

PART 3 | ADMINISTRATIVE PROCEDURES AND REQUIREMENTS

INTRODUCTION

The Alliance Grant Administrative Procedures and Requirements set forth the procedures and processes necessary for administering an Alliance Grant. The following is incorporated into the grant and describes the administrative reporting requirements, instructions for billing and receiving payment, and fiscal control procedures that are to be followed during the grant term.

The Grantee's Principal Investigator or designated staff must invoice the Alliance Grant Program to receive reimbursement for work set forth in the Scope of Work (Exhibit A) and the Task List and Timeline (Worksheets in Scope and Budget form). The Alliance Grant Invoice and supporting documentation must be sent to the Grant Managers, who along with the Grant Administrator, will review, approve, facilitate payment, and track expenditures per line item throughout the grant term.

GENERAL GUIDELINES

The Grantee shall not request disbursement for any cost until such cost has been incurred and has been paid or is due and payable by the Grantee. Invoices shall be submitted at a minimum of one (1) time per quarter or at a maximum of one (1) time per month, whichever is most convenient for the Grantee.

Payments can only be made to the Grantee; therefore, it is the responsibility of the Grantee to pay all staff, subcontractors, and/or vendors for goods and services rendered.

Grant dollars only fund approved expenses incurred after issuance of the Notice to Proceed and on or before March 31, 2019. Any invoice received after May 1, 2019 will not be paid.

Any changes to the Grant, once a Notice to Proceed has been issued, may require an amendment. Budget line item variations that in summation total ten percent (10%) or less of the total grant award may be made during the term of this agreement with prior written approval from the Grant Managers without an amendment (see procedure for requesting an amendment). Any budget line item variations that in summation total greater than ten percent (10%) of the total grant award require an amendment (see Procedure to Request an Amendment). It is the Grantee's responsibility to ensure that all claimed costs are appropriate by reviewing the Grant and associated documents, newsletters, e-mails, and other information updates supplied by DPR. All claimed costs shall be directly related to implementation and operation of the Project.

COMMUNICATION

Communications with the Grant Managers and Grant Administrator regarding the Administrative Procedures and Requirements described in this section should be conducted via e-mail to record issues discussed and the resolution achieved for future reference.

INVOICING GRANT EXPENDITURES

ALLIANCE GRANT INVOICE

Following the issuance of the Notice to Proceed and the administrative meeting, the Grant Administrator will send to the Grantee and designated staff an electronic version of a customized invoice template titled, Pest Management Alliance Grant Invoice (Grant Invoice Example, Attachment 3). Each time an invoice is approved and processed an updated invoice template is sent to the Grantee and designated staff for the following billing cycle. An invoice must be submitted no more than monthly and no less than quarterly. *A Grant Invoice must be submitted for each billing period even if no expenditures occur.*

Only expenses covered in the billing period may be claimed. Expenses from previous billing periods must be submitted on a separate Grant Invoice marked “Supplemental.”

To assure prompt and accurate payment, the most current Grant Invoice template must be used to request reimbursement. *Using any other template version or modifying the template provided to the Grantee will result in the invoice being rejected.*

The Department withholds ten percent (10%) from each invoice. These withheld funds are eligible for release to the Grantee only after the Grant Manager confirms that the Grantee has complied with all terms, conditions, and performance requirements of this Agreement, as set forth in the Scope of Work; the final report is received and approved; and the final expenditure report is approved. The Grantee shall request release of the ten percent (10%) withheld on a separate invoice, checking box 14, “Request the Release of 10% Retention”.

All grant invoices must be received by **May 1, 2019**. Any invoice(s) submitted on or after May 2, 2019, will be considered null and void and have no legal effect.

ALLIANCE GRANT REPORTS

- Submitted quarterly to the Grant Managers, the Quarterly Progress Report ([Attachment 2¹²](#)) is a one-to-two-page summary of the work performed during a specific billing period and may be used to support the corresponding Grant Invoice. The report summarizes project activities, completed milestones, and unexpected problems or special situations. The narrative portion of the report must contain sufficient information to support any large or unusual invoiced charges during the billing period.
- A Quarterly Progress Report must be submitted quarterly, even if no expenditures occur during the corresponding billing period.
- The final report describes how project goals and objectives have been fulfilled, summarizes and evaluates project activities and accomplishments, and includes recommendations for outreach and/or project expansion.

INVOICE SUPPORTING DOCUMENTATION

The supporting documentation (e.g., legible copies of required receipts) for the Grant Invoice provides the basis for maintaining auditable files by properly accounting for Grant fund usage. The Grant Administrator may request more detailed information to support items invoiced if deemed necessary.

The following documents may be used to support budget line item expenditures:

Personnel Services

Personnel Services consists of salaries and benefits for staff directly involved in the planning and implementation of the project. To be included as personnel, staff must receive their funds (salary, travel, operating expenses, or equipment) through the same organization as the principal investigator.¹³ If they cannot receive funds through the principal investigator’s organization, they are not considered personnel staff. They may still receive grant funds, however, if they are listed in the budget under Contracts. Personnel does not include office support staff involved in activities such as procurement, billing, accounting, and other administrative functions. Instead, those activities should be considered in the budget under Overhead.

¹² <http://www.cdpr.ca.gov/docs/pestmgt/grants/alliance/solicitation/attach2.pdf>

¹³ Exceptions may exist for federal agencies that establish Research Service Agreements (RSAs) with State Cooperative Institutions and other colleges or universities for the acquisition of goods and services.

Benefits are calculated as a percentage of salaries and may include contributions made for sick leave, retirement, insurance, or similar. These services must be broken down by classification or title, the annual wage (\$/year), the percent time (100% = full time, 40 hour work week), and the benefits as a percentage of salary for each fiscal year of the project. Factor in any annual salary or benefit increases.

- A summary of personnel expenses may be provided in Item 5 of the Quarterly Progress Report (Attachment 2).
- Employee timesheets
- Accounting Transaction ledgers.

Operating Expenses

Operating Expenses may include but are not limited to office supplies, in-house printing, postage, GAEL (General, Automobile, and Employee Liability), rent, and utilities.

- Legible copies of invoices, store receipts, and billing statements.
- Copies of rental agreements and supporting documents for rent and utilities must indicate the approved percentage charged to the Alliance Grant Program.

Travel

Travel includes the cost of lodging, transportation, subsistence, and other associated costs incurred by the principal investigator(s), management team, and team partners, excluding subcontracts, during the project term. Travel expenditures will be reimbursed at the rate allowed as specified in the Grant Agreement, Exhibit D, which reflects the current State Department of Personnel Administration Rules (<http://www.dpa.ca.gov/personnel-policies/travel/rules-for-represented-employees-menu.htm>).

- A completed Travel Summary Log ([Attachment 5¹⁴](#)) which shall include all supporting documentation (e.g., appropriate receipt copies) in excess of \$25.00. (Note: UC travel rates are reimbursed per SCM Section 3.18.)

Equipment

Equipment is defined as any durable, reusable item with residual value that costs over \$500. Equipment purchased with grant funds are the property of DPR and shall be returned to DPR at the end of the grant term.

- Approved in the original budget or with prior written approval of the Grant Manager.
- Purchase orders, invoices, and receipts.

Contracts

Written agreements between the Grantee and those providing a Professional and/or Consultant Service are necessary to complete the Grant project. All contracts, Memoranda of Understanding (MOU), Purchase Orders (PO), and Service Orders (SO) must include the following elements: (1) term dates, (2) maximum amount of dollars, (3) Scope of Work, (4) budget, and (5) signatures of both parties. The following must be submitted to DPR:

- Copy of executed contract, MOU, POs and SOs.
- Billing statements, invoices, and receipts.

Academic Remissions

Full or partial payment of required fees, tuition, or nonresident supplemental tuition can be covered by the grant funds for personnel with academic titles that are considered eligible for these remissions by their California academic institution. Remission amounts will be based on the policy and guidelines of the academic institution for the academic title.

- Billing statements, receipts, proof of eligibility.

¹⁴ <http://www.cdpr.ca.gov/docs/pestmgmt/grants/alliance/solicitation/attach5.pdf>

Overhead

Overhead consists of a reasonable percentage of costs not directly related to project tasks and activities, but necessary to run your agency while completing your project. Such costs would be associated with activities including administrative support services, accounting support services, contract support services, and legal services. **Overhead must not exceed fifteen percent (15%) of the modified total direct cost (MTDC), which is the sum of the Personnel, Operating Expenses, and Travel line items. Contracts, Academic Remissions, or Equipment line items are not included in the MTDC.**

HELPFUL HINTS FOR SUBMITTING INVOICES

Listed below are some common problems that have caused delays in processing invoices. Careful review of the Grant Invoice and the supporting documents will help to eliminate delays.

Overspending a line item. Careful review of the line item allocation approved in the Alliance Grant Agreement and reflected on the Invoice can ensure that overspending does not occur.

Making incorrect calculations. Make sure that all expenditures are calculated correctly and that the dollar amount matches that of the supporting documentation.

Providing incorrect or inconsistent billing dates. Review the documents to make sure that the billing period is consistent with the Grant Invoice and supporting documentation.

Using the wrong invoice template. The Grant Administrator will provide a customized invoice template to the Principal Investigator and designated staff when the grant is executed. This is the only invoice template that will be accepted for reimbursement payments.

Providing insufficient supporting documentation. Documentation (e.g., receipts, invoices, contract copies) must accompany the Grant Invoices to support all charges over \$50. (Not applicable to UC.)

PROCESSING TIME

There is a 45-day turnaround for processing invoices for payment from the time the invoice is received by the Grant Managers. Invoice disputes may increase the 45-day turnaround time.

INVOICE DISPUTES CAN SUSPEND THE PAYMENT PROCESS

The 45-day processing time resumes when the dispute is resolved. The Grant Administrator along with the Grant Managers may issue an Invoice Dispute Notification Form (Attachment 4) when any of the following occurs:

- When the Grantee overspends a line item.
- When the Grantee provides insufficient documentation to support invoice charges.
- When the Grantee is in noncompliance with the agreement, which includes invoicing items not included on the Scope of Work or Budget without written Grant Manager approval.

INELIGIBLE PROJECT COSTS

Any expense not directly related to the Grant Project is ineligible. This includes, but is not limited to:

- Costs incurred before issuance to the Notice to Proceed or after the end of the grant term.
- Costs not included in the approved budget.
- Costs covered by another grant or contract.
- Overtime costs (except for local public agency staffing during specially scheduled evening or weekend events that are pre-approved in writing by the Grant Manager, when law or labor contract requires overtime compensation).
- Out-of-state travel.
- Any food or beverages (e.g., as part of meetings, workshops, training, or events).

- Costs not directly associated with the approved project.
- Profit or markup by the Grantee or partner.
- Purchase of cell phones, pagers, computers, personal electronic and/or digital assistive devices, and all Apple products.
- Overhead costs above fifteen percent (15%) of the [MTDC](#).
- Any costs that are not consistent with local, state, and federal guidelines, regulations, and laws.

GRANT PAYMENTS

All payment requests must include:

- An original Grant Invoice signed by the authorized individual.
- A completed Travel Summary Log, if requesting reimbursement for travel expenses ([Attachment 5](#)).
- Documentation supporting all claimed expenditures, legible copies of invoices, billing statements, and receipts for expenses of \$50.00 or more. (Not applicable to UC.)

ALL FORMS MUST HAVE ORIGINAL SIGNATURES IN BLUE INK

AUDIT/FISCAL REVIEW

An audit or fiscal review may be conducted by the Grant Administrator periodically during the term of the agreement. The focus will be to review original expenditure journals, transaction reports and/or other expenditure documents related to the project. Additional documents to be reviewed may include:

- Personnel Services reports
- Procurement receipts
- Billing statements
- Contract invoices
- Travel claims

PROJECT COMPLETION

Grant closure will occur: (1) upon the determination by the Grant Manager that all requirements of the Grant have been satisfactorily completed, or (2) the end of the Grant term, whichever comes first. The final report shall be approved before the final payment request is forwarded to the State Controller's Office for payment.

EXCEPTIONS TO THESE ADMINISTRATIVE PROCEDURES AND REQUIREMENTS

Any exceptions to these *Administrative Procedures and Requirements* must be requested and approved in writing by the Grant Manager before any grant fund expenditures. The request will be reviewed and a determination made as soon as possible, usually within ten (10) working days of receipt of the request.

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