



# HIGH ROAD

TRAINING PARTNERSHIP

## RESILIENT WORKFORCE PROGRAM

Open Funding Solicitation

**Contents**

Section One. Program Overview ..... 3

    Introduction ..... 3

    Background: High Road and High Road Training Partnerships ..... 3

    HRTTP Resilient Workforce Program (RWP) Objective ..... 4

    HRTTP RWP Project Types ..... 4

    Program Outcomes and Deliverables ..... 5

    HRTTP Common Metrics ..... 5

    HRTTP Program Partners ..... 6

    Target Populations ..... 9

    Priority Sectors ..... 11

    Eligible Applicants ..... 11

Section Two. Grant Timeline ..... 12

Section Three. Application Submission Instructions ..... 12

    Cal-E-Grants Account..... 12

    Application Guide ..... 13

    Application Elements..... 13

Section Four. Scoring Criteria ..... 15

    Rejection of Funding Request..... 15

    Appeal ..... 16

    Disposition of Application..... 16

Section Five. Funding Requirements ..... 17

    Direct, Indirect, and Administrative Costs ..... 17

        Direct (Program) Costs..... 17

        Administrative Costs ..... 17

        Indirect Costs ..... 17

        Negotiated Indirect Cost Rate Agreement (NICRA)..... 18

        De Minimis Rate..... 18

        Administrative Cost Cap..... 18

        When Should Costs that are Normally Indirect Be Counted as Direct Costs? ..... 18

    Leveraged/Match Funds..... 19

    Procurement Requirements ..... 19

Section Six. Reporting Requirements .....	20
Quarterly Progress Report & Closeout.....	20
Periodic Review and Information Requests.....	20
Grant Oversight .....	20
CWDB Support.....	20
Invoicing .....	20
Section Seven. Appendices .....	22
Appendix A. Exhibits.....	22
Appendix B. Allowable Expenditures Guidance .....	28
Appendix C. Service Cash Invoice .....	30

## Section One. Program Overview

### Introduction

The California Workforce Development Board (CWDB), in partnership with the Labor and Workforce Development Agency (LWDA), is pleased to announce the High Road Training Partnerships Resilient Workforce Program (RWP).

The High Road Training Partnership (H RTP) initiative will increase access to existing high-road jobs for underserved populations and create pathways for job growth for incumbents already employed with high- road employers.

In alignment with these overarching objectives, the Resilient Workforce Program will fund training partnerships with existing high road employers to increase the number of skilled workers from underserved populations in quality jobs in priority sectors.

### Background: High Road and High Road Training Partnerships

California and CWDB is committed to strengthening the 'High Road' economy. The High Road vision consists of four elements:

- **Design quality jobs.** Job quality refers to jobs that pay at or above local or regional living wages, provide health and retirement benefits, create safe working conditions, establish fair and predictable scheduling practices, include worker voice and agency, and ensure career advancement opportunities are equitable and transparent.
- **Ensure equity for workers.** Equity ensures that gender, race, ethnicity, or other demographic characteristics do not affect access to and/or advancement in quality jobs. Equity within the context of High Road means *economic equity* and therefore requires close attention to job quality.
- **Amplify worker voice.** Worker voice refers to creating opportunities for workers to participate in decisions that affect their livelihoods. These opportunities can occur through many types of structures, including, but not limited to labor unions, worker centers, labor-management partnerships, or other entities with a demonstrated history of providing consistent and independent worker voice that informs employer decision-making.
- **Invest in environmental sustainability.** Environmental sustainability refers to supporting efforts toward a carbon-neutral economy. Supporting these efforts requires giving special attention to industry sectors on the frontlines of the transition to a carbon-neutral economy (e.g., energy generation and distribution, buildings and construction, vehicle and components manufacturing, forestry services, and agriculture).

The H RTP model embodies the sector approach championed by the CWDB—industry partnerships that deliver job quality, economic equity for more workers, and climate resilience. Under this initiative, the CWDB has initiated and developed several programs, including [High-Road Construction Careers \(HRCC\)](#) and the [Low-Carbon Economy Workforce Program](#). CWDB has modeled a systemic approach to industry-led workforce development through these

programs that align with the high road vision and its elements.<sup>1</sup> To date, the CWDB has funded over 35 diverse projects in a wide array of industries and regions at various phases of development.

### **H RTP Resilient Workforce Program (RWP) Objective**

The next phase of the CWDB's H RTP Initiative represents an evolution of the program based on lessons learned from past projects.<sup>2</sup> Changes to state law and budget priorities continue to advance the H RTP Initiative through diversified funding streams, targeted efforts to expand H RTPs into new industry sectors and regions, more clearly defined High Road language and terminology, and further integration of the High Road vision into the state's public workforce system and the state's economy at-large.

This evolution informs the H RTP Resilient Workforce Program (RWP). H RTP RWP aims to achieve the H RTP Initiative's objectives by funding training partnerships that increase access to quality jobs for workers from disadvantaged and underrepresented communities and to create advancement for incumbent workers already employed by high road employers.

### **H RTP RWP Project Types**

Through the H RTP RWP, the CWDB clearly defines H RTP project categories based on the current state of maturity or development of an applying High Road partnership. H RTP RWP will fund projects in three stages of project readiness: Planning and Development, Training Implementation, and Expanding. Descriptions, funding award ranges, and duration of the three project types are listed below.

**Planning and Development (up to \$500,000 within 12 months):** Planning and Development Projects require funding to complete the project design work and achieve Training Implementation status at a later point. Grants will support the research of industry demand and achievement of the high road elements, staff time to develop and cultivate partnerships, and program design for training and employment outcomes. Planning grants must show a clear problem statement that specifically describes how planning and development activities will resolve identified issues with a training program. Applications must include a Training Plan.

**Training Implementation (\$500,000 - \$5,000,000 within 24 months):** Training Implementation Projects deliver training programs to achieve employment and/or career advancement outcomes for participants. These projects may also include Planning and Development alongside required training components. Training Implementation Projects must have a research supported Training Plan and project development, an existing partnership with one or

---

<sup>1</sup> Per Chapter 3 of Division 7 of the California Unemployment Insurance Code Section 14055.1(b) "High Road Training Partnerships" are defined as "the programs administered or overseen by the board, to model strategies for the state to develop industry-based, worker-focused training partnerships that deliver equity, sustainability, and job quality and address questions of income inequality, economic competitiveness, and climate change through regional skills development designed to support communities across the state. To be similar to the High Road Training Partnership, another workforce training program shall have similar objectives and employ similar strategies to achieve those objectives."

<sup>2</sup> The initial H RTP evaluation report can be read [here](#).

more employers (partnerships with multiple employers are encouraged for larger grants), at least one worker organization, and a training provider.

**Expanding (\$5,000,000 - \$15,000,000 within 36 months):** An Expanding Project is an existing H RTP or an existing industry partnership that can demonstrate that it meets the H RTP elements and is expanding the partnership and program work. Expanding projects will have demonstrated success in achieving training outcomes and will focus on scale and/or replication. Projects will increase the number of participants and expand the partnership within the industry. Projects may also expand to adjacent industry sectors and/or replicate the project in other regions. Expanding projects will deliver training programs for participants to achieve employment and/or career advancement outcomes. Expanding projects must also have completed research and development, evidence from a pilot program to inform their expansion, an existing partnership consisting of multiple employers, at least one worker organization, and at least one training provider.

### **Program Outcomes and Deliverables**

Applicants must identify proposed outcomes and describe deliverables that align with those outcomes. The examples of deliverables below will guide applicants in completing the Outcomes section of the application. Applicants may propose other deliverables provided clear descriptions of outcomes and deliverables are presented in the Outcomes section.

### **Planning and Development Projects**

- A study or report outlining lessons learned and an action plan for translating planning and development activities into training implementation.
- A Memorandum of Understanding (MOU) between partners.
- A Training Plan describing how training will be implemented, which target populations will be trained, and what goals and metrics will be achieved.

### **Training Implementation and Expanding Projects**

- A Training Project Design and Implementation Operations manual or other complete project documents.
- Projects must report data on all H RTP metrics described in the following section.

Applicants can find additional information about completing the Outcomes section of the H RTP RWP application in the [H RTP RWP Application Guide](#).

### **H RTP Common Metrics**

The CWDB has established metrics for the H RTP RWP which all Training Implementation and Expanding Project grantees must address in their report:

- % of target number of project participants who completed training and/or obtained an industry-recognized credential
- % of training project graduates with measurable skill gains (*training/sector specific*)
- % of training project graduates employed in training-related industry

- Median training project graduate wages over time and compared to regional living wage targets, and regional occupational medians (pre-training and post-training)
- % of training project graduates with employer-provided benefits (healthcare, paid leave, meaningful path to retirement)
- % of training project participants who receive supportive services & type of supportive services received
- % of training project participants receiving public safety net benefits during and following program completion

All H RTP Common Metrics must be measured and reported in a way that examines results through an equity lens. This requires disaggregating results by gender, race, ethnicity, and other relevant demographic information.

H RTP grantees may define additional metrics and must document and report on progress throughout the grant term. Grantees may be required to participate in a final evaluation of work achieved at the end of the grant term.

**Awarded projects must submit data on program metrics to the CWDB. The CWDB will provide data reporting guidance to all awarded grantees with detailed instructions for submitting program data.**<sup>3</sup>

### **H RTP Program Partners**

H RTPs consist of employers, workers, and training providers. This structure is the basis for every H RTP grant. Successful applicants will demonstrate formal commitments from all the project partners. Applicants are required to have 1) employer(s), 2) at least one worker representative, and 3) at least one training provider. For additional guidance, examples of these and other essential partners are described below:

#### **Employer(s)**

Employers understand the workforce needs are unique to their industry and can serve as economic anchors for resilient communities. They offer industry analyses about the jobs and skills they need and provide specific information about technology, equipment, and operational conditions critical for effective job training. By partnering with employers, partnerships can identify opportunities for hiring, upskilling, promotion, retraining, and new ways work may need to be performed and problem-solving for future demand. Negotiating the future of work requires strong regional partnerships between employers (small and large) and employees, up and down the supply chain, all working collaboratively to raise standards in as much of the industry as possible.

---

<sup>3</sup> Refer to [The High Road to Economic Prosperity](#) report for an example of outcomes collected from previous H RTPs.

Applicants must demonstrate that employer partners are high road employers who align with the CWDB's high road elements. Successful employer partners are those that:

- Offer comparatively good wages and benefits relative to the industry, occupation, and labor market in which participating workers are employed.
- Pay workers at or above local or regional living wages and pay at or above regional prevailing wage standards where such standards exist for the occupations in question.
- Have a history of investment in employee training, growth, and development.
- Provide opportunities for career advancement and wage growth.
- Ensure safe and healthy working conditions.
- Consistently comply with workplace laws and regulations, including proactive efforts to remedy past problems.
- Establish fair and predictable scheduling practices.
- Adopt mechanisms to include and amplify worker voice and agency in the workplace.

### **Worker Representative(s)**

Workers are invaluable members of the partnerships, and their industry expertise and input are valued as much as employers. Workers help shape training programs and curricula, train and mentor others, and function at the center of developing industry solutions. Unions, worker centers, community-based organizations (CBOs), and labor-management partnerships can meet the worker representative requirement. Worker representatives must be independent of the employer(s), demonstrate a record of meaningful, consistent and ongoing advocacy of workers' interests, and provide representation throughout the project. Industries and employers with Collective Bargaining Agreements must demonstrate participation and support from the union(s) representing their workers through letters of support, Memorandums of Understanding (MOUs), or other partnership agreements.

### **Training Provider(s)**

Training providers can include, but are not limited to, any of the entities listed below, provided they have demonstrated the capacity to provide the training described in the application.

### **Non-Profit and Community-Based Organizations**

Community Based Organizations (CBOs) are local, non-profit mission-driven groups with the experience and capacity to work with, provide support, and advocate for workers from disadvantaged or underrepresented populations or communities. They provide insight and expertise in working with specific population groups and are embedded in the communities they represent and serve. CBOs often effectively provide recruitment, retention, outreach, and engagement activities, as well as targeted support service and training.

### **Local Workforce Development Boards**

Local Workforce Development Boards (LWDBs) ensure the provision and coordination of WIOA Title I services and provide day-to-day administrative and policy oversight of the delivery of services to job seekers and businesses. The specific service strategies of LWDBs are designed to reflect regional labor market needs, local economic and social conditions, and demographics.

They must be consistent with the policy direction of [California's Unified Strategic Workforce Development Plan \(State Plan\)](#). Accordingly, LWDBs are essential partners in carrying out the State Plan and will be helpful to successful HRTPs in understanding regional demand and priorities, leveraging existing programs and funding, case management, and job placement assistance.

### **Community Colleges and Adult Education Schools**

Community colleges and adult schools have been stalwart partners in workforce development since their inception. The open doors of community colleges provide access to workforce education in a wide variety of subjects and career pathways. Many have also evolved to serve the needs of the local community and industry partners. Community college partners and adult schools have the resources to create programs that serve vulnerable populations by providing a more accessible, affordable, and flexible learning environment and offering a bridge to more advanced degrees.

### **Environmental and Environmental Justice Organizations**

Climate change does not impact all communities equally. Low-income communities and communities of color bear a disproportionate burden of the effects of high-pollution industries and are more vulnerable to the effects of climate change and associated environmental, economic, and public health impacts. Engagement with CBOs and ecological justice organizations can help projects understand communities' needs and identify opportunities for greater economic and environmental resiliency through the advancement of job quality, equity, and local pathways to safer, healthier, and more highly skilled jobs. While not all HRTPs will have a clear environmental focus, CWDB encourages representatives from these organizations to be included in HRTPs to the extent feasible.

### **Worker Centers**

[Worker centers](#) are community-based and community-led organizations that engage in a combination of service, advocacy, and organizing to provide support to low-wage workers. Their principal mission is to organize workers for the purpose of transforming industry practices to improve pay, employment stability, economic insecurity, safety, and treatment on the job. California is home to a robust worker center field that includes more than 30 organizations.

### **Worker Cooperatives**

[Worker cooperatives](#) allow workers to become owners of the programs they participate in and create wealth-building for participants. Worker cooperatives can also support small businesses by allowing them to expand without hiring full-time staff until they have grown sufficiently to cover costs, while simultaneously training job seekers for opportunities with larger employers.

### **Employment Social Enterprises**

[Employment Social Enterprises](#) (ESE) are mission-driven, revenue-generating businesses that invest the money they make into jobs and training for people with diverse talents and experiences who are striving to overcome employment barriers. Independent research has

verified that the experience these businesses provide more than doubles job retention, increases wages and incomes, and decreases recidivism.

### **Labor-Management Partnerships**

A [labor-management partnership](#) (LMP) is a strategy used by labor and management to act together to jointly improve their workplace. LMPs come in all shapes and sizes. Joint apprenticeship committees, jointly trusted pensions, and jointly trusted health and welfare funds are all LMPs. Unions and employers address a wide range of other priorities through LMPs, taking on complex issues not easily susceptible to solutions through traditional collective bargaining. LMPs enable employers of all sizes to address skills training, safety, health, changing technology, and other key issues. To help overcome the challenges for women and people of color, LMPs can play an important role in closing racial and gender pay gaps and occupational segregation. Labor-management partnerships can serve multiple roles in an HRTP, representing employers, workers, and providing training. LMP coordination with LWDBs, CBOs, ESEs, and worker centers is immensely valuable in supporting new entrants to the sectors and employers represented by the LMP.

### **Target Populations**

Prospective Training Implementation and Expanding Projects must identify one or more of the below target populations that will benefit from the project.

Planning Projects may also choose to identify one or more target populations listed below or include the identification of a target population as one of their project deliverables.

**English Language Learners<sup>4</sup>:** An English Language Learner (ELL) is defined as a person who has limited ability in speaking, reading, writing, or understanding the English language and (a) his or her native language is a language other than English or (b) he or she lives in a family or community environment where a language other than English is the dominant language.

**Homeless and Housing Insecure<sup>5</sup>:** A homeless and/or housing insecure individual meets one or more of the following criteria:

- lacks a fixed, regular, and adequate nighttime residence
- has a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings
- is living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements
- is an unaccompanied or migratory youth
- is fleeing domestic violence or life-threatening conditions in the individual's current housing situation.

---

<sup>4</sup> WIOA Public Law 113-128, Section 203(7)(a) and (b)

<sup>5</sup> 42 U.S.C. Section 11302 103(a) and (b)

**Justice-involved Individuals**<sup>6</sup>: A justice-involved individual is defined as an adult or juvenile (a) who is or has been subject to any stage of the criminal justice process, and for whom services may be beneficial, or (b) who requires assistance in overcoming artificial barriers to employment resulting from a record of arrest or conviction.

**People with Disabilities**<sup>7</sup>: People with Disabilities (PWD) are individuals who identify as a person with a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such an impairment.

**Veterans**<sup>8</sup>: A veteran is a person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable. The eligible participants in this program are veterans in at least one of the following priority groups. Each group is different and has characteristics; however, individual veteran participants can belong to more than one group.

**Youth**<sup>9</sup>: For the purposes of this RFA, a youth is an individual that meets the criteria for WIOA eligible out-of-school youth ages 18-24.

**Immigrants/Refugees**<sup>10</sup>: An immigrant is defined as a citizen and national of the United States (U.S.); a lawfully admitted permanent resident; a refugee; an asylee; a parolee; an eligible migrant or seasonal farmworker; or another immigrant authorized by the attorney general to work in the U.S.

**Low-income Workers**: Including but not limited to individuals who reside in low-income communities<sup>11</sup> and low-income households.<sup>12</sup>

**Other Under-resourced Communities**: Including but not limited to residents of disadvantaged communities<sup>13</sup>, underserved populations as defined under Executive Order 13985<sup>14</sup>, Native

---

<sup>6</sup> WIOA Public Law 113-128, Section 3(38)(a) and (b)

<sup>7</sup> 42 U.S.C. Section 12102 1(a)(b)(c) link these four

<sup>8</sup> 38 U.S.C. Section 101

<sup>9</sup> WIOA Public Law 113-128, Section 129(a)(1)(B)

<sup>10</sup> WIOA Public Law 113-128, Sections 167(1) and 188(a)5

<sup>11</sup> Low-income communities (LICs) are census tracts with median household incomes at or below 80 percent of the statewide median income or with median household incomes at or below the threshold designated as low-income by the Department of Housing and Community Development's (HCD) State Income Limits adopted pursuant to [California Health and Safety Code, Section 50093](#).

<sup>12</sup> Low-income households (LIHs) are those with household incomes at or below 80 percent of the statewide median income or with household incomes at or below the threshold designated as low-income by the (link this?) Department of Housing and Community Development's (HCD) State Income Limits adopted pursuant to Section 50093.

<sup>13</sup> Disadvantaged communities are identified by the California Environmental Protection Agency (CalEPA) as the top 25% most impacted census tracts in [CalEnviroScreen 3.0](#) – a screening tool used to help identify communities. The map of SB 535 disadvantaged communities can be found on the CalEPA's [Office of Environmental Health Hazard Assessment \(OEHHA\)](#) website.

<sup>14</sup> [Executive Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government](#)

American communities, Communities of Color, and unemployed individuals. Applicants must provide a clear definition of any target populations not defined in this document.

### **Priority Sectors**

Priority sectors are identified as those with current and/or projected openings for quality jobs and/or sectors in transition due to the impacts of climate change, technology, or other factors.

H RTP RWP priority sectors include:

- Healthcare
- Construction
- Manufacturing
- Forestry
- Agriculture and food supply chain
- Energy, utilities, and public works
- Information Technology
- Public Sector, including education
- Hospitality and tourism

H RTPs focused on sectors not listed above may also be considered, provided the applicant presents a clear justification for the project based on labor market demand. Data must be used from an official source and evidence must be shown of job quality and access for populations with historical barriers to employment.

### **Eligible Applicants**

One entity will apply on behalf of the partnership and assume the role of the lead applicant, or Fiscal Agent. The CWDB recommends the Fiscal Agent have experience managing state and/or federally-funded grants and the capacity to organize and coordinate project teams comprised of representatives from the partner organizations listed in the H RTP Program Partners section of this RFA.

The Fiscal Agent will be the first point of contact for the CWDB and is responsible for organizing, coordinating, and reporting on project activities, deliverables, and program metrics.

Eligible Fiscal Agents include, but are not limited to:

- Training providers
- Industry-based intermediaries, including industry associations
- Labor organizations and labor-management partnerships
- Community-based organizations and non-profit organizations
- California Department of Education – Local Educational Agencies
- California Community College Districts
- California State Registered Apprenticeship Programs
- Workforce intermediaries
- Local workforce development boards

## Section Two. Grant Timeline

Event	Details
Application	<p>Applications must be submitted via <a href="#">Cal-E-Grants</a>. The application period will be open for one month per quarter.</p> <p><b>Applications for the January-February 2023 cycle must be received by 5:00 p.m. on February 17, 2023.</b></p> <p>Applications for subsequent cycles will open on the first business day of each quarter (APR, JUL, OCT) and must be submitted by 5:00 p.m. on the due date of the following month.</p> <p>For information regarding application dates, refer to the <a href="#">H RTP RWP webpage</a>.</p>
Application Review	The application review period is approximately three (3) to five (5) weeks.
Award Announcement	Awards will be announced quarterly.
Grant Term	Grant terms are up to three years from the contract start date, depending on the project type. Refer to the H RTP RWP Project Types section for more information.

CWDB may adjust all dates after the application submission deadline on [Cal-E-Grants](#) without an addendum to this RFA.

Significant dates, including cutoff dates and review periods, can be found on the [H RTP RWP webpage](#).

## Section Three. Application Submission Instructions

As of January 2023, applying for the H RTP RWP is a single-step process in which a complete application package will be submitted through [Cal-E-Grants](#). Only electronic applications submitted through the Cal-E-Grants website will be considered. Paper applications will not be accepted and will be automatically disqualified.

Applicants can find the H RTP RWP application on [Cal-E-Grants](#) under the **Funding Opportunities** link (located in the upper left corner of the website) or under the CWDB link (located in the middle of the website).

To begin the application, locate and select the **High Road Training Partnerships: Resilient Workforce General Program (RWP)** link and select **Start Application**.

### Cal-E-Grants Account

Applicants must have a Cal-E-Grants account to access the H RTP RWP application. Applicants

must sign up for an account by clicking the **Log In** button on [Cal-E-Grants](#). Select **Sign Up** and enter the required information in the New User Registration Form and follow the steps to complete registration. For more information on new registration, visit [New User Registration](#).

If a Cal-E-Grants account already exists for your organization, request your organization's primary account holder to add the applying user via the system's "Manage Users" function. For information on adding new users, visit [Manage Users](#).

Once logged in, select the 'Apply' button in the right-hand corner of the page.

### Application Guide

A comprehensive guide with detailed instructions for completing each section of the H RTP RWP application can be found on CWDB's website at the link below. Applicants are strongly encouraged to review the Application Guide before submitting an application.

### [Application Guide](#)

### Application Elements

Applicants must complete each of the application elements as follows:

1. **Cover Page:** Input basic information about the organization and proposed project.
2. **Narrative:** Respond to the narrative questions about the proposed project. Narrative questions will vary based on the applicant's project type.
3. **Outcomes and Deliverables:** Identify specific project outcomes and deliverables, define alignment with H RTP Common Metrics, and provide metric targets for the project.
4. **Work Plan:** Provide details about proposed activities and estimated completion dates quarterly throughout the grant term. This information must align with the scope of work, goals, and deliverables outlined in the project narrative.
5. **Participant Plan:** Training Implementation and Expanding projects will identify their target population(s), and the number of participants the project plans to enroll, train, and place in post-secondary education, state-approved apprenticeship, and/or employment. For more information, refer to the Target Populations section of this document.
6. **Partner Roles & Responsibilities:** List all partnering organizations and their roles and responsibilities as part of the H RTP RWP project and any leveraged/match funds provided by partner organizations. Employer(s) and Worker Representative(s) are required partners and must be included.
7. **Expenditure Plan:** Enter quarterly spending projections for the expenditure of proposed grant funding.
8. **Budget Narrative:** Provide details related to proposed line-item allocations.
9. **Supplemental Budget:** Complete if grant funds are used for Equipment Purchases, Leased Equipment, Contractual Services, and/or Subrecipient.
10. **Budget Summary:** List all line-item allocations of the proposed budget. Costs are divided into two categories: Grant Funds and Leveraged Funds (Match).

- 11. Upload Documents:** For Training Implementation and Expanding projects, applicants must submit signed Memoranda of Understanding (MOUs) or other evidence of partner commitment. Planning Projects without signed MOUs should submit support letters from proposed project partners. All supporting documents may be submitted via the Upload Documents section.

## Section Four. Scoring Criteria

Applications are reviewed and evaluated based on their alignment with the four high road elements. Successful applications which meet the evaluation criteria described below will be eligible for funding consideration.

### Scoring Summary

The table below provides an overview of the total available points, by section, for the application.

SCORED SECTIONS	MAXIMUM POINTS
1. Project Design & Overview 1.1. Alignment with H RTP elements (job quality, worker voice, equity, climate) 1.2. Alignment with the target population 1.3. Alignment with priority industry or industries and/or occupations 1.4. Alignment with priority regions	30
2. Partnerships 2.1. Employer(s) 2.2. Worker representative(s) 2.3. Training provider(s)	25
3. Program Outcomes 3.1. Project outcomes clearly identified 3.2. Outcomes align with H RTP Common Metrics	25
4. Deliverables, Budget, and Work Plan 4.1. Deliverables are identified and described 4.2. Budget is clearly justified 4.3. A detailed work plan is provided	20
<b>Total Points</b>	<b>100</b>

### Rejection of Funding Request

The CWDB reserves the right to waive any immaterial deviation in an application. However, the waiver of an immaterial deviation in an application shall in no way modify the document or excuse the successful applicant from full compliance with the application requirements after the contract is awarded.

An application may be rejected for any of the following:

- The application is incomplete or fails to meet the solicitation specifications and/or basic application requirements.
- The application contains false or misleading statements or references which do not support an attribute or condition claimed by the applicant. The application shall be rejected if, in the CWDB's opinion, such information was intended to erroneously mislead the state in its evaluation of the application.

- The applicant has received a substantive negative contract evaluation from the State of California.
- The applicant has had a contract with the State of California canceled due to failure to comply with the Drug-Free Workplace Act of 1990.
- It is determined that the applicant is not responsible. Examples of this include, but are not limited to:
  - No business license.
  - An application is submitted when the license is subject to suspension on the date of the application opening and/or award of the contract, or during the proposed term of the Agreement.
  - An application is submitted without an authorized signature.
  - Information is falsified in the application package.
  - Applicant has performed poorly on a previous contract with the CWDB
- Upon license verification with the Contractor's State Licensing Board, an applicant's license is subject to suspension on the date of the application opening and/or award of the contract or during the proposed term of the Agreement.

### Appeal

If the applicant disputes an action of the CWDB, the applicant may appeal to the CWDB's Executive Director or designee. Appeals shall be filed within seven (7) calendar days of receiving the notification of such dispute. A written appeal shall:

- State the basis for the appeal,
- State the action being requested of the Executive Director,
- Include any documentation related to the dispute.

The CWDB's Executive Director or designee will review the correspondence and related documentation and render a decision on the appeal, except in those cases where the applicant withdraws or abandons the appeal. The procedural time requirement may be waived with the mutual consent of the applicant and the Executive Director.

### Disposition of Application

All materials submitted in response to this RFA will become the property of the CWDB, and as such, are subject to the Public Records Act ([Gov. Code, § 6250, et seq.](#)). The CWDB will disregard any language purporting to render all or portions of any application confidential.

After applications are evaluated, and the notices of intent to award have been posted, all applications shall be available for public inspection.

The contents of all applications, draft RFAs, correspondence, agenda, memoranda, working papers, or any other medium which discloses any aspect of an applicant's application shall be held in the strictest confidence until the award is made. The CWDB shall hold the content of all working papers and discussions relating to an application confidential indefinitely unless the public's interest is best served by the disclosure because of pertinence to a decision, Agreement, or evaluation of an application. An applicant's disclosure of this subject is a basis

for rejecting an application and ruling the applicant ineligible to participate further in the process.

The application process does not act as procurement or waive local, state, and federal procurement rules and requirements. All contractual services must be competitively procured in accordance with state and federal procurement regulations, and policies and types of procurement must be outlined in the Supplemental Budget. Links to applicable resources are included within the Supplemental Budget.

Contracted funds must be categorized as either a Contractual Service or Subrecipient. [WSD 18-06](#) (also found within the Subrecipient and Contractors section of the Supplemental Budget) distinguishes between the two. Upon review, the state may determine that a Subrecipient is a contractor. If a Subrecipient is deemed a contractor, all procurement requirements apply. The Procurement Requirements section of this document contains additional information.

### **Section Five. Funding Requirements**

Funding requests must be clearly justified and outlined within the application's Narrative, Budget Summary, and Budget Narrative – including a breakdown of all costs within a line item and thorough descriptions provided under the Budget Narrative. The CWDB reserves the right to request additional information as needed. Funding requests must align with the funding ranges identified in the Project Types section of this document.

No obligation or commitment of funds will be allowed prior to the start of the grant term or beyond the grant term end date. Any grant funds not expended during the grant period will be returned to the state.

The CWDB and EDD reserve the option to extend grant periods within the term limits placed on the funding appropriation and with proven justification. The CWDB also reserves the right to adjust the total number, duration, and amount of each grant award, including allocating additional funds above the requested amounts.

#### **Direct, Indirect, and Administrative Costs**

Definitions and guidance related to Direct, Administrative, and Indirect costs are provided below:

##### **Direct (Program) Costs**

Expenses directly related to implementing the proposed grant activities.

##### **Administrative Costs**

Expenses directly associated with grant implementation, management, and reporting.

##### **Indirect Costs**

Expenses associated with the costs of doing business that are not readily identified within a particular grant, contract, project function or activity, but are necessary for the general operation of the organization and the conduct of activities it performs. Indirect

costs are frequently referred to as overhead expenses. Generally, direct administration costs differ from indirect costs in that the latter are considered organization-wide costs that are required to run operations but do not have a direct role in grant implementation.

### **Negotiated Indirect Cost Rate Agreement (NICRA)**

Indirect cost rate is established with the Federal Government. Each agreement will include:

- The approved rate(s) and information directly related to the use of the rates, e.g., type of rate, effective period, and distribution base;
- The treatment of fringe benefits as either direct and/or indirect costs;
- General terms and conditions; and
- Special remarks, e.g., composition of the indirect cost pool.

If claiming an indirect cost rate above 20%, the applicant is required to submit a NICRA from a cognizant agency outlining all the information above to the CWDB for review and approval. NICRAs with redacted information will not be accepted.

Organizations with a NICRA accepted by CWDB will have direct administrative costs capped at 10% of the grant award.

### **De Minimis Rate**

A de minimis indirect cost rate of 20% of the grant award can be used by organizations who do not have a NICRA or who cannot provide one.

### **Administrative Cost Cap**

If using the De Minimis rate, direct administrative costs are capped at 10% and combined direct and indirect cannot exceed 20% of the grant award amount.

### **When Should Costs that are Normally Indirect Be Counted as Direct Costs?**

Costs for program implementation are direct costs, but should include costs normally classified as indirect when they are directly allocated to the project, such as:

- Overall program management, program coordination, project director, and project evaluator.
- Preparing program plans, budgets schedules, and related amendments.
- Monitoring of programs, projects, sub-recipients and related systems and processes.
- Developing systems and procedures, including management information systems, for assuring compliance with program requirements.
- Preparing reports and other documents related to the program requirements.
- Evaluating program results against stated objectives.
- Performing administration services such as program specific payroll, accounting, auditing, or legal activities.

Examples of non-labor costs include:

- Costs for goods and services required for administration of the program, including such goods and services such as the rental or purchase of equipment, utilities, office supplies, postage, and rental and maintenance of office space.
- Travel costs incurred for official business in carrying out program management and administrative activities.

### **Leveraged/Match Funds**

Leveraged/match funds are not required for the H RTP RWP grant. However, the CWDB encourages applicants to leverage cash or in-kind support for project activities.

*Cash Match* is a contribution of funds made available specifically for project activities and must be consistent with allowable activities of the funding source.

*In-Kind Match* is a contribution of non-cash resources explicitly used for project activities which includes, but is not limited to, donated personnel or staff, services, and the use of equipment or space.

Leveraged/Match resources can be from a variety of sources, including, but not limited to, businesses, industry associations, labor organizations, CBOs, education, and training providers, and/or federal, state, and local government programs.

The terms “Match” and “Leveraged” funds are used interchangeably for the purposes of the H RTP RWP grant.

### **Procurement Requirements**

Grantees (Fiscal Agents) must obtain three competitive quotes for purchases and purchase orders over \$2,500. Quotes must justify that the cost of the equipment is reasonable. Fiscal Agents do not need to submit quotes to the CWDB but are required to obtain and keep them on file in the event they are monitored. For example, buying ten laptops at \$500 each would result in a purchase order of \$5,000 and would require three competitive quotes.

### **Sole source procurement**

If a purchase is a sole source purchase (only one vendor capable of providing an item or service, so a competitive bid cannot be obtained), justification must be provided detailing why the purchase cannot be competitively procured and why the provider was selected.

All sole-source purchases (regardless of price) require a Proprietary Letter. A Proprietary Letter explains an entity's rights to its specialized good or services. Fiscal Agents do not need to submit this letter to the CWDB but are required to obtain and keep the Proprietary Letter on file in the event they are monitored.

## Section Six. Reporting Requirements

The Fiscal Agent/Subrecipient (applicants selected for funding) must complete and submit quarterly and closeout reports. The CWDB reviews the report to ensure projects progress throughout the grant term.

### Quarterly Progress Report & Closeout

Fiscal agents must complete and submit quarterly progress reports through Cal-E-Grants. An email notification will be sent to the Fiscal Agent when the report is active and available to complete.

The closeout report must be completed and submitted through Cal-E-Grants. The report will focus on activities through the grant term.

The Fiscal Agent/Subrecipient is responsible for providing complete and comprehensive responses demonstrating activities, progress, success, and challenges in project implementation. Failure to provide correct or responsive answers may impact the performance and evaluation of the Fiscal Agent/Subrecipient and the project.

### Periodic Review and Information Requests

The CWDB may conduct periodic reviews or request information from awarded projects as needed throughout the grant term.

If a funding recipient is not performing in accordance with program requirements, the recipient will be subject to remedies for non-performance.

### Grant Oversight

CWDB staff will provide day-to-day grant oversight, administrative assistance, and project management, including contract, fiscal, reporting, and grant technical assistance.

### CWDB Support

CWDB staff is available to respond to questions about the H RTP RWP. Please submit any questions about the H RTP program to [H RTP@cwdb.ca.gov](mailto:H RTP@cwdb.ca.gov). Questions about this RFA and/or Cal-E-Grants can be sent to [Solicitations@cwdb.ca.gov](mailto:Solicitations@cwdb.ca.gov).

### Invoicing

This grant operates on a reimbursement structure. Fiscal Agents are required to complete and submit invoices monthly through Cal-E-Grants. Invoices are due before or by the 20<sup>th</sup> of the following month. Payments shall be issued within 45 calendar days from the date the invoice is received, in accordance with the [California Prompt Payment Act](#).

If a new user needs to complete and submit an invoice on the Cal-E-Grants, request the primary user for the organization to add a new user instead of creating a new Cal-E-Grants account. For more information on how to add a new user to the primary user's Cal-E-Grants account, visit [Manage Users](#).

Under no circumstances can the CWDB pay for services provided before the start date or the

final Standard Agreement approval of the state, whichever is later. Final approval occurs when all parties have signed the Standard Agreement, with the latest signature date being the date of final approval.

The CWDB will compensate the Fiscal Agent (referred to alternately as the "Contractor" in the Standard Agreement) for services satisfactorily rendered and upon receipt and approval of the invoices, in accordance with the approved Budget Summary. The total invoiced amount shall not exceed the award amount. The Fiscal Agent shall maintain thorough accounting ledgers to support all charges and year-to-date expenditures of grant funds.

## Section Seven. Appendices

The appendices in this section contain examples, explanations, and concepts of standard contracting language and templates that will be included in the contract of awarded grantees.

### Appendix A. Exhibits

#### Exhibit A – Sample Standard Agreement

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES		AGREEMENT NUMBER		PURCHASING AUTHORITY NUMBER (if Applicable)	
<b>STANDARD AGREEMENT</b>					
STD 213 (Rev. 03/2019)					
1. This Agreement is entered into between the Contracting Agency and the Contractor named below:					
CONTRACTING AGENCY NAME					
The California Workforce Development Board (CWDB)					
CONTRACTOR NAME					
(Successful Respondent)					
2. The term of this Agreement is:					
START DATE					
9/1/2020					
THROUGH END DATE					
8/31/2022					
3. The maximum amount of this Agreement is:					
4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.					
Exhibits		Title			Pages
	Exhibit A	Scope of Work			
	Exhibit B	Budget Detail and Payment Provisions			
	Exhibit C *	General Terms and Conditions			
+					
-					
Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.					
These documents can be viewed at <a href="https://www.dgs.ca.gov/CLS/Resources">https://www.dgs.ca.gov/CLS/Resources</a>					
IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.					
<b>CONTRACTOR</b>					
CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)					
CONTRACTOR BUSINESS ADDRESS			CITY	STATE	ZIP
PRINTED NAME OF PERSON SIGNING			TITLE		
CONTRACTOR AUTHORIZED SIGNATURE			DATE SIGNED		
					
<b>STATE OF CALIFORNIA</b>					
CONTRACTING AGENCY NAME					
California Workforce Development Board					
CONTRACTING AGENCY ADDRESS			CITY	STATE	ZIP
800 Capitol Mall, Suite 1022					
PRINTED NAME OF PERSON SIGNING			TITLE		
Laura Caputo					
CONTRACTING AGENCY AUTHORIZED SIGNATURE			DATE SIGNED		
					
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL			EXEMPTION (if Applicable)		

## Exhibit B – Scope of Work

1. This Agreement is entered into by and between the California Workforce Development Board, hereinafter referred to as CWDB, and XXXXXXXXXXXX, hereinafter referred to as the Contractor, for the purpose of providing workforce training services in accordance with this solicitation.
2. The project representatives during the term of this Agreement will be:  

<b><u>State Agency</u></b>	<b><u>Contractor</u></b>
California Workforce Development Board	
ATTN: Clemente Vizcarra	
800 Capitol Mall, Suite 1022	
Sacramento, CA 95814	
<a href="mailto:Clemente.Vizarra@cwdb.ca.gov">Clemente.Vizarra@cwdb.ca.gov</a>	

## Exhibit C – Budget Details and Payment Provisions

This is a cost reimbursement Agreement. Under no circumstances can the State pay for services provided prior to the start date or the final approval of the state, whichever is later. Final approval occurs when all parties have signed the Agreement, with the latest signature date being the date of final approval.

1. **Invoicing and Payment**
  - a. For services satisfactorily rendered and upon receipt and approval of the invoices, CWDB agrees to compensate the Contractor in accordance with Exhibit 7, Budget Summary. The total amount of this Agreement shall not exceed XXXX Dollars and XXXX Cents.
  - b. Invoices shall be submitted monthly in triplicate, in arrears, and must reference the following:
    - i. The CWDB Contract Number
    - ii. The services provided, service period, unit price (i.e., hourly, monthly), and quantity applicable to the service
    - iii. Accurate billing address as stated on the purchase order or contract
    - iv. Supplier invoice date
    - v. Company name and remittance address

Invoices will be submitted via Cal-E-Grants. The CWDB will provide additional guidance to grantees about this process.

- c. The Fiscal Agent is responsible for ensuring that invoices submitted to the CWDB claim actual expenditures for eligible project costs under Exhibit 7: Budget Summary and Exhibit 8: Budget Narrative. The Grantee shall, upon demand, remit to CWDB any grant funds not expended for eligible project costs or an amount equal to any grant funds expended by the Grantee in violation of the terms, provisions, conditions, or commitments of this Grant Agreement.
2. **Budget Contingency Clause**

It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional and legislative appropriation

of funds, or the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.

This Agreement is valid and enforceable only if (1) sufficient funds are made available by the State Budget Act of the appropriate State Fiscal Year(s) covered by this Agreement for the purposes of this program; and (2) sufficient funds are made available to the state by the United States Government or by the State of California for the Fiscal Year(s) covered by this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations or conditions established by the United States Government and/or the State of California, or any statute enacted by the Congress and Legislature, which may affect the provisions, terms or funding of the Agreement in any manner.

The parties mutually agree that if the Congress and/or Legislature do not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

The CWDB has the option to terminate the Agreement under the 30-day termination clause or to amend the Agreement to reflect any reduction of funds.

3. **California Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, Government Code § 927, et seq.

4. **Withholding of Grant Disbursements**

- a. The CWDB and EDD may withhold all or any portion of the grant funds provided for by this Grant Agreement in the event that the Grantee has materially and substantially breached the terms and conditions of this Grant Agreement, including submission of required reports and data.
- b. The CWDB will not reimburse the Grantee for costs identified as ineligible for grant funding. If grant funds have been provided for costs subsequently discovered to be ineligible, the CWDB may either withhold an equal amount from subsequent payments to the Grantee or require repayment of an equal amount to the state by the Grantee.
- c. In the event that grant funds are withheld from the Grantee, the CWDB's Executive Director or designee shall notify the Grantee of the reasons for withholding and advise the Grantee of the time within which the Grantee may remedy the situation leading to the withholding.

**Exhibit D – General Terms and Conditions**

General Terms and Conditions are incorporated by reference and made part of the Agreement as if attached. The documents can be viewed on the [General Terms and Conditions section](#) of the Department of General Services' website.

## **Exhibit E – Special Terms and Conditions**

### Subcontractors or Subgrantees

Nothing in this Agreement or otherwise shall create any contractual relationship between the CWDB and any subcontractors or subgrantees. No subcontract or subgrant shall relieve the Contractor of his responsibilities and obligations under this agreement. The Contractor agrees to be fully responsible to CWDB for the acts and omissions of its subcontractors or subgrantees and of persons either directly or indirectly employed by the Contractor. The Contractor's obligation to pay its subcontractors or subgrantees is an independent obligation from the CWDB's obligation to make payments to the Contractor. As a result, CWDB shall have no obligation to pay or to enforce the payment of any monies to any subcontractor.

### Termination Clause

This Agreement may be terminated by the CWDB for any reason by giving written notice 30 days prior to the effective date of such termination.

### Advance Work

This is a cost reimbursement Agreement. Under no circumstances can the State pay for services provided prior to the start date or the final approval of the state, whichever is *later*. Final approval occurs when all parties have signed the Agreement, with the latest signature date being the date of final approval. Should the Contractor begin work before receiving a copy of the approved Agreement, any work performed before approval shall be considered as having been done at the Contractor's own risk and as a volunteer.

### Force Majeure

Neither party shall be liable to the other for any delay in or failure of performance, nor shall any such delay in or failure of performance constitute default, if such delay or failure is caused by "Force Majeure". As used in this section, "Force Majeure" is defined as follows: Acts of war and Acts of God such as earthquakes, floods, and other natural disasters such that performance is impossible.

### Disputes

If the Grantee disputes an action of the CWDB in the administration of this Grant Agreement, the Grantee may appeal to the CWDB's Executive Director or designee. Such appeals shall be filed within 7 calendar days of the notification from Grantee of such dispute. The appeal shall be in writing and 1) state the basis for the appeal, 2) state the action being requested of the Executive Director, and 3) include any documentation relating to the dispute.

The CWDB's Executive Director will review the correspondence and related documentation and render a decision of the appeal within seven (7) calendar days, except in those cases where the Grantee withdraws or abandons the appeal. The procedural time requirement may be waived with the mutual consent of the Grantee and the Executive Director.

### Duty to Cooperate

Contractor shall cooperate with the CWDB with regard to the performance of this Agreement.

### Date Requests

Contractor shall cooperate with the CWDB to provide timely responses to any requests for data and/or reports the Legislature and/or CWDB deem necessary for the evaluation of the grant program. Such data may include individual program participant data. Contractor further understands and agrees that this data will be shared with the Legislature and other stakeholders. The Legislature may request data and/or reports at any time.

- Contractor is responsible for the project activities identified in the original Grant Application submitted to the CWDB, which is attached to and made a part of this Agreement. Review and approval by the CWDB are solely for the purpose of proper administration of grant funds by the CWDB and shall not be deemed to relieve or restrict the Contractor's responsibility.
- Contractor shall fulfill all assurances, declarations, representations, and statements made by the Contractor in the Grant Application, documents, amendments, approved modifications, and communications filed in support of its request for grant funds.
- Contractor agrees to procure all permits, resolutions, and/or licenses necessary to complete the project, pay all charges and fees, and give all notices necessary or incidental to the due and lawful proceeding of project work.

### Travel Clause

The travel and per diem rate shall be set in accordance with California Department of Human Resources for comparable classes. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the CWDB.

Grantee shall cooperate with the CWDB with regard to the performance of this Agreement.

### Consultant/Staff Expenses

The Contractor represents that it has or shall secure at its own expense, all staff required to perform the services described in this Agreement. Such personnel shall not be employees of or have contractual relationship with any governmental entity.

### Avoidance of Conflicts of Interest by Contractor

- Consultants are advised that that Political Reform Act prohibits public officials, which include consultants, from making, participating in making, or in any way attempting to use their official position to influence a governmental decision in which they know or have reason to know they have a financial interest. (Gov. Code, § 87100; see Gov. Code, § 81000 and Gov. Code, § 1090 et seq.). For purposes of this contract, consultants are defined as any individual performing work under this contract.
- The Contractor shall make all reasonable efforts to ensure that no conflict of interest exists between its officers, agents, employees, consultants or members of its governing body.

- The Contractor shall prevent its officers, agents, employees, consultants, or members of its governing body from using their positions for purposes that are, or give the appearance of being, motivated by a desire for private gain for themselves or others such as those with whom they have family, business, or other ties.
- During the performance of this contract, should the Contractor become aware of a financial conflict of interest that may foreseeably allow an individual or organization involved in this Contract to materially benefit from the state's adoption of an action(s) recommended as a result of this contract, the Contractor must inform the state in writing within 10 working days.
- Failure to disclose a relevant financial interest on the part of the consultant will be grounds for termination of the Contract with all associated costs to be borne by the Contractor and, in addition, the Contractor may be excluded from participating in the state's bid processes for a period of up to 360 calendar days in accordance with the [Public Contract Code section 12102\(j\)](#).
- The CWDB may request additional information regarding a consultant's economic interests. If the additional information is not provided to the satisfaction of the CWDB, then the Contractor must provide a substitute consultant with similar credentials to resolve the potential conflict as provided in paragraph (d).
- Consultants are advised that the Fair Political Practices Commission has jurisdiction to enforce the Political Reform Act and may seek civil and criminal prosecution for violations of the act, including failure to disclose financial interests. Other penalties for violating the Political Reform Act could include fines, conviction of a misdemeanor, disqualification from serving in public office or as a lobbyist, and being responsible for the costs of the litigation, including attorney's fees.
- Consultants are advised that they may amend their Form 700 at any time and that amending an incorrect or incomplete report may be considered evidence of good faith by the Fair Political Practices Commission.

All consultants providing work under this Agreement shall include a completed Statement of Economic Interests, [Form 700](#), at the time of the award.

For purposes of this contract, consultants are defined as any individual performing work under this Contract. In addition, consultants shall file an annual Form 700 by April 1, thereafter during the life of the contract. Each new and/or substitute consultant shall file a Form 700 before performing any work on the contract.

#### Change in Contractor Staff

Should any member of the Contractor's team become unavailable prior to a start date agreed upon with CWDB, the Contractor will propose an equally well-qualified replacement consultant after consultation with CWDB. All replacements are subject to CWDB approval. Switching staff that were identified in the Contractor's application with alternates immediately, or soon thereafter, after execution of this Agreement, are grounds for termination of this contract. CWDB has the right to request removal and/or replacement of Contractor resources.

## Appendix B. Allowable Expenditures Guidance

### Allowable Activities

Allowable costs must meet four primary criteria:

1. Substantiation that the cost was necessary and reasonable for proper and effective administration of all allocations;
2. The cost must be justifiable;
3. The cost must be allocable to the funding sources activities; and
4. The cost must not be a general expense required to carry out the Grantee's overall responsibilities (not supplanting).

However, even if the costs meet the prior four criteria, the costs must be approved within the Grantee's application work plan and budget; otherwise, the costs are not allowable. The state has the discretion to impose special conditions above and beyond the funding source which would also determine allowability of cost.

### ***While the proposed cost is allowable under the funding source, is it also reasonable?***

“Reasonable” is defined as: agreeable to sound judgment, not exceeding the limit prescribed by reason (not excessive), moderate in price, and a rational decision. Systems that guide this definition are necessary for the performance of the grant; following sound business practices (procurement processes, following state and local laws, following the terms of the grant); use of fair market prices; acting with prudence under the circumstances; and having no significant deviation from established prices.

### ***What are the guidelines of allocable?***

“Allocable” is defined as capable of being allocated or assigned. A cost is considered allocable to a particular funding source/program to the extent it actually benefits the objectives of that program. Grantees may only charge in proportion to the value received by the funding source/program. An example would be that a Project Director works 80% on the funded program (only 80% of the salary and benefits can be charged in the grant application). Above and beyond this definition, allocable also means that the cost must be related to the activities identified in the approved work plan.

### ***When do I need to submit a Purchase Justification Form?***

It is not necessary to include a Purchase Justification Form with the grant application. During the review process, if CWDB staff finds that there is a purchase of a single item or a group of items to serve the same purpose that exceeds \$2,500, Contractor will be asked to submit a Purchase Justification Form for review and approval. This applies to any future contract amendments where purchases fall under this description.

### ***Supplanting***

General funds may not result in a decrease in state or local funding that would have been available to conduct the activity had these funds not been received. These grant funds may not free up state or local dollars for other purposes but should create or augment programs to an

extent not possible without the funding. The applicant must be able to demonstrate that the funds are added to the amount of state and local funds that would, in absence of the grant funds, be made available for uses specified in the plan.

***Allowability of General Costs***

Grantees must follow the intent of the RFA to ensure the cost must be necessary, reasonable, allocable, justifiable and not supplanting. Any additional cost restrictions identified in the RFA would supersede allowable costs within this document.

### **Appendix C. Service Cash Invoice**

Grantees (Contractors) will submit monthly invoices through Cal-E-Grants. The invoice will be used to request reimbursement from the CWDB through the EDD for allowable costs incurred while providing contract services and/or implementing programs within a CWDB grant program. Instructions will be provided to Grantees during the onboarding process after the Standard Agreement is executed. The final invoice submission of all fiscal year-end invoices is due no later than June 15<sup>th</sup>, to make payment for that performance before the close of the state fiscal year and prevent reversion of appropriated funds.

The CWDB project management team will review invoices to ensure current grant fund and leveraged/match fund (Cash/In-Kind) expenditures are reported accurately. The Grantee (Contractor) must report leveraged/match funds on invoices, if leveraged/match funds were included in the executed Standard Agreement. The CWDB will contact the Grantee (Contractor), in the event that leveraged/match funds are not being reported on the invoices.

**Note:** If the Grantee (Contractor's) billing address is incorrect or has changed, the Grantee (Contractor) must submit a change of address request (STD 204 and/or 205) to the CWDB. Copies will be forwarded to the EDD Central Office Accounting – Contracts and Procurement Section and the CWDB Services Section.

#### **1. Line Item Expenditure Reporting**

The line items on the invoice are titled and sequenced exactly the same as the line items on the Budget Summary (of the executed Standard Agreement).

- Refer to the Budget Summary of the executed Standard Agreement to ensure grant expenditures are aligned with the approved budget allocations.
- Only report grant (and/or leveraged/match) expenditures on line items that have grant fund (and/or leveraged/match) allocations. If there is no grant fund allocation for a line item, do not request reimbursement for that line item.
- Do not exceed expenditures over the budgeted amount for any particular line item.

#### **2. Authorized Contractor Signature**

The authorized contractor representative must electronically approve the invoice before submittal. The authorized contractor representative is the person(s) designated under the Contractor section of the executed Standard Agreement.

#### **3. CWDB Contract Administrator Review and Approval**

The CWDB Program Analyst will review the invoice to determine whether costs billed appear reasonable and comply with the Standard Agreement. When the invoice is approved in Cal-E-Grants, the CWDB Program Analyst will export, sign, and date the invoice, along with the cover sheet, and forward the invoice and cover sheet to the CWDB Program Manager for further review and approval. The CWDB Program Manager will be the final review of the invoice and cover sheet. Once approved, the CWDB Program Analyst will submit the invoice and cover sheet to the EDD Accounting Services Section for further processing.

4. **Invoice Dispute**

The CWDB analyst will contact the Contractor if there are any questions or concerns regarding allowability or appropriateness of any amounts claimed. The Grantee (Contractor) will have to rectify any/all issues brought upon by the CWDB Program Analyst and resubmit the corrected invoice.