



October 2024

Department of Resources Recycling and Recovery

# **Zone Incentive Fund Program Guidelines**

**5th Cycle (ZIF5)**

**Fiscal Year (FY) 2024–25 through FY 2025–26**

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The Zone Incentive Fund (ZIF) Program Application and these Guidelines, once signed and approved by CalRecycle, shall constitute the ZIF Agreement. Submittal of a ZIF Program, Cycle 5 (ZIF5) Application constitutes acceptance of these Guidelines as the controlling requirements for receiving, spending, and accounting for funds and annual reporting.

## Program Overview and Statutory Authority

The Department of Resources Recycling and Recovery (CalRecycle) administers the Recycling Market Development Zone (RMDZ) Program and Zone Incentive Fund (ZIF) Program, which provides funds to each zone for local outreach. The objective of this program is to distribute and oversee funds for Fiscal Year (FY) 2024–25 and FY 2025–26. Total funding for the ZIF Program is an amount not to exceed \$1,404,000.

The goal of the RMDZ Program is to create a sustainable infrastructure and to enhance local markets for recyclable and compostable materials generated within California. The ZIF Program incentivizes local governments to provide outreach services, and to work closely with local post-consumer processing and manufacturing industries to stimulate the use of recyclable and compostable materials. By doing this, the ZIF Program helps create jobs in the post-consumer commodities industry and diverts valuable resources from disposal. The ZIF Program provides targeted financial support to Zones to fund vital local marketing and outreach activities and complements CalRecycle's marketing and outreach efforts to promote RMDZ services and activities.

These Guidelines describe the application and administrative processes to implement the ZIF Program, cycle 5 (ZIF5), authorized by California Public Resources Code (PRC) section 42023.1(g). ZIF5 Recipients are responsible and accountable for ensuring that expenditures are appropriate, and that proper internal supporting documentation is maintained. To ensure full compliance with ZIF processes and requirements, ZIF5 Applicants and Recipients must adhere to these Guidelines.

This resource document provides applicants with instructions to access and complete the application online and information about grant administration. The web-based application is in CalRecycle's web-based [Zone Information Reporting System \(ZIRS\)](https://secure.calrecycle.ca.gov/RMDZ/SignIn.aspx?ReturnUrl=%2fRMDZ%2f) (<https://secure.calrecycle.ca.gov/RMDZ/SignIn.aspx?ReturnUrl=%2fRMDZ%2f>). The applicant will need to sign into ZIRS to complete and submit an application.

## Definitions

**Note:** The following terms used in this document are defined below, unless the context clearly indicates otherwise:

**Applicant:** Either the legal name of the entity that is legally responsible for ZIF Program administration, or to a person who is completing an application on behalf of the Applicant.

**Existing Zone:** A Zone designated prior to October 1, 2024.

**Preapproval:** Preapproval is not required. However, projects that CalRecycle determines are ineligible will not be reimbursed. Zone Administrators may submit their

projects for preapproval if they want to guarantee repayment. This can be done only by submitting a preapproval request through ZIRS and receiving preapproval through ZIRS that your ZIF Project has been preapproved by CalRecycle.

**Recipient or ZIF Recipient:** The recipient of funds pursuant to PRC § 42023.1(g). The Recipient may be a California local government entity associated with a RMDZ, including a chartered or general law city, a chartered or general law county, a city and county, a special district, or a joint powers authority. The Recipient may also be a California non-governmental entity (e.g., a Chamber of Commerce, Economic Development Corporation or Commission, or Council, college, etc.) that has been given authorization to act on behalf of a RMDZ and authority to receive funds by the lead entity of that Zone.

**Signature Authority:** The title of the person authorized by an adopted Resolution or in the Letter of Designation to sign all program-related documents on behalf of the authorizing entity.

**Zone Administrator:** RMDZ contact at the local level. The person selected by the RMDZ to administer the activities of the Zone and to report its activities to CalRecycle.

**ZIF Agreement:** A ZIF Application and Agreement document that is completed by the Zone Administrator, including concurrence with all provisions in these ZIF Guidelines and which has been signed and approved by CalRecycle.

**ZIF Application:** A ZIF Application and Agreement document that has been completed and submitted to CalRecycle by the Zone Administrator.

**ZIF Coordinator:** The administrators of CalRecycle's ZIF Program and ZIRS.

**ZIF Marketing and Outreach Projects:** Projects designed, proposed, and executed by participating Zone Administrators that use Program funds to perform outreach and/or training activities in a zone or a combination of zones. Reports and invoices on all projects must be filed in ZIRS upon completion and before costs can be approved for reimbursement. The invoices must document what is being purchased or rented and must be marked paid. If CalRecycle deems the project ineligible, then it will not reimburse the expenses.

## **Timeline and Cycle Activity**

### **November 7, 2024: Application Due Date**

- To receive funding after the state budget is approved, Applicants must submit applications to ZIRS by 11:59 p.m. on this date. The ZIF activity must not commence prior to approval.
- The applicant must upload the application to the ZIRS then email the ZIF Coordinators at [bzassist@calrecycle.ca.gov](mailto:bzassist@calrecycle.ca.gov) notifying them that this has been done.
- Approval will take place after applications and required documents are submitted and approved. The ZIF Coordinator will inform you of approval.
- Contact the ZIF Coordinator at [bzassist@calrecycle.ca.gov](mailto:bzassist@calrecycle.ca.gov) with any questions.

### **December 5, 2024: Secondary Due Date**

- Approved Resolution and any other Applicant’s Required Authorization Documents must be uploaded into ZIRS by this date if it was not submitted with the application.

### **January 2025 (tentative): Funds Awarded**

- CalRecycle considers funding recommendations, and if approved, conditionally awards funds during this month.

## **Eligible Applicants**

California Labor Code section 1782 prohibits a charter city from receiving state funding or financial assistance for construction projects if that charter city does not comply with Labor Code sections 1770–1782. If any applicants or participating entities are charter cities or Joint Powers Authorities that include charter cities, the lead participating entity must certify in the ZIF Application and Agreement that Labor Code section 1782 does not prohibit any included charter city from receiving state funds for the project described in this application. If it is determined after award that an applicant or participating entity is a charter city prohibited from receiving state funds for this grant project, the grant will be terminated and any disbursed grant funds shall be returned to CalRecycle.

Eligible Applicants include:

- California local government entities associated with a Recycling Market Development Zone (RMDZ), including chartered or general law cities, chartered or general law counties, cities and counties, special districts, or joint powers authorities.
- California non-governmental entities (e.g., a Chamber of Commerce, Economic Development Corporation or Commission, or Council, college, etc.) that have been given authorization to act on behalf of a RMDZ and authority to receive funds by the lead entity of that Zone.

## **Public Records Requests**

CalRecycle’s policy is to make records requested by the public promptly available in accordance with the laws governing disclosure of records and information to the public. In general, all records in the possession of a state agency are public records subject to disclosure, unless a law provides that a particular kind of record or information is not a public record or is exempt or prohibited from disclosure.

Upon request, the entire contents of the submitted application are subject to public records requests. This may include contact information, project summary, uploaded documents, and scoring information. Public records may be requested from CalRecycle through the [California Public Records Act Requests web page](https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/) (<https://www2.calrecycle.ca.gov/Forms/ContactUs/PublicRecordsRequest/>).

## **Confidentiality**

The following describes the treatment of certain confidential or proprietary information under the California Public Records Act (Government Code 7920.000 et seq.) and related regulations. It also describes how questions are resolved on whether information is truly confidential, the legal protections for confidential information, and internal and program procedures to maintain confidentiality.

## **Confidential or Proprietary Information**

Title 14 of the California Code of Regulations (14 CCR), [sections 17041-17046](https://www.calrecycle.ca.gov/Laws/Regulations/Title14/) (https://www.calrecycle.ca.gov/Laws/Regulations/Title14/), states that confidential or proprietary information shall include, but is not limited to:

- Personal or business-related financial data, customer client lists, supplier lists and other information of a proprietary or confidential business nature provided by persons in applications, reports, returns, certifications, or other documents submitted to [CalRecycle] which if released would result in harmful effects on the person's competitive position.
- Tax information prohibited from disclosure, pursuant to the Revenue and Taxation Code

Accordingly, appropriate documents submitted with an application that are clearly marked, on each page, "confidential or proprietary information" will be treated by CalRecycle pursuant to the procedures set forth in 14 CCR sections 17041-17046. However, the law does not treat documents marked as "confidential or proprietary information" (such as sales brochures, promotional literature, and other general non-financial documents) as confidential if they do not fall within the categories of protected financial documents listed above.

### **What if there is a question about what is confidential?**

If CalRecycle receives a request to disclose data claimed by the applicant to be confidential, CalRecycle would notify the applicant of the request and state that the documents were under review to determine whether information was correctly identified as "confidential." If there was any question as to whether specific information was confidential, CalRecycle would contact the person(s) identified in the application to provide a justification and statement why the information is confidential. The process for evaluating confidentiality claims is set forth in section 14 CCR 17046.

### **What program procedures will keep information confidential?**

Financial information will be evaluated and analyzed only by CalRecycle staff, kept confidential, and will be maintained with restricted access. Records no longer needed to provide the services offered under the grant program are periodically destroyed, when allowed by audit policies and state law.

# Application Instructions

## Application Process

The application process includes the following:

1. The CalRecycle ZIF Coordinator will email the ZIF Application and Agreement document to the Zone Administrators.
2. The Applicant must complete the Application and Agreement document, and the Signature Authority must sign the document using a certified e-Signature or original wet signature.
3. The Applicant must upload the completed ZIF Application and Agreement document to the Documents tab in the [Zone Information Reporting System \(ZIRS\)](https://secure.calrecycle.ca.gov/RMDZ/SignIn.aspx?ReturnUrl=%2fRMDZ%2f) (<https://secure.calrecycle.ca.gov/RMDZ/SignIn.aspx?ReturnUrl=%2fRMDZ%2f>).
4. The applicant must also upload their Resolution to ZIRS.
  - a. **Note:** Those who have not previously obtained a CalRecycle WebPass can create an account at the [CalRecycle WebPass page](https://secure.calrecycle.ca.gov/WebPass/) (<https://secure.calrecycle.ca.gov/WebPass/>).
5. Once the applicant has uploaded the Application and Agreement document and their Resolution to ZIRS, the applicant must email the ZIF Coordinator at [bzassist@calrecycle.ca.gov](mailto:bzassist@calrecycle.ca.gov) to inform them.

CalRecycle cannot approve or fund ZIF expenditures for any purpose until both a ZIF Application and Agreement, and a Resolution are submitted and the Application and Agreement is signed by CalRecycle. Approval of the funds is also contingent upon the applicant having no outstanding debt(s) owed to CalRecycle.

If you have any questions regarding the application process, please contact the ZIF Coordinator at [bzassist@calrecycle.ca.gov](mailto:bzassist@calrecycle.ca.gov).

## Electronic Signatures

CalRecycle now allows for certified e-Signature on documents or forms that certify legally binding information.

**Note:** Certified e-signatures must include the first and last name of the Signature Authority, be in the Adobe Digital ID format (or through another certified digital signature program), and cannot be completed using the “Fill and Sign” function within Adobe. Any documents using the “Fill and Sign” function are considered incomplete and may be sent back to the applicant.

# Application Documents

## CalRecycle Documents

CalRecycle documents will be accessible once the ZIF Coordinator emails the ZIF Application and Agreement document to the Zone Administrators. To access a document, click on the attachment link, open it up, fill it out, save it to your computer, and upload it to the Documents tab in ZIRS. Once all documents are uploaded, the applicant must email the ZIF Coordinator to inform them. If you are having trouble with a document, email [bzassist@calrecycle.ca.gov](mailto:bzassist@calrecycle.ca.gov).

Altered or reproduced CalRecycle documents or templates may result in automatic disqualification of your application. Unless a document specifies that it may be reproduced as necessary, **do not** alter CalRecycle documents.

**Note:** Do not include special characters in file names. Doing so may result in automatic disqualification of your application.

## ZIF Application and Agreement

The ZIF Application and Agreement document requests administrative information about the Zone such as contact information for the primary contact and Signature Authority, payment address, and a certified e-Signature or original wet signature from the Signature Authority.

## Applicant's Required Authorization Documents

Below is a list of documents that the applicant is responsible for preparing and uploading into ZIRS.

**Note:** Use [this link](#) for the Resolution template. Use [this link](#) for the Letter of Designation template.

## Resolution Authorizing ZIF Applications

If **subject to a governing body and board approval is required to legally bind the applicant (excluding Corporations)**, the applicant must submit a Resolution no later than the application due date or CalRecycle will deem the application incomplete and disqualify the applicant.

The Resolution must:

1. Authorize submittal of a ZIF Application on behalf of an existing zone.
2. Identify the Signature Authority by listing the job title of the person(s) authorized to sign on behalf of the applicant.
  - a. (Optional but encouraged) Authorize the Signature Authority to delegate their signature authority to another person identified by job title.  
Applicants can only submit a Letter of Designation if the corresponding Resolution includes designee language.
3. Identify the time period during which the authorizations are valid, which may be "until rescinded".



- a. If a Resolution does not specify a time that it is valid, CalRecycle will consider the Resolution valid for one year from the date of adoption

Some Applicants already have sufficient authority to apply for the ZIF Program in the form of an existing Resolution, including a Resolution granting authority to apply for all CalRecycle payment programs. This authority may also have been provided as part of an existing Zone's Resolution and will be assumed to be effective until the end of the designation period, unless otherwise specified. These Applicants will not need to submit a new Resolution for this cycle. However, for those zones with Resolutions allowing signature authority designation, it is highly recommended that the applicant complete a Letter of Designation.

**Note:** Resolutions for non-governmental applicants must come from an existing Zone's lead agency and must also authorize the non-governmental entity to apply for the ZIF Program and to receive funds on behalf of an existing Zone's lead agency. Resolutions for the ZIF Program can either specify an end date or state that it is effective until rescinded.

### **Letter of Designation**

CalRecycle requires a Letter of Designation (LOD) only when the Signature Authority identified in the approved Resolution chooses to delegate their signature authority to another person. The applicant must upload the LOD **prior** to the designee's exercise of their authority. If the designee signs an application document in place of the Signature Authority, the applicant must upload the LOD with their application.

The LOD must:

1. Be on Applicant's letterhead.
2. Reference the Authorizing Resolution by number (or date adopted if not numbered).
3. Include the job title of the designee and the scope of the designee's authority.
3. Include the time period during which the designee may exercise the authority.
4. Be signed and dated by the Signature Authority.

**Note:** The designee's authority may not extend beyond the effective date of the approved Resolution. For example, if the Resolution is effective until December 31, 2025, then the Letter of Designation may not be effective beyond December 31, 2025.

# Guidance for ZIF Outreach Projects

The ZIF Program helps zones create vital targeted local marketing and outreach activities that may include but are not limited to developing marketing materials, researching feedstocks, conducting local workshops, attending and participating in RMDZ related events (In-State only), purchasing of marketing information and software, and consulting services. Program funds are also provided to support travel for Zone Administrators or other zone representatives to and from Zone Works training workshops.

## Preapproval Request

Requests for preapproval are not required, however, if the Zone Administrator (ZA) wants to ensure their project meets requirements for repayment, they may submit projects for preapproval before they begin a particular project. The ZA must use ZIRS to submit a Preapproval Request proposal to CalRecycle. The proposal must:

- Include an amount requested.
- Include a brief description of how the funds will be spent, including whether the funds will purchase or rent equipment.
- Include how the marketing or outreach activities will meet individual local marketing or business outreach objectives.
- Identify the audience.
- Identify the main purpose of an event, if funds are used for an event.
- Identify program metrics.

Examples of program metrics include, but are not limited to:

- The number of the public or businesses expected to be contacted or reached with outreach materials.
- The number of contacts expected to be initiated because of a postcard or brochure mailing.
- The number of new prospective businesses expected to be identified because of the purchase and use of a specialized mailing list or hiring of a specialized consultant.

Once the ZA uploads the project proposal to ZIRS, CalRecycle will review it, typically within a few business days. Following this review, the ZIF Coordinator (ZC) will send an email from the ZIRS database to the ZA notifying them that either: the proposal has been approved and is reimbursable; or, changes are necessary before the project can be approved. If a ZA wants preapproval, they shall not begin work or incur costs on the proposed project until they receive formal written approval from a CalRecycle ZC through the ZIRS database.

If the ZA wishes to modify the approved budget or scope of the project once a project has been approved, this must be discussed with the ZC. Projects may only be modified in ZIRS via written approval from the ZC, if the ZA requested preapproval.

**Note:** If a ZA emails questions about program funds to CalRecycle staff outside of ZIRS, the email correspondence does not constitute ZIF Approval. **ZIF Approval only occurs in ZIRS.**

## Performing Marketing and Outreach Activities

The Recipient shall perform marketing and outreach activities within the RMDZ. See Eligible Costs Section for Zone-related marketing and outreach activities.

## Eligible and Ineligible Costs for ZIF Outreach Projects

Eligible costs include, but are not limited to:

1. Graphics/Printing/Advertising
  - Advertising design and placement costs in industry and trade publications.
  - Customizing brochures (i.e., using CalRecycle's template and CARMDZ materials or materials developed by the local ZA, with CalRecycle's approval).
  - Customizing and placement of Public Service Announcements (i.e., using CalRecycle materials or local ZA materials, with CalRecycle's approval).
  - Creating zone-specific logos, with CalRecycle's approval.
  - Duplicating/reprinting brochures, posters, and other program graphics
  - Developing/updating local Zone web pages.
  - Internet-based marketing including content, hosting, and focused outreach such as online ads and targeted posts.
  - Zones may combine funds and share eligible project costs (e.g., if an eligible project costs \$10,000 and 10 zones contribute, CalRecycle can reimburse each zone for the eligible expense each zone paid).
2. Direct Zone Support/Outreach
  - Distribution expenses for brochures and follow-up letters.
  - Creation of localized marketing databases, newsletters, articles.
  - Feedstock for sample runs and/or technical analyses of feedstock availability and/or feasibility of recycling.
    - **Note:** This requires that the test findings are shared with the zone and CalRecycle so that all zones and businesses can benefit from the study. See the Feedstock Availability and Recycling Feasibility Reporting Requirements section below for more information.
  - Cover costs for zone expansion or re-designation
3. Industry Trade Shows and Conferences
  - Specialized training for ZAs and/or zone representatives related to Zone activities and skills, such as attending Zone Works Workshops. The Zone Works Training Workshop section below describes how these funds can be used.
  - Creation or upgrades for trade show display graphics and associated hardware (i.e., backdrop and lighting, etc.).
  - Exhibitor registration fees for Zone related events.
  - Hosting Zone related events.
  - Local and In-State travel for Zone related events (subject to the same travel rules that apply to Zone Works Training Workshops).
4. Business Leads and Tracking
  - Purchasing costs for lists of leads for marketing.
  - Purchasing of business tracking and communication software.
  - Hiring a consultant to develop leads and tracking of zone businesses.

## 5. Other qualifying projects

- Unique Zone Administrator's initiated projects are preapproved in writing by the ZIF Coordinator and the ZIF Coordinator's supervisor.
  - Example: the promotion of mulch, compost, and other recycled content products with a marketing or outreach campaign that touts the benefits of these products while offsetting their costs by sending out a newsletter to 10,000 residents about the benefits of compost and then paying for the delivery cost to discount the expense for the first 30 who apply.

### **Ineligible Costs include, but are not limited to:**

- Food and drink costs, except for those costs deemed eligible immediately before, during, and after Zone Works.
- Costs not authorized in advance under a Preapproval Request (for those projects where a ZA requests preapproval).
  - **Note:** Zone Works does not require preapproval.
- Costs for projects that were submitted for preapproval and were rejected by CalRecycle.
- Membership dues for the California Association of RMDZs.
- Membership dues for any other organization, unless it includes marketing and outreach for the zone, such as adding zone logos and links to the organization's website.
- Tips
- SWAG (Stuff We All Get), e.g., canvas bags for outreach.

## **Terms and Payments**

All Marketing and Outreach funds are available on the first day the Application and Agreement is fully executed and until the end of the ZIF5 term, Friday, May 1, 2026. All projects must be completed, and all invoices must be uploaded to ZIRS by May 1, 2026. No expenses or invoices are eligible for reimbursement after May 1, 2026.

## **Future Program Payments**

Zones will be ineligible for ZIF Cycle 6 (ZIF6) Program funds if ZIF5 projects are not completed, unless the zone provides a compelling reason to CalRecycle why they did not complete ZIF5 projects and outline how they intend to correct this for ZIF6.

# Review and Award Process

## Application Review Process

After the close of the application period, CalRecycle staff will review the applications for completeness and eligibility. Only complete applications will be considered for payment.

## Disqualification of Application

CalRecycle will notify an applicant and provide the reasons for disqualification of an application and will work with the applicant to correct the application. If an application is not submitted in a timely manner for any particular year, Program funds for that year are forfeited and cannot be rolled over to future year(s).

## Notice of Approved Agreement

Upon approval of the ZIF Agreement, CalRecycle will notify recipients by email that the approval has occurred and that they are authorized to incur costs and expend funds. The Recipient is contractually bound to carry out the ZIF Program in accordance with the ZIF5 Guidelines. CalRecycle will provide the Zone Administrator with a copy of the completed Agreement signed by both parties (recipient and CalRecycle) that authorizes the recipient to incur costs and expend funds in furtherance of their programs. Expenditures incurred prior to a fully executed Application and Agreement and approved resolution cannot be reimbursed.

## Payment Award Conditions

When awarded, this payment will be subject to these conditions:

1. The recipient must pay all outstanding debts due to CalRecycle, or bring current outstanding payments owed to CalRecycle, within 60 days of the award email date.

**Failure to comply with any of these requirements will void the award.**

## Payments

All invoices must be itemized, whether they are for Zone Works expenses or Marketing and Outreach expenses. Invoices must clearly state when purchases were made, and what was paid for (e.g., equipment was purchased or rented, dinner the night before the Zone Works workshop, etc.). If Program funds are used to pay for part of a larger project, like an environmental conference where the RMDZ is discussed and advertised, then the invoice must clearly state the total cost of the item, what portion of it is funded by Program funds, and what portion of it is funded by other funds. CalRecycle encourages Recipients to use spreadsheets or similar organizational techniques to expedite the review and approval of reimbursement expenses. Recipients can use electronic or handwritten techniques to clearly itemize costs. The documentation must be organized in a way that CalRecycle staff can easily identify the expenses and what they paid for. If this is not done, or if the documents are uploaded in the wrong section of ZIRS (e.g., ZIF documents are put under the Documents tab vs. under the ZIF Documentation tab, then CalRecycle staff may request that the Zone move those items to the appropriate place).

Food and drink costs are ineligible, except for those costs deemed eligible immediately before, during, and after Zone Works. Receipts are not required for eligible food and drink costs; however, it is the Recipient's responsibility to retain receipts and other records of the expense(s) and have them available for audit. Meal reimbursement amounts are maximums, not allowances. Recipients may claim only actual expense(s) and must have receipts substantiating the amount claimed. No reimbursement will be given for meals that were provided at the workshop (continental breakfasts are not considered to be meals).

**Note:** All invoices must be uploaded into ZIRS by Friday, May 1, 2026.

## **Acknowledgement**

Recipients are not required to acknowledge CalRecycle's support when activities or projects funded by this Agreement are publicized in any media.

## **ZIF Outreach Project Reporting Requirements**

Upon completion of all marketing and outreach activities, and when program activity metric information is available, the Recipient must submit the metrics and appropriate back-up documentation into the ZIRS database. A ZIF Coordinator will review the metrics and documentation to provide a recommendation to the ZIF Team regarding approval of the reimbursement request. A ZIF Coordinator will review all reimbursement requests. Should a request be rejected, the ZIF Coordinator will immediately coordinate with the Recipient to address the situation. However, only upon the ZIF Coordinator's written acceptance of the request may the reimbursement be made.

## **Feedstock Availability and Recycling Feasibility Reporting Requirements**

1. The report(s) shall contain a description of the project and project deliverables.
2. Materials needed, if any.
3. The type and number of items diverted from the landfill.
4. The project findings.
5. Problems encountered and actions taken to rectify them.
6. Future recommendations.
7. Supporting documentation (e.g., photos, diagrams, and data).

## **Zone Works Training Workshop**

Zone Administrators (ZAs) are strongly encouraged to attend Zone Works training workshops, which offer a unique opportunity for ZAs, CalRecycle staff, and valued program partners to convene and discuss current issues and to coordinate business assistance activities. The success of such trainings is dependent on the attendance of the ZAs and CalRecycle staff.

Travel reimbursement is subject to, and shall not exceed, the exempt rates in the California Code of Regulations Title 2, Chapter 3, Article 2, Section 599.615.1, et seq. All travel costs should be minimized wherever possible. There is no limit on Zone

Works travel costs under this Agreement.

A Zone may send additional representatives to a Zone Works training workshop with written preapproval from the ZIF Coordinator, and based on sufficient justification (e.g., the Zone is especially large, or an additional Zone Representative is being trained and will work in the RMDZ).

## **Compliance**

The Recipient shall comply fully with all applicable federal, state, and local laws, ordinances, regulations, and permits.

## **Records Retention and Audit Considerations**

Recipients are responsible and accountable for ensuring that expenditures are appropriate and that proper internal supporting documentation (including, but not limited to, the original signed ZIF Agreement) is maintained to provide clear separate tracking of Program funds and related transactions for fiscal program management and audit purposes. To ensure full compliance with Program processes and requirements, Recipients must adhere to these Guidelines.

Recipients must account for all Program funds in a manner that provides for clear tracking of expenditures in accordance with Generally Accepted Accounting Principles. Proper business procedures dictate that ZIF supporting documentation (including, but not limited to, the original signed ZIF Agreement) be retained in a single file to facilitate review and retention, as well as maintenance of a clear paper/audit trail.

Program funds are subject to audit. CalRecycle, the Department of Finance, the Bureau of State Audits, or their designated representative(s) shall have the right to review and to copy any records and supporting documentation pertaining to the use of Program funds and shall have the right to interview staff relevant to the audit.

Recipients shall include this provision in all contracts and subcontracts funded in whole or in part from Program funds.

All such records shall be maintained by the Recipient for possible audit for a minimum of three (3) years after the ZIF term, or until completion of any action and resolution of all issues, which may arise because of any litigation, dispute, or audit, whichever is later.

Audit findings against Recipients can result in the need for reimbursement of Program funds and/or ineligibility for future funds.

## **Termination for cause**

In the event the Recipient fails to comply with the requirements of these Guidelines at the time and in the manner herein provided, CalRecycle may terminate the ZIF Agreement for that zone.

## **Indemnity**

The Recipient agrees to indemnify, defend, and save harmless the State and CalRecycle, and their officers, agents, and employees from all claims and/or losses

accruing or resulting from performance under this agreement or participation in the ZIF Program.

## **Changes to ZIF Guidelines**

CalRecycle may make changes to these Guidelines, typically no more than once per year, if there is proper notice and consultation with all Zone Administrators (ZAs), or at a minimum with CARMDZ. Every effort shall be made to achieve mutual agreement on any significant changes to the Guidelines. Effective changes shall then be communicated by CalRecycle to all ZAs.

**Note:** CalRecycle may reduce funding amounts due to budget constraints or other factors.