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**2011  
Michigan Community Pollution Prevention (P2)  
Grant Program**

**Product Stewardship in Michigan**

**Request for Proposal (RFP)**

**February 22, 2011 – April 18, 2011**

Rick Snyder, Governor



Dan Wyant, Director

# 2011 Michigan Community Pollution Prevention (P2) Grant Program

## Introduction

### Grant Description

A total of \$50,000 in funding is available through the Michigan Community Pollution Prevention (P2) Grant Program for the development of a product stewardship program. Also known as extended product responsibility (EPR), product stewardship asks manufacturers, retailers, users, and disposers, to share responsibility for reducing the environmental impacts of products. The program developed under this grant will encourage product stewardship efforts by local governments in Michigan and develop an approach for effectively handling at least one specific consumer product. To assist the effort, the grant includes funding for membership and participation in the Product Stewardship Institute (PSI) by the grantee and all local governments in Michigan. (Note: \$30,000 of this grant is reserved for two years of membership in the PSI.)

Under the Michigan Community P2 Grant Program, the Michigan Department of Natural Resources and Environment (DNRE) provides matching grants to assist local and tribal governments, local health departments, municipalities, non-profits, and regional planning agencies identify opportunities to apply innovative solutions to community based environmental challenges. The purpose of this grant is to increase cooperation between citizens and local governments, and to foster the development of local models and approaches that can effectively address waste management issues in Michigan.

Local governments currently bear a significant portion of the collection, management, and disposal costs of many community wastes. In addition, they face increasing demands for more community recycling as public awareness grows of the local and global environmental impact that common household product wastes can have. Product stewardship increases recycling and reduces the financial burden on government and taxpayers by involving manufacturers, retailers, users, and disposers, to share responsibility.

Electronic waste or e-waste is a good example of a product stewardship effort. Both regulatory and voluntary partnerships exist between manufacturers, retailers, and local governments to collect and properly dispose of this waste at no cost to local governments. Municipalities play a key role in establishing or hosting local recycling opportunities that are critical for a recycling program's success. Recycling can also reduce green house gas emissions and climate change, among other environmental benefits, by reducing the need for collecting and processing new resources to make new products. An example of an approach local governments can take to improve recycling is through establishing purchasing guidelines based on material selection criteria that consider product stewardship programs. Examples of other approaches can be found in the table below.

Some local governments in the U.S. have had success organizing into state or regional groups to share information and implement various product stewardship approaches, such as the California Product Stewardship Council listed in the "Product Stewardship Resources" section below. Some of these groups have achieved success with the assistance of PSI. The principles of product stewardship used by PSI can be found on their Web site in the "Product Stewardship Resources" section below.

There is no single way in which to implement product stewardship programs. The overall approach may be voluntary or mandatory in nature. Producers may assume full physical and financial responsibility, or they may share responsibility with stakeholders including local government. If a program is primarily designed and managed by government, including its financing, then it is not a product stewardship program. The table below describes various approaches used.

## Example Stewardship Approaches

Type of Stewardship Approach	Examples
Product take-back programs	<ul style="list-style-type: none"> <li>• Mandatory take-back.</li> <li>• Voluntary or negotiated take-back programs.</li> </ul>
Procurement/consumer programs	<ul style="list-style-type: none"> <li>• Procurement guidelines and policies.</li> <li>• Information disclosure programs.</li> <li>• Product specification that require certain environmental performance standards.</li> </ul>
Regulatory approaches	<ul style="list-style-type: none"> <li>• Prohibitions of certain hazardous materials or products.</li> <li>• Disposal bans.</li> <li>• Mandated recycling.</li> </ul>
Voluntary industry practices	<ul style="list-style-type: none"> <li>• Voluntary codes of practice.</li> <li>• Public/private partnerships.</li> <li>• Leasing and "servicing" (in which companies as diverse as photocopy manufacturers to carpet manufacturers lease their products or provide services, thereby retaining ownership of the product, including responsibility for its end-of-life disposal).</li> </ul>
Economic instruments	<ul style="list-style-type: none"> <li>• Product charges.</li> <li>• Advance recycling/disposal fees.</li> <li>• Deposit/refund schemes.</li> <li>• Subsidies and tax credits for the production and use of environmentally preferable products.</li> <li>• Differential fees based on a product's health and environmental impacts.</li> </ul>

Source: Adapted from CalRecycle, "About EPR and Product Stewardship at CalRecycle", accessed December 6, 2010.

Recycling, reducing toxics, and minimizing waste generation are major issues of the Community P2 grant. By partnering with and sharing the disposal burden with the manufacturer, product stewardship encourages manufacturers to change product designs to reduce toxics and create products that are more easily recycled or reused, and thus protecting the public health and reducing wastes within the community and at the state level.

## **Grant Requirements**

All proposals must meet the following requirements:

1. Eligible applicants include: non-profit organizations, county governments, tribal governments, local health departments, municipalities, and regional planning agencies. However, subcontractors can be private for-profit organizations.
2. Organizations receiving grants are required to provide a match of at least 25 percent of the total project cost. Grantee contributions may include dollars, in-kind goods and services, and/or third party contributions.
3. Total grant fund request must be no larger than \$50,000. (Note: This grant includes \$30,000 reserved for two years of membership in the PSI. Although state membership is not included, state agency staff will be allowed to participate to monitor the program.)
4. The applicant must expend grant funding within two years of the start date of the grant agreement, and complete all tasks within the term of the contract.
5. The project must contain a critical evaluation and measurement component, including how "success" is defined and how it will be determined.
6. Supply proof of a successful financial audit for a period ending within the 24 months immediately preceding the application as demonstrated by an Independent Auditor's Report signed by a Certified Public Accountant from a Comprehensive Annual Report. The audit must be of the applicant organization – No fiduciary arrangements will be accepted.

## **Project Proposal Requirements**

Each project must include the elements listed below:

- State-wide membership in the Product Stewardship Institute (PSI) for two years.
  - Details on how local governmental units, industry, and retailers will be contacted and encouraged to participate.
  - Grantee participation in at least six PSI product webinars/conference/strategy calls per year.
  - Municipal or industrial representation on PSI product webinars/conference/strategy calls representing a total of at least ten counties during each year.
  - An evaluation of the PSI membership value and what role it served in the success of the program.
- Development of a product stewardship program targeting at least one particular consumer product. Provide details of how your organization will implement the following:
  - Creating new and supporting ongoing partnerships with local governments, industry, and/or retailers that address product stewardship issues.
  - A list of the top three to five products to be targeted; why those are important waste streams; and details on how the final one(s) will be selected.
  - Identify key local governmental units and how they'll be contacted and encouraged to participate.
  - Identify key recycling industry, retailers, and manufacturers, if any, and how they will be contacted and encouraged to participate.
  - Identify the minimum number of local governments or a particular geographical area to be covered for the program.

- Identify and develop a baseline of how and what degree the consumer product is currently being recycled at. If not known, how a baseline will be determined.
- Identify and develop a method to measure any increase in recycling of the targeted consumer products.
- Define success for the targeted consumer product and overall effort.
- Develop sustainable strategies that continue the effort beyond the end of this grant such as revising purchasing plans to consider disposal and recyclability factors or maintaining cooperative working partnerships/organization.

### **Project Proposal Options**

- Projects that can clearly be used as a model in other areas of the state.
- Development of model product stewardship policy or ordinances.
- Education and awareness components that will increase participation in community waste diversion programs.
- Development of Michigan-specific posters, instructional how-to manuals, videos, or development of a Web site specific to the targeted product.
- Develop recommendations for future actions to develop product stewardship further in Michigan.
- Identify a method to or to measure any increase in public awareness of the recycling of the targeted consumer product.

### **Product Stewardship Resources**

Below are several Web sites that can provide useful information and resources to aid in the development of a product stewardship. Please feel free to use these or other resources to help in the planning process.

- U.S. Environmental Protection Agency (U.S. EPA) Product Stewardship Web Site  
[www.epa.gov/osw/partnerships/stewardship](http://www.epa.gov/osw/partnerships/stewardship)
- Product Policy Institute  
[www.productpolicy.org](http://www.productpolicy.org)
- Product Stewardship Institute  
[www.productstewardship.us](http://www.productstewardship.us)
  - “Principles of Product Stewardship”  
[www.productstewardship.us/displaycommon.cfm?an=1&subarticlenbr=231](http://www.productstewardship.us/displaycommon.cfm?an=1&subarticlenbr=231)
- (State of) California Product Stewardship Council  
[www.calpsc.org/solution/whatis\\_EPR.html](http://www.calpsc.org/solution/whatis_EPR.html)  
This Web site provides outreach kits on product stewardship.
- State of Minnesota Product Stewardship Web Site  
[www.pca.state.mn.us/index.php/topics/preventing-waste-and-pollution/product-stewardship/product-stewardship.html](http://www.pca.state.mn.us/index.php/topics/preventing-waste-and-pollution/product-stewardship/product-stewardship.html)

## **Selection Criteria for the Michigan Community P2 Grant Program**

The projects will be selected based upon compliance with the items listed below:

1. The project goals must be clear, realistic, and must protect or improve the environmental quality of Michigan.
2. The activities are appropriate to achieving the project goals.
3. The applicant has the experience, technical ability, and capacity to complete the project.
4. All subcontractors have the technical ability and capacity to complete the project.
5. The grant proposal is determined to be adequate and complete.
6. The proposal information is presented in a clear, logical manner, and is well organized.
7. There is an overall likelihood of the project succeeding.
8. The applicant has the ability to meet local match.
9. The time frame for completion of the project is realistic.
10. The budget information is correct.
11. The applicant has the ability to enter into a contract with the DNRE.
12. The applicant has the ability to manage the project from start to finish.
13. The applicant demonstrates experience and depth of staff, and has successfully completed similar projects and has the qualifications necessary to undertake this project.
14. The proposed solution meets the needs and criteria set forth in the RFP.
15. The applicant works with other groups and organizations as deemed appropriate.
16. The applicant demonstrates the ability to perform research, outreach, and build collaborative networks.

## **Funding Sources**

The Michigan Community P2 Grant Program is authorized under Public Act (PA) 384 of 1996, which establishes the Cleanup and Redevelopment Trust Fund with interest earned on unclaimed beverage container deposits. The PA designates a portion of these deposits for a community P2 fund from which the DNRE appropriates up to a maximum total of \$250,000 grants per year.

## **Funding Availability**

It is expected one grant with a maximum of \$50,000 will be awarded for this program. The organization(s) receiving the grant is required to provide a match of at least 25 percent of the total project cost. The match requirement of at least 25 percent was established by law. Grantee contributions may include dollars, in-kind goods and services, and/or third party contributions. Indirect costs may be calculated by multiplying the staff salary and fringes by your agency's indirect rate, up to 20 percent (see page 12 for indirect cost definition). The maximum dollar amount requested should be based upon what is needed to carry out the identified tasks and products. Project contracts can run for one or two years and will be on a cost-reimbursement basis.

## **Contact**

For questions on this program, contact **Maggie Fields** ([fieldsm@michigan.gov](mailto:fieldsm@michigan.gov), 517-335-6250) of the DNRE, Office of Pollution Prevention and Compliance Assistance (OPPCA), P2 and Field Services Unit.

### **Eligibility**

Non-profits, local and tribal governments, local health departments, municipalities, and regional planning agencies are eligible to receive funding.

**Not eligible: For-profit organizations are not eligible to receive funding; however, they may be subcontractors.**

### **Ineligible Activities**

- Maintenance of existing P2 projects (see Non-Duplicative Programs below).
- Projects that are a part of a community's regulatory responsibility.
- Other activities deemed inappropriate under contract management standards.

### **Project Clarification/Revisions**

During the grant review process, applicants may be contacted for clarification and for the purpose of negotiating changes in project activities, timetable, and grant amounts. The DNRE reserves the right to award grants for amounts other than those requested and/or request changes to, or clarification of, the proposed work plan.

### **Non-Duplicative Programs**

The Community P2 Grant Program cannot be used to replace existing federal, state, or local financial commitments.

### **Acceptance of Proposal Content**

Successful applicants will be required to enter into a project contract with the DNRE within 60 days of the grant award. A project contract consists of standard "boilerplate" language, the applicant's work plan, timetable, and budget information.

Successful applicants will be required to review the grant award contract with the DNRE staff prior to final contract acceptance.

Appendix A (page 20) outlines some of these contractual requirements. Failure of a successful applicant to accept these obligations may result in withdrawal or cancellation of the grant. The DNRE reserves the right to offer partial funding for any grant proposal.

### **Confidentiality**

All information and materials regarding this grant are subject to the Freedom of Information Act (FOIA).

### **Proposal Deadline**

Requests for proposals will be accepted from **February 22, 2011 – April 18, 2011**, but must be received **no later than 4:00 p.m., April 18, 2011**, at the address listed below. Facsimiles (faxes) and electronic submissions will not be accepted. In keeping with P2 practices, it is preferred that proposals are submitted on recycled content paper and printed on both sides.

**Judging Applications**

A panel composed of state government staff will review the applications. Final decisions will be made by the DNRE.

**Where Grant Application should be sent to:** Mr. Richard Alexander, Chief  
Field Services Unit

**Mail to:**  
Michigan Department of Natural Resources  
and Environment  
Office of Pollution Prevention and  
Compliance Assistance  
P.O. Box 30457  
Lansing, Michigan 48909-7957

**Deliver to:**  
Michigan Department of Natural Resources  
and Environment  
Office of Pollution Prevention and  
Compliance Assistance  
525 West Allegan, Constitution Hall, 1-North  
Lansing, Michigan 48933

## Instructions for Grant Proposal Cover Sheet

### Contents

Your proposal should consist of the following:

- Proposal cover sheet – page 1
- Project description
- Work plan, timetable, budget
- System of measuring results
- Correct number of copies

Directions for each portion are included in this RFP. Follow all directions. **Use the checklist on page 19 to make sure you have a complete proposal.**

### Instructions for Grant Proposal Cover Sheet – Page 1

The Grant Proposal Cover Sheet following this section (Form EQP 3496, page 8) is to be filled out by the applicant. The form is the first page (page 1) of the entire proposal package. Other portions of the proposal will be developed by the applicant and attached to page 1.

The *Project Name* is the name of the project.

The *Project Location* is the counties that the project will be offered.

The *State Senator and House of Representative District Number* is where the project is primarily located or where the grantee is located. If you are awarded a grant, the Senator and Representative for your project location will be notified. Fill in a district number for both your Senator and Representative.

The *Applicant* is the group, agency, or local unit of government applying for funding. Fill in the organization's fax and telephone number.

The *Contact Person* is the person in that organization that can be contacted by the DNRE staff for any needed additional information. Also include the *contact's e-mail* address, if available.

Under *Organization Address*, be sure to include the street name and number on the first line, and the city and zip code on the second line.

*Start Date of Project* and *End Date of Project*. The start date should approximately correspond with the date funding will be available. The end date should be based on what is needed for the project; the maximum project length is two years.

*Grant Amount Requested* is the amount of funding you are seeking.

*Local Match* is the amount of local funding committed to the project.

The *Project Total* should equal the Grant Amount Requested + the Local Match (local match must be at least 25 percent of the total grant amount).

The *Person with Grant Acceptance Authority* is the person who will be accepting responsibility for the terms and conditions of the contract. This may be the contact person, or it may be somebody else in the organization (such as, a chief, executive, or board member). The person with grant acceptance authority also must sign the DNRE Grant Proposal Cover Sheet, as indicated.

**Michigan Department of Environmental Quality  
Grant Proposal Cover Sheet**

(Authorized by 1996 PA 384)

(Completion of this form is required in order to receive grant consideration)

Project Name: \_\_\_\_\_

Project Location (Primary County): \_\_\_\_\_

State Senate District Number for Project Location: \_\_\_\_\_

State House of Representatives District Number for Project Location: \_\_\_\_\_

Applicant (Organization Name): \_\_\_\_\_

Organization's Federal I.D. Number: \_\_\_\_\_ - \_\_\_\_\_

Organization Telephone #: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_ Organization Fax #: \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Contact Person: \_\_\_\_\_

Contact's E-Mail (if available): \_\_\_\_\_

Organization Address (street # and name): \_\_\_\_\_

(City, Zip code): \_\_\_\_\_

Start Date of Project: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_ End Date of Project: \_\_\_\_\_/\_\_\_\_\_/\_\_\_\_\_  
month / day / year month / day / year

Grant Amount Requested: \$ \_\_\_\_\_ . \_\_\_\_ + Local Match\*: \$ \_\_\_\_\_ . \_\_\_\_ =

Project Total: \$ \_\_\_\_\_ . \_\_\_\_

Person with Grant Acceptance Authority: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

\* Applicants receiving grants are required to provide a match of at least 25 percent of the total project cost. Grantee contributions may include dollars, in-kind goods and services, and/or third party contributions.

**This is page 1 of your proposal**

# Instructions for Grant Proposal

## **A. Project Description**

In no more than four pages, please provide the following information in this order, using these headings. Consider each bulleted statement as it applies to your project. Use 11- or 12-point font on 8½" x 11" paper. Number the pages and attach to Page 1, the Proposal Cover Sheet. The use of two sided printing and recycled paper is recommended.

### **1. Statement of Environmental Concerns/Issues**

This should include the current environmental conditions (if known) and the needs/problems to be addressed with this grant. Please also include a statement that identifies the specific pollutant(s) your project may be targeting and an estimate of your proposed waste reductions.

### **2. Project Goals and Objectives**

- Describe the project's waste reduction goals (what you hope to achieve) and objectives, including specific waste streams or pollutants that will be reduced or behavioral changes leading to increased P2 to be implemented.
- Describe how the activities planned are appropriate to accomplish the goals and objectives. Include an explanation as to why a particular approach was chosen (cost effectiveness, likelihood of success, participating organizations' assets or constraints, or other factors.)
- Describe how the project will result in both immediate and long-term benefits to the environment and/or natural resources. Include a discussion on the likelihood of program success. Describe how the proposed activities are consistent with the RFP objectives, including the definitions of P2 and community.

### **3. Organization Information**

- Briefly state the organization's mission and goals.
- Describe relevant programs, activities, and accomplishments.
- Describe the qualifications of key staff and volunteers that will ensure the success of the project. Describe any training requested.

### **4. Partners**

- Describe the other partners in the project, their roles and commitments.
- Describe any other sources of funding not listed on page 1 of the proposal or on the budget, and include other grants you have received that relate to this proposal.

### **5. Project Sustainability**

- Describe how the project will create long-term change and sustainability.
- Describe any P2 activities or initiatives that will continue after the project is completed.
- Indicate the length of time your organization (or another by attached letter) is committed to maintaining any physical improvements funded by this grant, or which you intend to count as match.

## 6. Evaluation

- Describe how an evaluation of the project will be done, including how success will be defined and measured. Describe how you will measure and track the waste reductions and/or behavioral changes resulting in increased P2 activity from this project.
- Identify the Quality Assurance/Quality Control procedures that will be followed, if applicable.
- Describe how evaluation results will be used and disseminated, and any products that will result from the project and be submitted to the DNRE for approval.
- Describe the active involvement of partners in evaluating the program.

## **B. Work Plan and Timetable**

### 1. **Work Plan** - Maximum three pages. Use 11- or 12-point font on 8½" x 11" paper.

- The plan should be presented by task (with sub-tasks as necessary), with an estimated percentage of time given to each task. The estimated percentage of time for all tasks should equal 100 percent.
- Include any products and deliverables.
- Include who will be responsible for carrying out each task.
- Number all pages of the work plan and attach to the Project Description.

### 2. **Timetable** - Maximum two pages

- Include a timetable of activities, showing when each task will be completed. This should be presented in a grid/table and cover all months or quarters of the project. If by quarter, include in the timetable for the months included in each quarter, i.e., Quarter 1: October, November, and December.
- Number the page(s), and attach them to the work plan.

## **C. Budget Information** (Please see Grant Proposal Budget Information Instructions below)

### 1. **General Information** - Maximum two pages.

Fill out the two-page Grant Proposal Budget Information form included in this RFP packet (pages 16 and 17) using the directions below:

- ***Make sure your totals are calculated correctly!***
- The Grand Total Grant Funds Requested + Grand Total Local Match = Project Total. These values should correspond with the Grant Amount Requested + Local Match = Project Total on page 1 of your proposal.
- Under each Budget Category (column A), write or type in the activities that will be charged against the grant or counted as local match (see Local Match below.) Include enough detail that the DNRE, OPPCA Project Administrator knows who or what will be charged. For example, under Staffing Cost, each employee of the grant recipient charging time to the grant or counting time as match should be listed by name and title, followed by the projected number of hours they will be working on the project, and their hourly rate.
- Provide the same level of detail for all other budget categories, whether it is to be charged against the grant or counted as match.

Use the format below, filling in the form across the columns by category. Start in column A and address Staffing Costs across all columns.

Note Column C, Local Match. Local match is a financial commitment made by the grant recipient and other local agencies to help implement the project. At least a 25 percent local match is required to receive funding (cash and/or in-kind services can qualify for local match.) This is a match to the total funding, not a line-by-line match for each activity.

- In column C of the Budget Sheet, include local match amounts for each budget category (staffing costs, fringe benefits, etc.)
- Federal and state funds cannot be used as matching funds.
- Whatever match you include in your application will become part of your contractual obligation, if your project is selected for full funding. Be sure your match commitment is realistic.
- Match activities will be held to the same standards as grant-funded activities.
- Match cannot be earned until the starting date specified in a contract signed by both parties.
- Note that the auditing requirements in Appendix A require grantees to document match earned by providing letters from matching agencies, verifying the work completed, and the value of that work. Again, make sure your match commitment is realistic.

### **Grant Proposal Budget Form Instructions**

Please see the Budget Form on pages 16 and 17 of this document when completing the information below (numbering and lettering listed below corresponds to numbering and lettering on the Budget Form).

#### **1. Staffing Costs**

- In column A, list each staff person by name and title (project manager, senior analyst, clerical, etc.), the estimated number of hours each person will work on the project and his/her hourly rate. Place the costs for each staff person (number of hours times hourly rate) in columns B and C.
- Each staff person listed under Staffing Cost should also be included in the Work Plan.
- Staffing costs for staff in agencies other than the grant recipient should be budgeted under Contractual.
- Add subtotals.

#### **2. Fringe Benefits**

Fringe benefits can include insurance; FICA; federal, state, and local taxes; vacation and sick time; and workers' compensation.

- Most agencies have set fringe benefit rates. Use your agency's fringe benefit rate, not to exceed 40 percent.
- In column A, list each staff person and their fringe rate. Put the dollar amount corresponding with each staff person in columns B and C.
- The DNRE reserves the right to request applicants to supply information indicating how their fringe benefits were calculated.
- Add subtotals.

### **3. Contractual Services**

Contractual costs are services or materials provided by a contractor or agencies other than the grant recipient. Any services that are not provided by the grant recipient should be listed here, including engineering services. If any part of the work in the grant is to be subcontracted, responses to this RFP must include a description of all work to be subcontracted. The description should include a work plan, time table, and budget for all work subcontracted. The state of Michigan reserves the right to approve all subcontractors for this project and reserves the right to require the grant recipient to replace subcontractors found to be unacceptable.

- In column A, list all contractual services. Put estimated amounts in columns B and C.
- All contractual services included here should also be included in the work plan.
- Subtotal contractual costs.

### **4. Project Equipment, Supplies, and Materials (Purchased by Grantee)**

#### **4a. Project Equipment**

- Equipment is defined as an article of non-expendable, tangible personal property having a useful life of more than one year.
- Grant funds can be used to purchase equipment. Equipment costs greater than \$10,000 will require the grantee to enter into a five-year commitment with the DNRE to continue operation of the equipment for community P2 for five years after the ending date of the grant agreement.
- Itemize equipment on the Budget Form and explain any cost that may appear out of the ordinary.

#### **4b. Project Supplies and Materials**

- For supplies and materials, specify the type of supplies and materials charged against the grant in column A. Itemize printing, postage, and other supplies and materials. Explain any cost that may appear out of the ordinary.
- Place corresponding costs of supplies and materials in columns B and C.
- Subtotal equipment, supplies, and materials.

### **5. Travel Costs (For Grantee)**

- Show mileage separate from lodging and meals in column A.
- Mileage costs should be shown in columns B and C as number of miles times mileage rate (\$.51 per mile is the highest allowable rate.)
- Under "Other" on the Budget Form include travel, other than mileage, to conferences and anticipated hotel/motel costs as separate line items. Conference and other training fees should also be included here.
- Subtotal your travel costs.

### **6. Total Direct Costs**

Total direct costs are the sum of all grant funds requested and all local match funds identified.

## 7. Indirect Costs

Indirect costs have been referred to as the cost of doing business. Typical indirect costs are associated with, but not limited to: office space, telephones, office equipment rental and usage, utilities, and general office supplies.

- Most agencies have set an indirect rate based on an analysis of reasonable overhead costs. Use your agency's indirect rate, up to **20 percent of staff salary and fringe benefits**.
- In column A, indicate the percentage rate at which indirect costs are being calculated and the resulting indirect costs.
- Add indirect costs in columns B and C.
- Subtotal indirect costs in column D.

## 8. Totals

Add the subtotals for each budget category.

**Note:** *The totals at the bottom of the Budget Sheet should be the same as those on page 1 of your proposal.*

## Sources of Match

Local match is a financial commitment made by the grant recipient and other local agencies to help implement the project. Local match is required of all applications. Labor, in-kind services, and materials can count as match:

- Whatever match you include in your application will become part of your contractual obligation, if your project is selected for full funding. Be sure your match commitment is realistic.
- Match activities will be held to the same standards as grant-funded activities.
- Match cannot be earned until the starting date of a contract signed by both parties.
- Note that the auditing requirements in Appendix A require grantees to document match earned by providing letters from matching agencies, verifying the work completed, and the value of that work. Again, make sure your match commitment is realistic.

At the bottom of the second page of the budget sheet, indicate the source(s) of local match and the corresponding dollar value committed by the applicant or other local sources. Organizations receiving grants are required to provide a match of at least 25 percent of the total project cost. Grantee contributions may include dollars, in-kind goods and services, and/or third party contributions. Not more than \$50,000 may be granted in any fiscal year to a single recipient; however, local match expenditures can bring total grant expenditures over the \$50,000 limit (state grant [\$50,000] + local match [\$16,667] = \$66,667).



Column A	Column B	Column C	Column D
BUDGET CATEGORIES	GRANT FUNDS	LOCAL MATCH	CATEGORY TOTAL
<b>4. PROJECT SUPPLIES AND EQUIPMENT:</b>			
4a. Project Equipment (itemize):			
4b. Project Supplies and Materials (itemize):			
<b>Subtotal:</b>			
<b>5. TRAVEL:</b>			
(Not to exceed .51/mile)			
Mileage x mileage rate:			
Lodging:			
Meals:			
Other:			
<b>Subtotal:</b>			
<b>6. TOTAL DIRECT COSTS:</b>			
<b>7. TOTAL INDIRECT COSTS: (Not to exceed 20% of salary and fringe)</b>			
<b>8. GRAND TOTAL (add lines 6 and 7):</b>			

Grand Total Grant Funds Requested + Grand Total Local Match = Project Total

**SOURCES OF MATCH**

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**DOLLAR VALUE COMMITTED:**

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## **Instructions for Grant Proposal Attachments**

The following attachments are to be submitted for this grant proposal:

- **Audit** – All applicants must include with their proposal a letter from a certified public accountant documenting that the organization has undergone a successful financial audit within the last 24 months. The letter must also include the dates and scope of the successful financial audit. This information is necessary to assure that the applicant has in place a financial accounting system that operates in accordance with accepted accounting principles.
- **Letters of Commitment** – These are letters from partners in the project committing a specific amount of time, money, activities, or other specified resources for the project. General letters of support (those not showing time, money, or specific resource commitment) will not be considered.

*All other information, including binders, extraneous reports, etc., will not be considered, reviewed, or returned. **All submitted materials are subject to FOIA requests.***

## Checklist for a Complete Proposal

Number all pages of your proposal. **Submit Three copies of all portions of your proposal.**

The entire proposal package should not be more than 12 pages, plus specified attachments:

- \_\_\_\_\_ One-page Proposal Cover Form
- \_\_\_\_\_ Maximum four-page Project Description
- \_\_\_\_\_ Maximum three-page Work Plan
- \_\_\_\_\_ One or two-page Timetable
- \_\_\_\_\_ Two-page Grant Proposal Budget Form

Attachments:

- \_\_\_\_\_ One-page audit letter
- \_\_\_\_\_ Letters of commitment

*All other information, including binders, extraneous reports, and general letters of support will not be considered, reviewed, or returned. All submitted materials are subject to FOIA requests.*

**Be sure your grant proposal is received no later than 4:00 p.m., April 18, 2011, at the address listed below:**

Attention: Mr. Richard Alexander, Chief  
Field Services Unit

### Mail to:

Michigan Department of Natural Resources  
and Environment  
Office of Pollution Prevention and  
Compliance Assistance  
P.O. Box 30457  
Lansing, Michigan 48909-7957

### Deliver to:

Michigan Department of Natural Resources  
and Environment  
Office of Pollution Prevention and  
Compliance Assistance  
525 West Allegan, Constitution Hall, 1-North  
Lansing, Michigan 48933

## **Appendix A**

### **Terms and Conditions of Grant Award**

#### **Responsibilities of Grant Recipients**

- Successful applicants will be required to enter into a project contract with the DNRE within 60 days of the grant award.
- Grant recipients will be required to carry out all obligations contained in the project contract with the DNRE. A project contract consists of standard “boilerplate” language (some of which has been simplified and included here) the applicant’s work plan, timetable, and budget information.
- The DNRE, OPPCA also reserves the right to review and approve all products developed and paid for by grants or used for local match. All such products become the property of the state of Michigan.
- Grant recipients will be responsible for meeting the match amount committed in the project contract.
- Additional requirements relevant to an individual project may be specified in the project contract.
- The Project Manager and the Grant Manager are required to attend a grant administration meeting to discuss contract and reporting requirements.

#### **Subcontracts**

- The grant recipient will be required to secure professionally qualified personnel and/or subcontractors necessary to perform the duties of the project contract. The state reserves the right to approve all subcontractors for the project and to require the grant recipient to replace subcontractors found to be unacceptable.
- The grant recipient will be required to assume responsibility for all contractual activities included in their work plan, whether or not they perform them. Further, the state will consider the grant recipient the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the project contract. The grant recipient is totally responsible for adherence by the subcontractor to all provisions of the project contract.
- Any substitutions or additions to the subcontractors will be subject to the prior written approval of the state.

#### **Audit Requirements**

All projects will be subject to a post-project audit. An audit of all the OPPCA files will be conducted, and an audit of a grant recipient’s financial files may be conducted before releasing final payment to the grantee. Therefore, grantees will be expected to maintain records and make available to the DNRE all records pertaining to the grant. Grantees will be required to submit detailed information in their project status reports.

#### **Reporting**

All grant recipients must submit Quarterly Status Reports to the DNRE following each quarter of the grant period. A quarterly status report consists of: 1) a Narrative Status Report detailing the status of each task; 2) a Financial Status Report documenting expenditures for that quarter; and 3) documentation supporting expenditures for the quarter (copies of invoices and proof of payment such as copies of checks). Since these grants are on a cost reimbursement basis, grantees must show that expenses were incurred and paid prior to being reimbursed by the DNRE. Any products developed during the quarter are to be submitted with the Quarterly Status Report. Copies of all products and Quarterly Status Reports shall be submitted to and approved by the DNRE before payment will be made.

The DNRE, OPPCA reserves the right to request annual progress reports of any grant recipient.

Final project reports are approved by the OPPCA before final grant payment will be made. Final reports should detail what was attempted in the project, what worked, what did not, and any lessons learned. Final reports should also include final copies of all grant “products.” In keeping with P2 principles, it is preferred that reports are submitted on recycled content paper and printed on both sides. Draft final reports are due to the OPPCA 45 days prior to the grant contract end date.

### **Incurring Costs**

The state of Michigan is not liable for any cost incurred by the grant recipient or any subcontractor prior to the signing of a project contract. Liability of the state is limited solely to the terms and conditions of this request and any resulting grant. The state fiscal year is October 1 through September 30. Grants awarded in any given fiscal year are contingent upon enactment of both federal and state legislative appropriations.

### **Conflict of Interest**

No member of the legislature, judicial, or executive branch of state government, or any local unit of government shall benefit from this agreement. No member or delegate to congress, or resident of commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise there from.

### **Cancellation**

The state of Michigan may immediately cancel an Agreement without further liability if the Grantee, any agent of the Grantee, or any agent of any sub-agreement is: convicted of a criminal offense incident to the application for, or performance of a state, public, private contract, or subcontract; convicted of a criminal offense, including but not limited to, any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for state of Michigan employee; convicted under state or federal antitrust statutes; or convicted of any other criminal offense which, in the sole discretion of the state, reflects on the Grantee’s business integrity.

**For additional information, please contact:**

**Maggie Fields:** [fieldsm@michigan.gov](mailto:fieldsm@michigan.gov); 517-335-6250