APPROVER</small>	<small>CDFA AUTHORIZED SIGNATURE</small>	<small>DATE</small>	<small>PROGRAM CODE</small>

Liquidate against Advance Payment.
 Withhold 10% of Grant Award until Verification.
 Project verified. Final payment.

CDFA Invoice Template Instructions and Definitions

Recipients must complete all grey shaded sections 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 their assigned Grant Specialist.

- 1. Grant Budget:** The total grant award amount for each budget category as identified in the approved Budget. Reimbursement for project expenditures is based on these categories and amounts.
- 2. Billing Period:** The quarterly or monthly period in which project costs were incurred. For example, if project costs were incurred during the first billing quarter, the billing period is September 1 – November 30.
- 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 September 1 – November 30, the Invoice date cannot be November 25—it must be after November 30.
- 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 under the “Grant Budget.”
- 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 payment check amount issued for reimbursement.
- 6. Remaining Balance:** The amount of grant funding remaining that has not been paid. OEFI will not approve an invoice with negative balances in this column. Contact your assigned Grant Specialist if a budget revision is needed.
- 7. Invoice to Date:** The total project cost amount reimbursed for each budget category based on previously approved invoices. OEFI will adjust the “Invoice to Date” amount each billing period.
- 8. No Expenditures:** Mark this box if no project costs were incurred during billing period and include a brief explanation below of why costs were not incurred.
- 9. Preparer/Authorized Signatures:** An authorized representative of the agriculture operation (Recipient) must print their name and sign on the “authorized 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 signature" line. OEFI will not approve invoices without the Recipient signing as the "authorized signature."