

**GRANT FUNDING PROCEDURES**

**FUNDED BY**

**CALIFORNIA OCEAN PROTECTION TRUST FUND of PROPOSITION 84, THE SAFE DRINKING WATER, WATER QUALITY AND SUPPLY, FLOOD CONTROL, RIVER AND COASTAL PROTECTION BOND ACT OF 2006;  
and  
ENVIRONMENTAL LICENSE PLATE FUNDS**

**State of California**

**OCEAN PROTECTION COUNCIL**



**INTERIM STANDARDS AND PROTOCOLS  
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## **OBJECTIVE**

The Ocean Protection Council (OPC) is charged with implementing the California Ocean Protection Act (COPA). An important tool to achieve the provisions of COPA is the funding of projects and programs that target the proposed actions identified in the OPC 2012-2017 Strategic Plan.

## **PROJECT ELIGIBILITY**

In addition to consistency with COPA and the OPC strategic plan, projects that will be considered for funding by the OPC must:

- Directly relate to the ocean, coast, associated estuaries, or coastal-draining watersheds
- Have demonstrable support from the public
- Be of greater-than-local interest

## **APPLICANT ELIGIBILITY**

**Applicants** - Grant funds can be awarded to public agencies, nonprofit corporations, or private entities subject to Public Resources Code Section 35650.

**ELIGIBILITY** - Other eligibility requirements are specified in Public Resources Code Section 35650.

**Maximum Grant Awards** – There is no minimum or maximum for grant awards.

## **PRIORITY CONSIDERATION –**

The OPC will give additional consideration to proposed projects that:

- Employ an innovative approach to solving a problem
- Improve the manner in which the state manages coastal and ocean resources
- Help resolve more than one issue
- Include a contribution of funds or services by other entities
- Are ready to implement (grantee or contractor will start and finish the project in a timely manner)
- Involve a combination of local, state, or federal agencies or that are public/private partnerships

**OPC Program Priorities** – The OPC Program Priorities are consistent with the goals included in the OPC 2012-2017 Strategic Plan.

- Improve decision-making through use of best available science by state entities and agencies charged with ocean and coastal stewardship. Capitalize on and leverage the scientific community to support management and policy directions.
- Prepare for and reduce harmful impacts of climate change on coastal development and infrastructure, public health and safety, the economy, and ecosystems by encouraging adaptation to climate change and engaging decision makers at all levels of government.
- Promote the long-term health of marine ecosystems and sustainability of marine fisheries in order to protect California's living marine resources and the communities that rely upon them.
- Reduce the negative impacts of land-based activities on marine ecosystems and the state's coastal and ocean economy.

## EXAMPLES OF INELIGIBLE PROJECTS

The list below includes examples of applications and plans that will not be funded under this program. This is not a comprehensive list.

- Projects focused solely on public education
- Projects requesting funding to make up for funds that have been lost from another source
- Projects requesting funds for ongoing monitoring.

## GRANT SELECTION PROCESS

Proposals may be submitted via competitive grant rounds, as requested by the OPC Executive Director or OPC Council members, or via unsolicited requests. Proposals will be reviewed by the OPC Executive Director or Deputy Director to determine if it is consistent with the OPC 2012-2017 Strategic Plan. Proposals will be evaluated by OPC staff and outside reviewers as necessary. When appropriate, proposals may be sent to the California Ocean Science Trust and outside experts for technical review.

Reviewers will review each application and evaluate it based on the following criteria:

- **Management Relevance:** How well will this project improve our management of ocean and coastal resources?
- **Innovativeness:** Is this an approach that has not been tried or will result in a new approach to management?
- **Uniqueness:** Is this a proposal that can be/should be funded by other sources?
- **OPC Strategic Plan:** Is the proposal consistent with the OPC Strategic Plan?
- **Technical/Scientific Merit:** Is the project approach technically sound? What is the likelihood the project will fulfill its stated goals and objectives? How feasible will it be to determine project effectiveness?
- **Overall Qualification of Applicants:** Has the applicant demonstrated the necessary experience, training, facilities, and administrative resources to accomplish the project? Does the applicant have existing infrastructure or administrative capacity to develop the project successfully? Where applicable, does the applicant hire or contract with experienced scientific staff in an area of specialty that would improve the outcome and potential success of the underlying proposal?
- **Project Costs:** Has the applicant demonstrated that the project budget is appropriate to accomplish the goals?
- **Support:** Does the project enjoy public and/or state agency support?

After individual reviewers have evaluated the proposals, they will meet to compare evaluations, share expertise, and develop a consensus ranking for the proposals. The OPC staff will consider the reviewers' recommendations on each proposal and may recommend them to the OPC for funding based upon additional program considerations that management will evaluate, including:

- Availability of funding
- Balance/distribution of funds among funding categories
- Coordination with other projects funded or considered for funding by the OPC or other state agencies.

If staff recommends projects for funding to the OPC, the recommendation will be made at an OPC meeting for OPC determination of final awards.

## **PROPOSALS**

For technical assistance in preparing proposals, contact the OPC Deputy Director.

Proposals have three sections -

- 1. Signature Page**
- 2. Work Plan**
- 3. What to Submit – Supporting Documents**

### **PROPOSAL QUESTIONS –**

1. How has the need for an OPC grant been established?
2. What work will be conducted and who will be involved? Include any partners, community input, etc.
3. What OPC 2012-2017 Strategic Plan goal will be addressed with this project?
4. Describe any assessments that have been conducted to date.
5. What proposed action in the OPC 2012-2017 Strategic Plan will be addressed?
6. Describe how entities with jurisdiction over the project area, if applicable, will become involved in the successful completion of the project.

### **Organizational Capacity**

In addition to meeting OPC program objectives, applicants should demonstrate their ability to carry out the project.

1. Describe the applicant's experience in doing similar projects.
2. Does the applicant have professional staff qualified to successfully complete the project. If not, how will this expertise be acquired?

### **Work Plan**

Applicants must provide a detailed work plan that specifies what steps will be taken to complete the project including establishing benchmarks with target completion dates and a cost estimate. The project cost estimate and schedule should be of sufficient detail to allow assessment of the progress of the work plan at regular intervals.

Elements of a work plan should include, but are not limited to –

- Needs Assessment
- Development of goals, objectives, and action steps
- Public Outreach and Stakeholder Meetings, as applicable
- Coordination with entities having jurisdiction over project , as applicable

The work plan should clearly address –

- What are the goals and objectives of the proposed project including implementation (e.g., strategy, timeline, committed resources, municipal and partner support)?
- What are the project deliverables and when can the State expect them?
- Does the work plan demonstrate that the project can be developed within allotted timeframes?
- Does the work plan demonstrate that the project can be developed for the grant amount requested or in combination with other committed funds?
- Are the target completion dates reasonable and attainable?

**Work Plan Summary**

Indicate the specific benchmarks of the work plan that will be funded by this grant. Specify the estimated cost for each benchmark and when these benchmarks will be completed. (Total estimated costs should equal grant amount requested plus other funders' contributions).

Plan Element / Deliverable / Benchmark	Estimated Cost	Target Completion Date
<b>Total</b>		

**WHAT TO SUBMIT: SUPPORTING DOCUMENTATION**

The Proposal is composed of three (3) sections: Questions, Work Plan and Supporting Documents.

**Submit 1 (one) unbound original or digital PDF**

1. Questions
2. Work Plan
3. Work Plan Summary (timeline with benchmarks)
4. Eligibility for Nonprofit Applicants - Provide the following information:
  - Evidence that the corporation is qualified under Section 501(c) (3) of the Internal Revenue Service Code.

**OPC GRANT ADMINISTRATION**

**General Overview of Grant Process**

1. Applicant submits a proposal with supporting documents
2. Staff and potentially additional reviewers reviews application and ensures receipt of all required material. OPC staff make recommendations and determinations about the merit of the proposed project.
3. The OPC approves a potential award based on completion and approval of a grant agreement by OPC staff, which shall include an applicable work plan and all relevant deliverables or other benchmarks.
4. OPC staff work with grantee on development of a project Work Program, based upon the

work plan included in the Proposal. The Work Program includes the tasks, budget, and schedule necessary to complete the project, and is included as an Exhibit in the grant agreement.

5. State sends grant agreement and grant administration materials to grantee.
6. Grantee signs and returns all required copies of the Grant Agreement to the State. A fully executed original will be returned to the grantee, with a letter from the OPC Executive Director notifying the grantee that an OPC staff person has the authority to act on behalf of the Executive Director with respect to the agreement. See Appendix A for template.
7. Grantee completes project according to the project Work Program and submits required deliverables to OPC staff for review and approval.
8. Grantee submits documents necessary to close project (i.e., deliverable as defined in agreement)
9. State approves final project and approves final payment and/or release of any retention.
10. The grant may be audited as frequently as annually for three years after the project is completed.

### **Changes to Approved Work Plans**

A grantee wishing to make changes or amendments to an approved Work Program must first obtain approval from OPC staff. Changes to the Work Program must continue to meet the need cited in the original application to be approved. The grantee jeopardizes funding should changes be made without approval.

### **Eligible Costs**

Direct costs necessary for the development of the project and incurred during the project performance period specified in the Grant Agreement will be eligible for reimbursement. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the performance period are not eligible. Consistent with the requirements of State Administrative Manual section 8756, indirect costs up to 25% of total direct costs are eligible. Please see Appendix B for more information about eligible costs.

### **Payment of Grant Funds**

Funds cannot be disbursed until there is a fully executed grant agreement between the State and the grantee.

- Payments will be made on a reimbursement basis (i.e., the grantee pays for services, products or supplies and is then reimbursed by the State).
- The grantee will submit requests for payment no less frequently than quarterly (assuming activity occurred within that quarter) and no more frequently than monthly.
- Ten percent (10%) of the amounts submitted for reimbursement may be withheld and issued as a final payment upon project completion, at the sole discretion of the state and as stated in the grant agreement.
- Advance payments for eligible costs are not allowed.
- Except as otherwise stated in the grant agreement, the State will reimburse travel and related expenses at actual costs not to exceed the rates provided in Title 2, Division 1, Chapter 3, Subchapter 1, Article 2 of the California Code of Regulations (“CCR”).

### **Loss of Funding** (Not a complete list)

The following are examples of actions that may result in a grantee’s loss of funding:

- Grantee fails to obtain a grant agreement.
- Grantee withdraws from the grant program.
- Grantee fails to complete the funded project.
- Grantee fails to submit all documentation within the time periods specified in the grant agreement.
- Grantee changes scope/deliverables without prior approval from OPC staff.

## **STATE AUDIT AND ACCOUNTING REQUIREMENTS**

### **Audit Requirements**

Bond funded projects are subject to audit by the State of California annually and for three (3) years following the final payment of grant funds. If a project is selected for audit, advance notice will be given. The audit shall include all books, papers, accounts, documents, or other records of the grantee, as they relate to the project for which the funds were granted.

The grantee must have the project records, including the source documents and evidence of payment, readily available, and provide an employee with knowledge of the development of the project to assist the auditor. The grantee must provide a copy of any document, paper, record, or the like, requested by the auditor.

### **Accounting Requirements**

The Grantee must maintain an accounting system that:

- Accurately reflects fiscal transactions, with the necessary controls and safeguards.
- Provides a good audit trail, including original source documents such as purchase orders, receipts, progress payments, invoices, time cards, evidence of payment, etc.
- Provides accounting data so the total cost of a deliverable can be readily determined.

### **Records Retention**

Records must be retained for a period of three (3) years after final payment is made by the State. All project records must be retained by the grantee at least one (1) year following an audit. Grantees are required to keep source documents for all expenditures related to each grant for at least three (3) years following project completion and one year following an audit. A project is considered complete upon receipt of final grant payment from the State.

## APPENDIX A - DESIGNATION LETTER TEMPLATE

The following template letter should be modified and sent to the grantee with a fully executed copy of the grant agreement, notifying them of the OPC Executive Director's designee.

<<Date>>

<<Grantee's Address>>

Subject: Designation of OPC Manager Grant Agreement No. <<#####>>

Dear <<Grantee contact>>,

<<OPC Project Manager>> is authorized to manage this grant and to approve all payments to the address listed above.

I have enclosed a signed copy of the agreement. I look forward to our continued work together on this project.

Sincerely,

<<OPC Executive Director's name>>  
Executive Director



## APPENDIX B - ELIGIBLE COSTS

Direct costs necessary for the development of the OPC project and incurred during the Project Performance Period specified in the Grant Agreement will be eligible for reimbursement. All eligible costs must be supported by appropriate documentation. Costs incurred outside of the performance period are not eligible for funding. Consistent with the requirements of State Administrative Manual section 8756, indirect costs up to 25% of total direct costs are eligible. .

1. Personnel or employee services – Costs for services of the grantee's employees directly engaged in project development must be computed according to the Grantee's prevailing wage or salary scales, and may include fringe benefit costs such as vacations, sick leave, Social Security contributions, etc., that are customarily charged to the recipient's various projects. Costs charged to the project development must be computed on actual time spent on the project development and evidenced by time and attendance records describing the work performed on the project development as well as payroll records. Overtime costs may be allowed under the recipient's established policy provided the regular work time was devoted to the same project.

Salaries and wages claimed for employees working on State grant funded projects must not exceed the Grantee's established rates for similar positions.

2. Consultant services – Costs for the services of consultants working on developing the project or any related documents, processes, etc. are eligible.
3. Other expenditures - In addition to the major categories of expenditures, funding may be provided for miscellaneous costs necessary for development of the project at the discretion of the State. Some of these costs may include:
  - Work performed by another section or department of the grantee's agency that can be documented as direct costs to the project development. (See requirements above under Personnel or employee services).
  - Public Outreach including brochures, advertisements and costs attributed to the planning and conducting of meetings (except refreshments).
  - Travel necessary to complete the project as identified in the Work Program. Travel reimbursements for Grantees and their consultants must adhere to the State rates and restrictions as feasible, including mileage, hotel and meal costs. Travel expenses should be billed at cost, and documentation must be provided with requests for payment.
4. Contingency – Up to 10% of the grant may be budgeted for contingency costs. All such costs must be eligible per these guidelines.

## APPENDIX C - COST ESTIMATE FORM

All cost elements included should be clearly described in the Work Plan.

Plan Tasks (Samples Only)	Unit Price \$	Unit of Measure	Quantity	Total Amount \$	OPC \$	Named Funding Source #1 \$	Named Funding Source #2 \$	Named Funding Source #3 \$
<b>1 Project Administration</b>								
<b>Subtotal Task 1</b>								
<b>2 Stakeholder Communications</b>								
<b>Subtotal Task 2</b>								
<b>3 Public Outreach</b>								
<b>Subtotal Task 3</b>								
<b>4 Materials</b>								
<b>Subtotal Task 4</b>								
<b>GRAND TOTAL</b>								

Task listing should be detailed and customized to fit your Plan development process. Each funding source, whether In-Kind or cash should have its own column. Specify In-Kind or cash in each column heading. The unit price multiplied by the quantity equals the Total Amount column. The SGC Grant and Other Funding Sources should also sum to the Total Amount column.

## APPENDIX D – DEFINITIONS

Unless otherwise stated, the terms used in these grant guidelines have the following meanings:

**Applicant** means an eligible organization requesting funding from a program administered by the State.

**Benchmark** means specific tasks or project deliverables identified in the project Work Program to be approved by the State.

**Bond or Bond Act** means Proposition 84, the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006.

**CEQA** means the California Environmental Quality Act, Public Resources Code Section 21000 et seq.; Title 14, California Code of Regulations, Sections 15000 et seq.

**Council** means the California Ocean Protection Council established pursuant to the California Ocean Protection Act.

**Fund or Funds** means the Environmental License Plate Fund.

**Grant Agreement** means a contractual arrangement between the State and grantee specifying the payment of funds by the State for the performance of specific Project objectives within a specific project performance period by the grantee.

**Grantee** means an applicant that has an agreement for grant funding with the State.

**Grants Administrator** means an employee of the State who manages the grants.

**In-Kind** means non-cash donations from governmental or private sources, and includes volunteers, materials and services.

**Indirect/Overhead Costs** means expenses of doing business that are of a general nature and are incurred to benefit at least two or more functions within an organization. These costs are not usually identified specifically with a grant, grant agreement, project or activity, but are necessary for the general operation of the organization. Examples of indirect costs include salaries and benefits of employees not directly assigned to a Project; functions such as personnel, business services, information technology, janitorial, and salaries of supervisors and managers; and overhead such as rent, utilities, supplies, etc.

**Nonprofit Organization** means any nonprofit corporation qualified to do business in California, and qualified under Section 501 (c) (3) of the Internal Revenue Code.

**Other Sources of Funds** means cash or In-Kind contributions that are required or used to complete the Urban Greening project beyond the grant funds provided by this program.

**Project** means the activity to be accomplished with grant funds, and other funds if necessary, that meet the intent of the statutory conditions.

**Project Performance Period** refers to the beginning and ending dates of the Grant Agreement. Eligible costs incurred during this period may be funded from the grant.

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**Proposition 84** - See “Bond”

**State** means the Ocean Protection Council, the Natural Resources Agency, or its representative.

**Work Program** means a plan that specifies what steps will be taken to develop the Project, including a project schedule with task target completion dates and a project budget.