

California Climate Investments

Department of Forestry and Fire Protection

**Wood Products and Bioenergy Business
and Workforce Development**

Grant Guidelines

FY 2025-2026



February 23, 2026

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CAL FIRE WOOD PRODUCTS AND BIOENERGY

Business and Workforce Development Grants are funded, in part, through California Climate Investments, which uses billions of Cap-and-Invest dollars to fund projects that reduce harmful emissions, protect public health, strengthen local economies, and support natural environments. With a strong focus on communities most impacted by pollution and limited access to resources, California Climate Investments help build a more equitable and sustainable future. For more information, visit the California Climate Investments website at: www.caclimateinvestments.ca.gov. CAL FIRE reserves the right to fund projects, in total or in part, with the funding source of their choice. Project applicants that are selected to receive an offer for partial funding will be provided an opportunity to revise their proposal, as needed.

The Wood Products and Bioenergy Team (Wood Products) is part of CAL FIRE's Climate and Energy Program. Wood Products awards funding for California business and workforce development projects that support healthy resilient forests and the people and ecosystems that depend on them. Wood Products has three primary areas of responsibility, including existing and emerging technologies:

1. **Business Development**, including solid wood and biomass processing and manufacturing, in-woods operations, and tree nurseries.
2. **Bioenergy Business and Workforce Development**, including forest bio-material power generation and biofuels for domestic use and export.
3. **Forest-related Workforce Development**, including in-woods, transportation, and manufacturing.

CAL FIRE Wood Products supports the creation of a robust and diversified wood products industry to facilitate the economic and sustainable management of California's forests. Grants can make California a more competitive place to conduct forest-sector business. Grants can also create financial incentives for industries to invest in clean technologies, develop innovative ways to process wood products, and support the growth of a strong forest-sector workforce.

ELIGIBLE ACTIVITIES

Eligible activities shall further the goals of the California Forest Carbon Plan, California's Natural and Working Lands Implementation Plan, California's Wildfire & Forest Resilience Action Plan, California's Strategic Plan for Expanding the Use of Beneficial Fire, California's Nature-Based Solutions Climate Targets and AB 32 Climate Change Scoping Plan.

This grant program supports increasing the pace and scale of forest fuels management by expanding capacities of businesses that work in removing and utilizing forest fuels, fire reintroduction, and reforestation of forests degraded by overcrowding, drought, pest infestation, and catastrophic fire. Grant projects should, either directly or indirectly, facilitate greenhouse gas emission reductions and further the purposes of AB 32 and related statutes, or contribute to other goals.

Two project types are eligible for grant funding: business development and workforce development in California. Projects may include planning, organizational and business

capacity building, and workforce and infrastructure development as components of proposed projects.

The following are examples of activities eligible for funding:

- a. Manufacture solid wood products from forest materials, such as post and poles, dimensional lumber, plywood, or other products that allow for continued carbon storage.
- b. Develop new tree nurseries and increase capacity at existing tree nurseries, with grantees committing to producing native, seed-zone-specific seedlings for private and public forestland owners for the purpose of reforestation of native trees. Growing some native, non-woody plants may be eligible.
- c. Develop and expand workforce and operations businesses in forest operations, prescribed fire, right-of-way clearing, forestry, and other forest-industry support services.
- d. Utilize forest biomass to generate energy or fuel through combustion, gasification or other energy producing technologies, which supports wildfire risk reduction and displaces carbon-intensive fossil fuel-based energy.
- e. Market or utilize forest products for beneficial uses. Beneficial uses include, but are not limited to, firewood, dimensional lumber, animal bedding, biochar, artistic and cultural products, cross-laminated timber, mulch, oriented strand board, pulp, post, shredding, and veneer products.
- f. Permit new and/or expanding forest-sector businesses.
- g. Provide a training opportunity or program in a related field that aims to increase the forest-sector workforce capacity in an eligible workforce development grant. Qualifying workforce development projects generally include the ability to provide recurring training opportunities to unique cohorts of individuals and may include the award of institutionally recognized training certificates.
- h. Hiring and training workers for a forestry-sector business may be eligible for a business development grant but not a workforce development grant.

Preferred Projects

Preferred Projects are projects that the Wood Products Team has identified as currently strategic in advancing the forest sector. Proposals incorporating preferred projects may receive additional consideration. The following are preferred project categories as of the date of this publication:

- a. Establishment and/or expansion of wood utilization or operations infrastructure in regions of California where capacity is demonstrated to be a bottleneck to forest management projects.
- b. Businesses with sustained intake of 20+ bone dry tons per day of forest material within 3 months of executing grant agreements.
- c. Businesses that provide immediate in-woods fuels reduction operations and/or associated workforce training.
- d. Trucking operations and/or associated workforce training.
- e. Wood-processing facilities operations and/or associated workforce training.

FUNDING AVAILABILITY, HOLD BACK, and PARTNERING ORGANIZATIONS

The Wood Products and Bioenergy Grants [webpage](#) is updated regularly to show approximate available funding. Funding expiration dates will vary based on fiscal year and fund source. Wood Products may hold back a portion of the total funding allocation to be distributed throughout the fiscal year. The holdback will prevent a large proportion of the funds being spent in one area while ensuring funding is available for incoming projects throughout the fiscal year.

CAL FIRE will work closely with the Governor's Office of Business and Economic Development (GO-Biz) where applicable. GO-Biz offers several programs to promote new business development in California including access to incentives, permitting assistance, and potential financing through the California Infrastructure and Economic Development Bank (IBank). Within IBank, the Climate Catalyst Fund is intended to be a general-purpose financing vehicle dedicated to furthering California's climate goals, including the implementation of low carbon technologies such as mass timber, advanced bioenergy, and related projects. More information regarding the Climate Catalyst Fund can be found here: [Climate Catalyst Program](#)

PROJECT ELIGIBILITY

All applications will be screened for eligibility. Applications must be complete, prepared in accordance with the guidelines herein, and submitted by an eligible applicant. Applications that do not meet these criteria will not be scored against the selection criteria and will not be eligible for award.

Eligible Applicants

Business Development

Business development proposals submitted by an organization whose operations have the potential to support forest restoration and/or wood products infrastructure in California will be considered. Eligible business development project applicants include, but are not limited to, the following:

- a) Academic institutions
- b) Local agencies, including counties, cities, and special districts
- c) State agencies
- d) Federal agencies
- e) Native American tribes
- f) Non-profit organizations
- g) Private entities including businesses, foundations or others not listed above

Furthermore, business development project applicants should be involved in at least one of the following business endeavors:

- a) Primary wood processing for wholesale and retail markets.
- b) Tree nursery capacity/facilities improvement.
 - i. Seedlings must be made available for sale to private California landowners, though some seedlings can be for other entities with reforestation projects in the state.
- c) Chip processing.
- d) Forest operations, forestry, or other forest-industry support services.
 - i. Wood utilization and/or marketing.
 - ii. Secondary wood processing that creates demand pull for California primary wood processing.
 - iii. Fuels treatments, commercial logging, forested right-of-way clearing.
- e) Bioenergy facility development or enhancement (e.g., fuels, gasification, pyrolysis, thermal, power, and/or advanced energy production) that uses forest biomass as feedstock.
- f) Forest biomass transportation, feedstock sorting, and/or aggregation from various sources

Workforce Development

Applicants seeking to provide training opportunities that will increase California’s workforce capacity in the fields of forestry, forest operations, forest-sector transportation, forest-sector manufacturing, or other forest-sector support services are eligible to apply for workforce development funding. Qualifying workforce development projects generally include the ability *to provide recurring training opportunities to unique cohorts of individuals* and may include the award of institutionally recognized training certificates. Eligible workforce development project applicants include:

- a) Academic institutions
- b) Local agencies, including counties, cities, and special districts.
- c) State agencies
- d) Federal agencies
- e) Native American tribes
- f) Non-profit organizations
- g) Private training businesses and foundations

Existing and Former Grantees

Those who currently have or have had a grant through Wood Products and Bioenergy are eligible to apply for additional grants; however, applications are subject to additional review criteria, including, but not limited to:

- a) Progress achieved on the existing or previous grant project.
- b) Demonstrated performance on the existing or previous grant.
- c) Potential impact of the new grant on performance of the existing grant.
- d) Administrative and technical capacity to manage and perform on multiple grants.

Approval of subsequent grant applications is subject to the discretion of Wood Products and Bioenergy Team. If these criteria apply to your proposal, please contact Wood Products and Bioenergy Staff.

Greenhouse Gas Emissions Reductions

Grant projects funded by California Climate Investments must further the regulatory purposes of Division 25.5 commencing with Section 38500 of the Health and Safety Code, known as the California Global Warming Solutions Act of 2006. In its statutory role, the California Air Resources Board (CARB) has worked cooperatively with CAL FIRE and other experts to develop and approve the Forest Restoration and Management Quantification Methodology for forest treatment activities, and an accounting strategy for combining the effects of treatment activities and their synergistic effects. See the [Funding Guidelines for Agencies that Administer California Climate Investments](#) for full requirements.

Some activities, such as planning, marketing, or training, may not have a measurable GHG emissions benefit; however, applicants may still provide justification within their application as to how grant-funded activities will facilitate emissions reductions via, for example, improved carbon sequestration, improved quantitative assessment of GHG impacts, or improved management actions or policy related to the California Forest Carbon Plan or other State climate mitigation and adaptation strategies. Successful applications may be asked to submit additional information to allow CAL FIRE staff to complete a quantitative estimate of the net GHG benefit of the project using an established Quantification Methodology.

Limited Waivers of Sovereign Immunity

Federally recognized tribes are sovereign nations with special legal status. When the primary grantee (party who signs the grant agreement contract with CAL FIRE) is a federally recognized tribe, CAL FIRE may require the tribe to agree to a limited waiver of sovereign immunity to ensure the grant agreements may be enforced in case of default. This will be determined on a case-by-case basis and is dependent on the type and scope of the project. If required, the grant agreement will include these important terms and conditions.

CAL FIRE will avoid seeking a limited waiver of sovereign immunity when possible and will strive to notify applicants early in the grant application review process if it is anticipated a limited waiver of sovereign immunity will be necessary. CAL FIRE is committed to working collaboratively with California Native American tribes on tailoring limited waiver of sovereign immunity terms to support tribal priorities while also meeting the state's legal obligations.

CAL FIRE will conduct a risk analysis of all projects that may involve limited waivers of sovereign immunity. In general, CAL FIRE will require limited waivers of sovereign immunity when the grantee is a federally recognized tribe, and the project includes any of the following elements:

- Advance funds.
- Equipment purchases totaling more than \$500,000.
- High-risk implementation projects, which may include fuels reduction, prescribed burning, cultural burning, ceremonial or other use of fire.
- Organizations without demonstrated reliability in sound financial management.

For questions regarding sovereign immunity, please reach out to the Wood Products & Bioenergy Team, who may refer you to discuss specifics with the appropriate person at CAL FIRE Legal.

Funding Limits and Match

Table 1 illustrates the anticipated award size limitations, including match requirements. For general business development grants, the required match is 1:1 for funding requests up to \$500,000 and 2:1 for each grant dollar requested above \$500,000. For example, an \$800,000 grant request would require a \$1,100,000 match (1 x \$500,000 + 2 x \$300,000).

Match can include grants from other state or federal programs, as well as in-kind, non-cash contributions such as volunteer time, employee time, goods, and services. It is important to note that capital expenditures or in-kind contributions made prior to the grant agreement execution date cannot be counted as match. Additionally, contributions unrelated to the proposed project are ineligible for match consideration. Time-phased matching is recommended for awards granted to private entities. Both reimbursable costs and match must be expended within the project performance period of the grant agreement.

Table 1. Funding Limits and Match Requirements

Grant Type	Minimum Award	Maximum Award	Grant Match Requirement (Match:Grant)
Business Development	\$10,000	\$500,000	1:1
	\$500,000	\$3,000,000	2:1 (amounts above \$500,000)
Workforce Development	\$10,000	\$500,000	No match requirement
	\$500,000	\$3,000,000	1:9 (amounts above \$500,000)

Project Readiness

Eligible projects must complete grant-related activities within the time constraints associated with the funding source as prescribed by the California legislature. This solicitation requires grant projects to be **completed by September 30, 2030**. Where applicable, preference may be given to projects according to operational readiness; for example, preference may be given to projects that have documented environmental compliance such as the California Environmental Quality Act (CEQA) or the National Environmental Policy Act (NEPA) documents completed before the project application is submitted (See Appendix C).

Solicitation Timeline

Project proposals will be formally reviewed with award offers being issued respectively based on the anticipated solicitation schedule (Table 2).

Calendar

Table 2. 2026 Quarter 1 Grant Review Schedule.

Proposals Submitted by	Proposal Review	Grant Award Offers
May 20, 2026, before midnight	June - July, 2026	September, 2026

CAL FIRE reserves the right to review and offer grant awards sooner or later than indicated in Table 2.

Equal Opportunity

CAL FIRE is committed to supporting disadvantaged and marginalized communities. This commitment furthers the mission of CAL FIRE to serve and safeguard the people of California. Applicants are invited to describe how implementation of grant funds may elevate historically under-represented populations.

Furthermore, as a California Climate Investment (CCI) program, Business and Workforce Development Grants target investments located within and benefiting priority populations, maximizing benefits to disadvantaged communities wherever possible. Priority populations include residents of: (1) communities identified as disadvantaged by California Environmental Protection Agency per SB 535; (2) census tracts identified as low-income per AB 1550; or (3) a low-income household per AB 1550. For more information on priority populations, please visit <https://www.caclimateinvestments.ca.gov/resource-portal-priority-populations>.

Project Consultation

CAL FIRE Wood Products staff offer applicant consultations. Please review the grant-related information available on the CAL FIRE Wood Products and Bioenergy website prior to requesting a consultation. Then email WoodProducts@fire.ca.gov by May 6, 2026, to request a 25-minute consultation. Allow 3-5 business days to receive a response. Because grants are competitive, Wood Products staff are not able to review and comment on written draft applications prior to final submittal.

APPLICATION SCORING

Applicants are required to submit a complete project application including a detailed scope of work, project workplan and timeline, detailed budget and budget justification, a business plan if submitting a business application, and additional supporting documents as listed in the Project Application Package described below.

Upon submission, applications will be reviewed to determine if the project meets eligibility requirements. Eligible projects will be evaluated to determine how well the project fits the purpose and objectives of Wood Products using the following Grant Selection Criteria.

Grant Selection Criteria – Business Development

Grant applications will be scored as to how well the project fits the purpose and objectives of Wood Products, using the following criteria:

Project Background (10 Points)

- a) Address this in the Scope of Work attachment (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Include a detailed discussion of how the project will further the purposes of AB 32 and related statutes and facilitate GHG emission reductions, if applicable.
- c) List and describe deliverables.
- d) Include a detailed discussion on how the business proposal is consistent with the goals of Wood Products and Bioenergy.
 - i. Contributes to a robust and diversified wood products industry to facilitate the economic and sustainable management of California's forests.
 - ii. Contributes to making California a more competitive place to conduct forest-sector business.
 - iii. Creates financial incentives for industries to invest in clean technologies, develop innovative ways to process wood products, and support the growth of a strong forest sector workforce.
- e) Identify the additionality (e.g. biomass processing capacity increase) that would occur as a result of funding.

Business Plan (15 Points)

- a) Provide a well-developed business plan¹ with financial analysis.
 - i. The plan shall be provided as an attachment and should include the following:
 1. Operational efficiency
 2. Price of product
 3. Costs of inputs (labor, raw material, equipment, rent or mortgage)
 4. Discussion of match funding

¹ Regarding proprietary and confidential information, CAL FIRE is a State department subject to the California Public Records Act (Government Code § 6250 et seq.). Unless there is a specific statutory exemption, all records included within applications are subject to the Act, whereby allowing the public access and inspection of public information from government agencies. The Wood Products and Bioenergy Team understands that businesses may have information that is proprietary. Therefore, we recommend that you consult with CAL FIRE Wood Products staff prior to the submission of documents that may contain proprietary or confidential information.

5. Market analysis
 6. Feedstock agreements
 7. Offtake agreements
- b) Interested parties that do not have an established business plan may apply for grant funding to have one developed. The resulting business plan could then be the basis of a future grant application. The grant request minimum in Table 1 is not required for applications requesting business plan preparation.

Budget (20 Points)

- a) Applicants **must** submit their budget through the EUNA GRANTS Portal – Please refer to pages 11-20 of the [eCivis Grants Portal - Application Submittal User Guide](#) for detailed instructions. Contact Wood Products staff if you have trouble with the EUNA GRANTS Portal budget tool.
- b) Costs are justified and reasonable in proportion to the proposed deliverables and scope of work.
- c) The budget specifies the number of employees and contractors funded under the grant and the cost basis for each.
- d) EUNA GRANTS Portal budget clearly depicts how grant funds will be spent.
 - i. Please see budget guidance information in the Eligible Costs section of this document regarding Indirect Costs for Business Development projects.
 - ii. Note: Applicants may propose in their budgets funding for meeting reporting requirements that apply as part of fulfilling the terms and conditions of the grant.
- e) Match funding (Described in the Business Plan attachment and identified in the Budget):
 - i. Match has been secured.
 1. Match that has been committed (i.e., a letter of intent), but not yet secured (i.e., an executed agreement), may be considered on an ad hoc basis.
 - ii. Meets or exceeds the minimums in Table 1.
 - iii. Will be expended during the project period.
 - iv. Has been documented in the Letters of Participation attachment.

Applicant Qualifications (10 Points)

- a) Provided as attachment.
- b) Key persons.
- c) Experience related to role, business or operations proposed.
- d) Commitments of time and resources.
- e) Applicant and Project Partner resumes included in the application packet.

Project Impact (15 Points)

- a) Address this in Scope of Work attachment, EUNA GRANTS application form and the Grants Portal Goals section (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Project goals align with the grant program goals.
- c) Project outcome measures, such as tons of additional biomass utilized, number of additional people trained; and date when the projected outcomes will begin to be delivered (e.g., estimated date when biomass utilization infrastructure will be installed and operational).
- d) Annual acres of forest treatment supported by the project when operational should be estimated along with the following additional information:
 - i. Annual forest derived feedstock consumption.
 - 1. Facility's preferred forest-origin feedstock type – (e.g., chips, roundwood, residuals).
 - 2. Preference may be given to facilities that will use generally under-utilized feedstock (e.g., small diameter logs, shrubs, slash).
 - 3. Forecasted impact may be considered for planning projects.
- e) Job creation information (can be addressed in Business Plan attachment and in the Grant Portal Goals).
 - i. Full-time equivalent employees by classification.
 - 1. Wage ranges and average wages for each classification.
- f) For nursery facilities only, state the annual production of seedlings anticipated.
 - i. Preference will be given to projects that produce large numbers of seedlings that are made available to private landowners.
 - ii. The scope of work or business plan shall state expected minimum seedling production.
 - iii. Grantees will be expected to commit to producing seedlings in the grant-funded nursery spaces.
- g) GHG benefit description (narrative in the EUNA application form)
- h) A brief description of the project's [co-benefits](#) (narrative in the EUNA application form)
 - i. Potential co-benefits include, but are not limited to: reduced fire risk or facilitated fire suppression; bioenergy or wood products produced; increased access to clean and reliable energy; reduction of fossil fuel consumption; improved energy resilience or grid outage mitigation; direct energy cost savings to priority populations; biomass diverted from landfill; improved air or water quality; improved watershed health; protected water supplies; improved wildlife, fish, or native plant habitat; reduced invasive species; increased recreation, education, or outreach opportunities; improved scenic resources; protected cultural resources; traditional ecological knowledge engaged; improved soil health;

benefits to local economy; benefits to local culture; agricultural benefits; climate adaptation; or pursuit of environmental justice. If biomass will be diverted from landfill, the description should specify whether more than 50% of the waste utilized, recovered or processed will be diverted from a landfill(s) located in a priority population as defined by CARB.

- ii. The project reduces emissions of odor-causing pollutants, criteria air pollutants, or toxic air contaminants – for example, by avoiding pile burning – in a disadvantaged or low-income community without increasing any other criteria air pollutant or toxic air contaminant emissions. CARB definitions of disadvantaged or low-income communities must be used when determining that emissions will be reduced in one of these communities.
- i) Includes [Priority Landscapes](#).
 - i. Proposals that will potentially impact priority landscapes may receive greater consideration.

Project Readiness (20 Points)

- a) Addressed in Scope of Work attachment (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Demonstrates the ability to complete the grant project during performance period.
- c) Provide a detailed chronology of milestones that have been accomplished and will be required to reach operability.
- d) Project demonstrates community support.
 - i. Letters of Support shall be included with the application submission.
 - ii. Letters of Participation (that describe partner commitments) shall be included from entities or individuals that are directly participating in the project financially or in supporting roles.
- e) Technology/Engineering Guarantees.
 - i. Proposals that include guaranteed performance or performance warranties for technology or engineering results may receive greater consideration.
- f) Planning, permitting and environmental compliance status. Regardless of jurisdiction, compliance with the California Environmental Quality Act (CEQA) is required when using Business and Workforce Development grant funds for any project that may have an effect on the environment, including any ground-disturbing activity. If awarded, grantees must comply with all applicable environmental laws and regulations when implementing projects funded by this grant, including but not limited to CEQA, (California Public Resources Code § 21000 et seq.) or the National Environmental Policy Act (NEPA), 42 USC §4321 et seq. Applicants must complete the “Environmental Compliance” worksheet. **See Appendix C.**

- i. Costs are eligible expenses, if proposed.
- g) Technology Readiness Level (TRL) or other measure of reliability / commercial readiness.
 - i. Standard methods of evaluating TRL will be utilized where applicable.
- h) Site control has been established.
- i) Applicant has received supplier bids that include costs and lead time.
 - i. Supplier bids should be included in Letters of Participation

Priority Populations (10 Points)

- a) Address in EUNA application form.
- b) Includes a targeted hiring strategy, where applicable. Targeted hiring focuses on improving access to high-quality jobs for workers from priority populations, women, those facing barriers to employment, and others who have been underserved or underrepresented in the relevant sector.
- c) Demonstrates that the project 1) is within a community identified as disadvantaged or low-income; 2) responds to an important community or household need that has been identified; and 3) provides priority population(s) with direct, meaningful, and assured benefits that will address the identified need(s) (Appendix E).

Grant Selection Criteria – Workforce Development

Forest-related workforce development proposals, including wood utilization and manufacturing, will be considered. Grant applications will be scored as to how well the project fits the purpose and objectives of Wood Products, using the following criteria:

Project Background (10 points)

- a) Address this in the Scope of Work attachment (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Include a detailed narrative of how the project will facilitate GHG emission reductions and further the purposes of AB 32 and related statutes.
- c) A detailed description of the training/education provided.
 - i. Include how the training or training program fits within relevant existing certificate or other programs.
 - ii. Include a list of relevant certifications that may be awarded and standardized courses that may be completed.
 - iii. List any accreditation to be pursued.
 - iv. Include name of entity certifying designation (NWCG, NIFC, etc.).
 - v. Specify the estimated date when project outcomes will begin to be delivered (e.g., when training courses will start).
- d) Include a detailed description of how the project has the potential to positively impact the pace and scale of forest management in California.
- e) Describe how the training project is consistent with the needs outlined in

- [California's Wildfire and Forest Resilience Action Plan](#) & other plans.
- f) Explain post-training job placement goals, commitments, and plans.
 - g) Demonstrate project viability beyond the timeframe of CAL FIRE grant funding.

Budget (20 Points)

- a) Address this in Scope of Work attachment and budget developed in the EUNA GRANTS Portal. (Only the first 5 pages of the Scope of Work attachment will be evaluated). Applicants **must** submit their budget through the EUNA GRANTS Portal – Please refer to pages 11-20 of the [eCivis Grants Portal - Application Submittal User Guide](#) for detailed instructions.
- b) Efficiency of dollars spent per worker trained is demonstrated.
- c) Budget worksheet clearly depicts how grant funds will be spent.
 - i. Note: Applicants may propose in their budgets funding for meeting reporting requirements that apply as part of fulfilling the terms and conditions of the grant.
- d) Greater consideration may be given to proposals with match funding, including in-kind contributions.

Collaboration, Community Engagement and Local Support (20 Points)

- a) Address this in Scope of Work attachment, EUNA application form, and supported by letters of support/participation attachments (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Demonstrates collaboration with multiple stakeholders.
- c) Provides Letters of Support and Letters of Participation.
 - i. Preferred letters are from potential employers.

Readiness (25 Points)

- a) Address this in Scope of Work attachment (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) Demonstrate the ability to complete the project during performance period.
- c) Project proponents demonstrate administrative capacity.
- d) Applicant has a history of successful and timely project execution.
- e) Planning, permitting and environmental compliance status. Regardless of jurisdiction, compliance with the California Environmental Quality Act (CEQA) is required when using Business and Workforce Development grant funds for any project that may have an effect on the environment, including any ground-disturbing activity. If awarded, grantees must comply with all applicable environmental laws and regulations when implementing projects funded by this grant, including but not limited to CEQA, (California Public Resources Code § 21000 et seq.) or the National Environmental Policy Act (NEPA), 42 USC §4321 et seq. Applicants must complete the “Environmental

Compliance” worksheet. See Appendix C.

- i. Costs are eligible expenses, if proposed.
- f) Proponents will implement upon grant award and within their proposed schedule, including, if applicable, a Letter of Commitment from the CEQA lead agency to complete all necessary CEQA documentation within one year of the execution of the grant agreement.
- g) Letters of Participation from project partners are included.

Job Creation (15 Points)

- a) Address this in Scope of Work attachment and in the Grants Portal Goals (Only the first 5 pages of the Scope of Work attachment will be evaluated).
- b) The application includes narrative describing need for training in job market.
- c) The applicant provides estimates of average wages.
- d) The application shows geographic demand.
- e) The application explains long-term demand.

Priority Populations (10 Points)

- a) Address in EUNA application form.
- b) Includes a targeted hiring strategy, where applicable. Targeted hiring focuses on improving access to high-quality jobs for workers from priority populations, women, those facing barriers to employment, and others who have been underserved or underrepresented in the relevant sector.
- c) Demonstrates that the project 1) is within a census tract/land identified as a disadvantaged community or low-income community; 2) responds to an important community or household need that has been identified; and 3) provides priority population(s) with direct, meaningful, and assured benefits that will address the identified need(s) (Appendix E).

APPLICATION PROCESS

These processes are applicable to both business and workforce development proposals unless otherwise specified.

Applicants to Wood Products grants apply through the Grants Portal in EUNA (linked [here](#)). After you create an account, use the “Portal Login” and complete the application, including uploading all required documentation using the Grants Portal. Incomplete applications may be disqualified. Guidance for setting up a new Grants Portal account via EUNA GRANTS can be found within the *eCivis Grants Portal - Application Submittal User Guide* document (linked [here](#)) and also accessible on the [CAL FIRE Grants Webpage](#) under “eCivis Grants Portal Information” heading. No hard copy or emailed applications will be accepted. The EUNA Grants Portal may close occasionally when CAL FIRE needs to update available funding information, update the grant guidelines, or revise the application format.

The information required in the application form will differ depending on the type of project and consists of several sections:

- 1) Applicant Profile
- 2) Organization and Project Information
- 3) Environmental Compliance Information
- 4) California Climate Investments Co-benefits
- 5) Application File Uploads
- 6) Detailed Budget (budget execution guidance can be found in the eCivis Portal User Guide). Applicants **must** submit their budget through the EUNA GRANTS Portal– Please refer to pages 11-20 of the *eCivis Grants Portal - Application Submittal User Guide* for detailed instructions.
- 7) Detailed Goals (guidance on proposing goals can be found in the eCivis Portal User Guide). Applicants **must** submit their goals through the EUNA GRANTS Portal – Please refer to pages 20-21 of the *eCivis Grants Portal - Application Submittal User Guide* for detailed instructions.
- 8) Specific Project Information According to Project Type.
 - a. Business Development Project Information to include:
 - i. Project Type
 - ii. Organization Type
 - iii. Business Operations Information
 - a) Planned and Current Status
 - b) Timeline
 - iv. Feedstock and offtake Information
 - a) Planned and Current Status
 - b. Workforce Development Project Information to Include:
 - i. Project Type
 - ii. Organization Type
 - iii. Number of workers to be trained
 - a) During and after project implementation period
 - iv. Project Operations Information
 - a) Planned and Current Status
 - b) Timeline

An asterisk (*) in the application form indicates a required response. Prior to submission, ensure all required (*) fields are filled with data in the appropriate format. The following documents will need to be uploaded as part of the application to the applicable fields indicated on the application:

A. Resume/CV

- The resume/CV of the primary contact person for the project is required. Project partner resumes/CVs are required if applicants choose to include a project partner. MS Word or PDF format.

B. Scope of Work –

- See Grant Selection Criteria for required elements in a Scope of Work for

applications. MS Word or PDF document limited to 5 pages using 11-point or greater, Arial font (Only the first 5 pages of the Scope of Work attachment will be evaluated).

C. Statement of Qualifications –

- Business and Workforce Development – Detail the applicant's ability to complete the project as proposed, identify the resources (staff, partners, contractors) intended to complete the tasks described in the Work Plan, and explain applicant's expertise completing and managing similar projects. MS Word or PDF document limited to one page using 11-point or greater, Arial font per individual or partnering organization.

D. Work Plan and Environmental Compliance Worksheets – Provided and submitted via the EUNA Grants Portal. See Appendix B below for example.

E. Environmental Compliance Summary – Detail the applicant's ability to complete environmental compliance within one year of the execution of the grant agreement, including:

- Any existing or needed permits and/or regulatory approvals necessary to meet environmental compliance requirements to support the project.
- The anticipated CEQA lead agency for the project. Specification of CEQA lead agency for each environmental compliance process must be included in the Environmental Compliance Summary and the Environmental Compliance Worksheet.

Note: If applicants anticipate CAL FIRE to act as CEQA lead agency or if the CEQA lead agency has not been identified, contact CAL FIRE's Climate and Energy environmental compliance staff prior to application submission. If applicant is requesting CAL FIRE to act as CEQA Lead Agency and does not communicate with Climate and Energy environmental compliance staff regarding the request, **prior** to submission, the application may be deemed incomplete. A meeting with environmental compliance staff can be requested by emailing cegrants.ceqa@fire.ca.gov. Discussion during the application stage will include at a minimum:

- Proposed grant project description, anticipated level of CEQA analysis/document required, proposed budget to complete the necessary CEQA analysis and review of CAL FIRE contractor expectations.

F. Budget and Goals forms – Fillable forms are accessed and submitted via EUNA GRANTS Portal. Applicants **must** submit these through the Portal (Guidance can be found in the *eCivis Grants Portal - Application Submittal User Guide*).

G. Signed Letters of Participation, including feedstock/offtake agreements, from primary project partners. Letters should be addressed to: **Chief John McCarthy, Wood Products Program Manager**, California Department of Forestry and Fire Protection. Applicants shall combine all letters into a single PDF file and upload them to designated EUNA location.

H. Signed Letters of Support from individuals and entities other than primary project

partners. This includes letters of support from communities and other groups, if applicable. Applicants shall combine all letters into a single PDF file and upload into designated EUNA location.

- I. Business Plan (for business development applications only) with the components outlined in Business Development Grant Selection Criteria.
- J. Environmental Documents: [All associated environmental compliance documents \(i.e., NEPA, CEQA, etc.\)](#) documents (should be uploaded as .pdf or .zip) – See Appendix C.

In addition, the following documents (if applicable) will need to be uploaded to the system:

- Non-profit applicants shall provide Articles of Incorporation including the Seal from the Secretary of State. Business applicants shall provide proof of active business registration with the California Secretary of State.
- State of California [Payee Data Record](#) (STD 204) – A W-9 can be substituted for tribal and governmental agencies.
- University of California and California State Universities are also required to submit their application using the [Model Agreement Template](#), which can be found on the Department of General Services' website. Documents must be submitted in MS Word.
- Justification and supporting documentation requesting application of indirect costs exceeding 15% (refer to Appendix D) but not to exceed 20%. *Only required for eligible applicants that are requesting indirect costs exceeding 15%.*

Application Review and Awards

A list of applications received will be posted on the [Wood Products Team webpage](#) at least 10 business days prior to announcing planned grant offers.

CAL FIRE will review completed applications that meet the Project Eligibility Criteria. CAL FIRE Unit and Region staff will be asked to provide feedback on projects within their respective geographies. Eligible applications will be evaluated by CAL FIRE staff and an inter-agency panel against the Grant Selection Criteria. Final grant offers will be determined based on project scores, project need, and relative fit of the projects to each other both geographically and with respect to proposed activities. This grant solicitation will strive to award at least 40% of the funding it receives from the California Climate Investments to projects that demonstrate they will target and provide specific benefits to populations that meet the State's definition of [low-income or disadvantaged](#).

Project applicants will be notified via email whether they have, or have not been, selected to receive offers for funding.

Successful applications will be summarized and posted to CAL FIRE's [Wood Products Team webpage](#) within two weeks of the decision to offer funding. Applications, including all submitted materials, will be treated in accordance with the Public Records Act requirements, and certain information, subject to those requirements, may be publicly disclosed. Additionally, information provided in the application may be used in public reporting such as to meet California Climate Investments (CCI) requirements.

GENERAL GRANT CONDITIONS AND PROJECT ADMINISTRATION

Sample Grant Agreement

- Successful applicants will be sent a grant agreement for review and signature. A sample grant agreement is available for viewing on the Wood Products and Bioenergy webpage ([Link to Sample Agreement](#)). If you are requesting reimbursement for equipment and/or infrastructure, you will be required to submit, and receive CAL FIRE approval of, an Equipment and Infrastructure Disposition Plan upon purchase that is attached to the Sample Agreement.

Project Performance Period

- The Project Performance Period is from the time the Grant Agreement is signed by the CAL FIRE Deputy Director or designee to the Agreement expiration date. The current solicitation requires grant projects to be completed by **September 30, 2030**. Only eligible costs incurred during the Project Performance Period will be reimbursed by the State.
- CAL FIRE will execute all Grant Agreements as soon as feasible, and likely no later than September 30, 2026.
- Contact the CAL FIRE Wood Products Team regarding time constraints associated with project funding. CAL FIRE has the discretion to specify an earlier project completion date at the time of award based on the funds associated with the grant award. In that event, CAL FIRE and the awardees will explore options so that projects will still be achievable within the earlier timeframe.
- Final invoices for all grant-related work must be submitted to CAL FIRE no later than 30 days after the Project Performance Period has ended.

Project Reporting

Activity Reports on progress toward completion of the Scope of Work are required quarterly. Activity Reports are also required with every Financial Report. Quarterly Activity Reports are due 30 days following the end of each calendar quarter. Activity Reports are submitted online via EUNA GRANTS Portal and must be submitted on the Business & Workforce Development Progress Report Form. Report contents are determined by CAL FIRE and are consistent with the required project type-specific reporting requirements in other CAL FIRE grant programs and CARB's Funding Guidelines for Agencies that Administer California Climate Investments.

Information to be submitted includes, but is not limited to:

- Project accomplishments
- Challenges and obstacles
- Before and after photographs

- Benefits to disadvantaged and/or low-income communities, and other co- benefits.
- Metrics about deliverables:
 - Bone dry tons of biomass by species and source (landowner type) delivered to/received by a renewable energy facility, volume/weight of biomass by species and source delivered to/received by a wood processing facility, units of renewable energy produced, and days of production.
 - Number of trainings, type of certificates, and number of participants trained.

Progress towards project deliverables will be reported via online progress reports and Activity Reports.

Actual Job and Job Training Outcomes. All grantees must report regularly to CAL FIRE on all jobs and training services directly associated with the implementation of grant activities, including jobs provided by contractors and sub-contractors (unless an exception applies). This reporting is currently due April 30th and October 30th. Training services are services provided through a structured learning process that leads to the attainment of skills/competencies needed to perform work duties through the course of the workday.

All grantees are required to submit a final project closeout report to CAL FIRE with the final Financial Report. The final Closeout Report will include a final summary of all metrics reported in prior periodic progress reports, as well as a narrative summary of project outcomes and photographic documentation of project activities and outcomes.

Reporting for Equipment and Infrastructure

For grants that fund acquisition of equipment and/or infrastructure, wholly or in part by grant funds, the grantee must submit for CAL FIRE approval a record of physical inventory upon acquisition, project completion, and upon request by CAL FIRE after completion of the project for the useful life of the equipment. Reporting shall be completed until notified in writing by the Wood Products and Bioenergy Team that additional reporting is no longer required. Please refer to the Equipment and Infrastructure Disposition Plan in the sample Grant Agreement.

Amendments to an Approved Project

Once signed, a Grant Agreement may be amended by mutual agreement of CAL FIRE and the grantee. Requests by Grantee for amendments must be in writing stating the amendment request and the reason for the request and may be approved by the State in writing at the State's discretion. Amendments involving the following must be accomplished by a written amendment fully executed by the signatories to the Grant Agreement: (1) a substantial change in the Scope of Work, as determined by CAL FIRE; (2) a budget category change of more than 10% of the Grant Funds, or any increase in the total amount of Grant Funds; or (3) a change to the Project Completion Date. Proposed changes must be consistent with the statutes, regulations, and guidance governing the program. Requested budget changes may not increase the amount of funds awarded by CAL FIRE, unless such changes are initiated by CAL FIRE. CAL FIRE reserves the right to reject requested amendments.

Project Termination

Before work on the project begins, a Grant Agreement may be terminated by CAL FIRE or the grantee upon 30 days advanced written notice to the other party. After work begins on the Project, termination may occur: (1) if CAL FIRE and the grantee mutually agree to terminate the agreement; (2) if the State determines Grantee has made a material misrepresentation, violated this Agreement, failed to fulfill its obligations under this Agreement, or otherwise determines there is cause to do so; or (3) if the State gives 30-days written notice of termination to Grantee.

Further details on this process will be provided in the Grant Agreement.

Accounting Requirements

The grantee must maintain an accounting system that accurately reflects fiscal transactions following Generally Accepted Accounting Principles (GAAP). The accounting system must provide an adequate audit trail, including original source documents, such as receipts, progress payments, invoices, purchase orders, timecards, cancelled checks, etc. The accounting system must document the total cost of the project. The grantee must maintain accounting records for one year following the duration of the Project Performance Period or after final disposition of any disputed audit findings. Grantees are required to keep source documents for all expenditures related to each grant for at least three years following Project completion and one year following an audit. Upon CAL FIRE's discretion, Grantees shall be required to provide an audit report from a third-party Certified Public Accountant at the grantee's expense.

Loss of Funding

CAL FIRE reserves the right to withdraw funding award if stated requirements are not met. The following are examples of actions that may result in a grantee's loss of funding.

1. Failure to execute a Grant Agreement within 3 months of award offer.
2. Grantee has not satisfied all legal requirements (e.g., CEQA &/or NEPA for ground disturbing projects, ancillary contracts, agreements, MOUs, etc.) necessary to initiate project work within the proposed timeline.
3. Grantee withdraws from the grant program.
4. Grantee fails to complete the funded project described in the Grant Agreement Scope of Work or fails to meet scheduled milestones.
5. Grantee fails to submit all documentation within the time periods specified in the Grant Agreement.
6. Grantee changes the Project Scope of Work or project implementation without CAL FIRE's prior written approval via the amendment process.
7. Grantee or CAL FIRE terminates the Agreement.

Eligible Costs

Costs will be **reimbursed only**, with one exception; advances may be requested from non-profit organizations with Workforce Development grants. Please refer to the [eCivis Grants Portal - Application Submittal User Guide](#) when completing the budget section in EUNA GRANTS Portal.

Table 3. Eligible Costs and Requirements

Budget Item	Eligible for Reimbursement	Required Documentation
Salaries and Wages	<p>Salaries and wages of employees employed by the grantee who are DIRECTLY engaged in the execution of the grant project.</p> <p>Limited to actual time spent on the grant project. Leave benefits (e.g., sick leave, vacation, etc.) that are consistent with the grantee's leave benefit policy may be charged to the grant in proportion to the percentage of time worked on the grant within the pay period. Examples of expenditures include time related to site visits and project monitoring, and completion of reporting related to the grant project. Staff time related to accounting, business services, etc. are allowed only if those functions are not included in the grantee's overhead cost.</p>	<p>A payroll summary of all employees' time spent on the project (i.e., who, rate, time worked, brief description of activity) must be provided with invoices requesting salary/wage reimbursement. Payroll documentation should show a nexus between time worked on the project and wages paid to the employee after the fact. Timesheets or similar documentation detailing days and hours worked on the project must be maintained and retained by the grantee for audit purposes but should not be submitted to CAL FIRE unless otherwise instructed. Any leave charged to the grant must reflect the calculation of time spent on the grant compared to overall time worked. A statement certifying that leave charged to the grant is in proportion to employee's time spent must be included as part of the supporting documentation. All salary and wages charged to the grant must tie back to the grantee's accounting records</p>
Benefits	<p>Employer contribution share offringe benefits associated with employees (paid from salaries and wages Budget Item) who are directly engaged in the execution of the grant project. This will include Social Security, Medicare, Health Insurance, Pension Plan costs, etc. as applicable for the specific employee.</p>	<p>Same documentation as Salaries and Wages. Payroll documentation showing wages and hours paid to the employee and associated fringe benefits. Backup documentation to be retained by grantee for audit records.</p>

Budget Item	Eligible for Reimbursement	Required Documentation
Contractual	<p>Direct consultant and contractual services necessary to achieve the objectives of the grant. Examples of contractual costs will be certification, professional/consultant services (the costs of consultant services necessary for project permitting, planning and implementation), etc. Procurement of contractual services should be documented to ensure selection on a competitive basis and documentation of price analysis.</p> <p>Documentation shall be provided immediately upon request by CAL FIRE Wood Products Team. Travel by contractors goes into the Contractual category.</p>	<p>Invoices from Consultant/ Contractor identifying expenditure, services performed and period of services. Documents related to consultant/contractor selection analysis shall be kept by the grantee but available for audit purposes. All invoices must relate to a specific line item in grant budget.</p>
Supplies	<p>Supplies that are used in the direct support of the project are allowable. Supplies exceeding \$10,000 per unit cost shall be documented to ensure procurement of supplies on a competitive basis and documentation of price analysis. Supply costs are only applicable to supplies purchased directly by the grantee. Supplies purchased by contractors must be charged to the "Contractual" category.</p>	<p>Receipts identifying items purchased, cost and date of purchase. Documentation related to cost analysis of procurement of supplies exceeding \$10,000 shall be kept by the grantee and made available for audit purposes, upon request.</p>
Travel	<p>Travel costs associated with travel to and from project sites, meetings, etc. directly related to the grant project and must be considered reasonable and necessary for the completion of the project. Reimbursement rates shall comply with U.S. General Services Administration guidelines, and per diem shall not exceed the California standard per diem rate established by the U.S. General Services Administration. However, this requirement does not apply to University of California or California State University entities, which must provide their applicable travel policy prior to invoicing. Mileage rates shall not exceed the rates allowable by IRS. Travel costs are applicable only to the grantee and their employees. Contractors' travel costs must be billed to the "Contractual" category.</p>	<p>Receipts identifying travel cost (i.e. lodging, rental cars). Mileage must be documented by either employee travel claims that are signed by the employee or vehicle mileage logs for vehicles owned by the grantee. Per Diem must be documented by employee travel claims. Documentation or notes should show who traveled; when; where; which budget line item/how travel furthered the grant.</p>

Budget Item	Eligible for Reimbursement	Required Documentation
Equipment and Infrastructure	<p>Equipment/Infrastructure is an item exceeding \$10,000 or more per unit cost and has a tangible useful life of more than one year. Cost to lease equipment/ infrastructure to use in the grant project may be charged to the grant but listed under the 'Other' budget category. A cost-benefit analysis to justify the cost of purchasing equipment/ infrastructure versus leasing must be provided. Procurement of equipment/ infrastructure must be done on a competitive basis and include documentation of price analysis. Grantee must include in the application package the proposed use and maintenance plans for equipment/ infrastructure after the performance period of the grant. Disposition of equipment/infrastructure beyond the project performance period is subject to CAL FIRE approval. Equipment/ infrastructure shall be warranted and maintained according to manufacturer's specifications during the course of the grant period. Warranty and maintenance costs are eligible expenses. Down payments may be eligible with prior program approval only when these are required for equipment/infrastructure construction and purchase.</p>	<p>Cost of equipment/infrastructure purchased shall be substantiated by purchase receipt. Documentation related to price analysis of procurement of equipment/ infrastructure shall be kept by the grantee but available for audit purposes. Disposition of the equipment/infrastructure must be in accordance with the Equipment and Infrastructure Disposition Plan.</p>
Other	<p>Other costs that do not fit in any of the above categories. Cost must be directly related to the grant project. Use of equipment owned by the grantee may be charged to the grant at a rate set by the California Department of Transportation "Labor Surcharge and Equipment Rental Rate" guide. Rates for items not addressed in the "Labor Surcharge and Equipment Rental Rate" guide may apply a not-to-exceed cap rate only if the rate has been agreed upon in advance by CAL FIRE. A cost (such as rent, utilities, phones, general office supplies, etc.) that must be apportioned to the grant is considered indirect cost unless written justification is submitted and approved by CAL FIRE.</p>	<p>Invoices or receipts identifying the item and cost charged to the grant. Cost of leased equipment charged to the grant must be substantiated with receipts identifying equipment leased, dates equipment was leased, lease rate and total cost. Usage of grantee equipment must be substantiated with an equipment usage log, equipment used, rate and total rental cost. Documentation must be kept by the grantee and made available for audit purposes, upon request.</p>

Budget Item	Eligible for Reimbursement	Required Documentation
Indirect Costs	<p>Indirect Costs are costs associated with doing business that is of a general nature and are incurred to benefit two or more functions within the grantee organization. These costs are not usually identified specifically within the grant agreement, project, or activity, but are necessary for the general operation of the organization. Examples include salaries and benefits of employees not directly assigned to a project; functions such as personnel, accounting, budgeting, audits, business services, information technology, janitorial, and salaries of supervisors and managers; and rent, utilities, supplies, etc. Functions included as direct versus indirect costs must be applied consistently for all activities within the grantee organization, regardless of fund source. Workforce development projects managed by non-profit grantees are the only project types eligible for indirect charges. The maximum allowable indirect charge for this grant generally should not exceed 15% for eligible projects unless an exemption is granted by CAL FIRE (See Appendix D). Indirect charges shall not be applied to equipment purchases or business development projects. When filling out the project budget within Portal, the "Indirect Cost" option should be selected according to the policies described above.</p>	<p>Applied on a percentage (%) basis on direct costs on a per-invoice basis, <u>except for equipment</u>. Documentation related to the determination of the grantee's indirect cost rate must be retained by the grantee for audit purposes.</p>

Ineligible Costs

The following are common costs that are ineligible for reimbursement under the grant:

1. Advances, other than approved requests by non-profit organizations with Workforce Development grants.
2. Costs incurred before or after the Project Performance Period.
3. Cost of preparing the Project Application or other grant proposals.
4. Overtime for employees and/or contractors, unless pre-approved by CAL FIRE in writing. Otherwise, all hours will be reimbursed at the straight time rate.
5. Projects or activities utilizing CAL FIRE staff without corresponding reimbursements or requests seeking funding for services already provided by CAL FIRE.
6. Late fees, penalties, and bank fees.
7. Any practice or activity that, in CAL FIRE's judgment, is not a best management practice or that is, or could be, harmful to the environment.
8. Any indirect costs applied on equipment or business development project costs (see above).
9. Real property acquisition.

Payment of Grant Funds

Funds will be disbursed only once there is a fully executed Grant Agreement between CAL FIRE and the grantee. **Payments will be made on a reimbursement basis** (i.e., the grantee pays for services, products, or supplies; submits a Financial Report to CAL FIRE for the same; and the State reimburses the grantee upon approval of the invoice). No work prior to or after the grant period will be reimbursable. Advance funds may be provided (see **Advances** below) in lieu of reimbursement.

The grantee will submit to CAL FIRE a Financial Report consistent with invoice guidance above under ELIGIBLE COSTS and the [Grants Portal – CAL FIRE Grantee User Guide](#) when requesting payment of any type and will include appropriate documentation to support the costs (e.g., paid vendor receipts, payroll documents, other back-up documentation of expenses). Please see Required Documents on the Eligible Cost table for further description on supporting documents. An invoice template is available on the Wood Products Grantee Resources webpage.

A Wood Products Grant Project Progress Report or Final Report shall accompany all invoices. CAL FIRE may conduct a site inspection to verify that work invoiced has been satisfactorily completed. The invoice will then be forwarded to Sacramento Headquarters for review and subsequent approval of payment. **Expect payment to be issued 45 days from the time an acceptable invoice is received.** If an invoice is incomplete or cannot be substantiated with justifiable documentation, it will be returned to the grantee.

Advances

Advance payments may be considered for **non-profit organizations with Workforce Development Grants** in accordance with California Public Resources Code § 4799.05. Advance payments are solely at CAL FIRE's discretion and will not be approved within six months of the Grant Agreement expiration unless authority to advance funds is extended.

An [Advance Payment Request Form](#) must be submitted identifying how funds may be used over a six-month period. No single advance payment shall exceed 25% of the total grant award. An accountability report must be submitted to CAL FIRE no later than every four months and upon full liquidation after receiving the advance until the funds have been fully utilized. Advances should be fully utilized within a six-month period unless additional time is approved by CAL FIRE. No additional advances may be requested until acceptable documentation is received by CAL FIRE that the previous advance has been fully exhausted on eligible expenses.

Advance payments must be deposited into a federally insured, interest-bearing account that provides the ability to track interest earned and withdrawals. Any interest earned on advance payment funds must be accounted for, reported as program income and used toward offsetting the project cost or returned to the STATE. Refer to Appendix F on calculations and supporting documentation for interest income. It is highly advised that grantees deposit advance payments into a separate bank account solely for this purpose.

State Conflict of Interest Laws

All applicants, individuals who participate in the review of submitted Project Proposals, and grantees are subject to state and federal conflict of interest laws. Applicable statutes include, but are not limited to, California Government Code section 1090 and Public Contract Code sections 10365.5, 10410, and 10411. These statutes include, but are not limited to, prohibitions on the following conduct:

- i. **Current State Officers or Employees:** No State officer or employee shall engage in any employment, activity, or enterprise from which the officer or employee receives compensation or has a financial interest, and which is sponsored or funded by any State agency, unless the employment, activity, or enterprise is required as a condition of regular State employment. No State officer or employee shall contract on his or her own behalf as an independent contractor with any State agency to provide goods or services.
- ii. **Former State Officers or Employees:** For the two-year period from the date he or she left State employment, no former State officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements, or any part of the decision-making process relevant to the contract while employed in any capacity by any State agency. For the twelve-month period from the date he or she left State

employment, no former State officer or employee may enter into a contract with any State agency if he or she was employed by that State agency in a policy-making position in the same general subject area as the proposed contract within the twelve-month period prior to his or her leaving State service.

Any individual who has participated in planning or setting priorities for a specific grant solicitation over and above the public comment process and tribal consultation or who will participate in any part of the grant development and negotiation process on behalf of the State is ineligible to receive funds or personally benefit from funds through that solicitation. Failure to comply with conflict-of-interest laws, including business and financial disclosure provisions, will result in the Project Proposal being rejected or any grant agreement made in violation of the conflict-of-interest laws being declared void. Other legal actions may also be taken. If an applicant has any questions about compliance with conflicts of interest laws, the applicant should consult the California Fair Political Practices Commission or a qualified attorney.

Private Benefit Prohibited

Grantee will not be reimbursed for any costs that exceed the fair market value of an “arm’s length” transaction for goods or services rendered in furtherance of the grant project.

An “arm’s length” transaction exists where the parties have an adverse (or opposing) interest. For example, a seller wants to sell his goods at the highest possible price, while a buyer wants to buy at the lowest possible price. These are adverse interests. In negotiating with a person, an adverse interest is assumed if that person is otherwise unrelated to you in the sense of not being in a position to exercise substantial influence over you or your affairs. If the person is in a position to exercise substantial influence over your affairs, then an arm’s length standard requires additional precautions to eliminate the effect of the relationship. Using a conflict-of-interest policy, information about comparable transactions between unrelated parties, and reliable methods for evaluating the transaction, are examples of precautions that would help make the negotiation process equivalent to one between unrelated persons.

Fair market value is the price at which goods, services, or property would change hands between a willing buyer and a willing seller, neither being under any compulsion to buy, sell, or transfer the goods, services, or property, and both having reasonable knowledge of relevant facts.

Grant recipients must avoid or scrutinize transactions that exhibit signs of actual or possible conflicts-of-interests and should avoid even the appearance of conflicts. The appearance of a conflict of interest occurs when a person in a position of authority over an organization, such as a director, officer, or manager, may benefit personally from a decision he or she could make. Conflict-of-interest red flags may also include organizations that engage in transactions that are less than “arm’s length” indicating there may be a bargain or gift element, such as transactions with friends and relatives, or receiving gifts from contractors. In addition, transactions with organizations that have

several employees or Board members who are personally or professionally related should be highly scrutinized.

CAL FIRE may require Grantee to establish conflict-of-interest policies and procedures and maintain adequate controls to ensure that the grantee or anyone acting on behalf of the grantee does not have any conflicting personal and/or financial interest associated with activities funded by the grant project. CAL FIRE may request additional documentation during the performance of the grant, including during review of financial or progress reporting, or during State Audit to verify that a conflict of interest does not exist.

Prevailing Wage Requirements

CAL FIRE provides no opinion as to whether projects may be subject to prevailing wages. For determination for prevailing wage applicability, please contact the [Department of Industrial Relations](#). It is the applicant's responsibility to budget for prevailing wages in their project cost when applicable.

Please Note: Beginning July 1, 2026, certain fuel reduction work, including but not limited to residential chipping, rural road fuel brakes, and fire breaks funded by the State will be subject to prevailing wage, record keeping, and registration requirements. (California Public Resources Code section 80200 et seq.).

State Audit

The State may audit the project records at any time over the Project Performance Period and three years following Project completion. A project is considered complete upon receipt of final grant payment from the State. The purpose of the audit is to verify that project expenditures were properly documented and consistent with the project scope of work.

If your project is selected for audit, you will be contacted at least 30 days in advance of the audit commencing. To expedite the audit, the grantee shall have the project records, including the source documents, cancelled checks and written policies and procedures readily available. The audit should include all books, papers, accounts, documents, or other records of the grantee, as they relate to the project for which State funds were granted.

The grantee shall also provide an employee having knowledge of the project and the accounting procedure or system to assist the State auditor. The grantee shall provide a copy of any document, paper, record, or the like as requested by the State auditor.

All project records must be retained by the grantee for a period of not less than one year after the State audit or after final disposition of any disputed audit findings. Grantees are required to keep source documents for all expenditures related to each grant for at least three years following Project completion and one year following an audit unless the grantee has a longer retention policy.

APPENDIX A – EXPLANATION OF TERMS

TERM	EXPLANATION
Activity Report	A summary of activities and metrics performed over a given point of time compared to goals initially proposed in the application that is submitted via the EUNA GRANTS Portal. Each Activity Report is submitted as a pair with an Online Progress Report (see definition below).
Agreement	A legally binding agreement between the State and another entity.
Amendment	A modification or a change of the agreement, such as term, cost, or scope of work. This may include minor amendments or major amendments (see below).
Application	The form identified as Attachment A and supporting attachments for grants required by the enabling legislation or program, or both.
Authorized Representative	The designated position identified in a resolution as the agent to sign all required grant documents including, but not limited to, grant agreements, application forms and payment requests.
Budget	The proposed detailed budget plan identifying costs to be funded by the grant, matching funds, and projected income broken down by budget category.
CEQA	The California Environmental Quality Act is a law establishing policies and procedures requiring agencies to identify, disclose to decision makers and the public, and attempt to lessen significant impacts to environmental resources that may occur as a result of a proposed project.
Contractor	An entity contracting with the grantee for services and generally receives a Form 1099 for tax purposes.
Employee	Individuals employed directly by the grantee and generally receives a W-2 for tax purposes.
Financial Report	A report that tracks spending and reimbursement requests that the grantee will submit to CAL FIRE. Report will be used to submit all invoices.
Forestland or herein “Forest”	As in Public Resources Code § 4793, land at least 10% occupied by trees of any size that are native to California.
Formal Amendment	A formal agreement of changes that exceed the limitations of informal amendments. These changes require formal re-signings of the grant agreement and typically take six weeks.

TERM	EXPLANATION
Indirect Costs	Expenses of doing business that are of a general nature and are incurred to benefit at least two or more functions within an organization. These costs are not usually identified specifically with a grant, grant agreement, project or activity, but are necessary for the general operation of the organization. Indirect costs include salaries and benefits of employees not directly assigned to a project, which provide functions such as personnel, business, information technology or janitorial services, and salaries of supervisors and managers. Indirect costs may only be applied as a % of direct costs within the agreement subject to the limitations as specified in Eligible Costs.
Informal Amendment	An approved modification that reallocates funds within or between budget line items or categories, not to exceed 10% of the total award amount; adjusts deliverable due dates; or makes minor changes to the scope of work. It does not require a formal amendment to the grant agreement but does require written approval by CAL FIRE.
Net GHG Benefit	The sum of the GHG emission reductions and sequestration less any GHG emissions resulting from project implementation.
Nonprofit Organization	An organization formed for a nonprofit purpose that is recognized by the federal Internal Revenue Service as being tax exempt.
Online Progress Report	Report that is submitted via this link to report on progress made on project deliverables and activities. Each Online Progress Report is submitted as a pair with an Activity Report (see definition above).
Payee Data Record (Std. 204)	A form required to establish a supplier number to encumber funds and subsequent payment.
Project Performance Period	The Project Performance Period is from the time the Grant Agreement is fully signed to the Agreement termination date. Only eligible costs incurred during the project performance period will be paid by the State.
Project	The activity, activities, or work to be accomplished utilizing grant and matching funds (if applicable).
Scope of Work	The detailed description of the proposed tasks identified as Attachment B, as described in enabling legislation and detailed in the grant agreement.

APPENDIX B – WORK PLAN, ENVIRONMENTAL COMPLIANCE WORKSHEETS

Using the Excel workbook provided on the Wood Products Grantee Resources [webpage](#), applicants must complete all worksheets unless otherwise noted (see ReadMe page of the workbook for more information).

Worksheet #1: Work Plan

Complete with appropriate detail describing the phases of work necessary to successfully implement the project.

Project Title	CAL FIRE Business and Workforce Development Grants CAL FIRE Wood Products and Bioenergy <u>Work Plan Timeline</u>
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Applicant:	<enter Organization Name>
Project Title:	<enter Project Title>

For each "Major Task" in this application, list the associated activities or phases of work and show timeline by quarter.

Highlight grant-funded activities.

See examples below. Add more rows if needed.

Major Task	Activity	2026	2026	2027	2027	2027	2027	2028	2028	2028	2028
		Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Apr-Jun	Jul-Sep	Oct-Dec
<i>Example Mega Mass Timber</i>	<i>Planning</i>	X	X								
<i>(Delete Example ROWS before submission)</i>	<i>Permitting (grant funded)</i>		X	X	X						
	<i>Technology Development (grant funded)</i>				X	X	X	X	X		
	<i>Technology Deployment</i>								X	X	X
	<i>Commercial Operations</i>										X
<i>Example Super Tech Training</i>	<i>Staffing</i>	X	X								
<i>(Please Delete)</i>	<i>Curriculum Development</i>		X	X							
	<i>PPE/Equip Procurement</i>		X	X							
	<i>Recruitment</i>		X	X	X						
	<i>Training</i>				X	X	X	X	X	X	X

Worksheet #2: Environmental Worksheet

Project Title	CAL FIRE Business and Workforce Development Grants CAL FIRE Wood Products and Bioenergy <u>Environmental Compliance Worksheet</u>	Organization
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Date: _____

Total funding for completing CEQA in budget (if applicable): _____

Environmental Documents and Permits Completed and Filed: Use this form for grant funded activities covered by environmental documents and other permits that have been completed and filed.

Name	Type	Month, Year work will be completed	Lead Agency (federal)	Federal Env'tl. Compliance Doc.	Lead Agency (state)	State Env'tl. Compliance Doc.	Doc #	Date filed	Comment period ends
E.g., "Mega Mass Timber"	E.g., Grading Permit				E.g., Shasta County	E.g., MND			
E.g., Super Tech Training	Training program					e.g. NOE	noe-123-543	2/5/2025	

Notes: _____

Environmental Documents Not Completed: Use this form for grant-related activities for which environmental documents have NOT been completed.

Name	Type	Month, Year work will be completed	Lead Agency (federal)	Federal Document Being Prepared	Lead Agency (state)	State Document Being Prepared	Other Doc./Permit Being Prepared	Contractor completing documentation	Completion timeline
E.g., "Mega Mass Timber"	E.g., Air Permit				E.g., Shasta County	E.g., EIR			12/1/2026

APPENDIX C – ENVIRONMENTAL COMPLIANCE

CAL FIRE must comply with the California Environmental Quality Act (CEQA) (Public Resources Code §§ 21000–21189) and the CEQA Guidelines (California Code of Regulations, Title 14, Division 6, Chapter 3, Sections 15000–15387) when it funds a grant project. Each grantee is responsible for ensuring environmental compliance is complete for their project. To this end, each grantee must submit proof of environmental compliance within one year of the execution of the grant agreement to CAL FIRE unless an alternative timeframe is approved by CAL FIRE in writing. CAL FIRE is responsible for reviewing environmental documents and working with the grantee, if necessary, to ensure CEQA requirements are met. Specific responsibilities of the grantee or CAL FIRE will depend on the role each will play in the environmental compliance approval process.

No grant funds, including those provided via an advance payment from CAL FIRE, shall be spent on any project activity that could affect the environment, including any ground-disturbing activity, until the grantee receives written environmental compliance approval from CAL FIRE Climate and Energy environmental compliance staff (cegrants.ceqa@fire.ca.gov)

NOTE: “Project” is defined under Public Resources Code (“PRC”) § 21065 as “an activity which may cause either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, and which is any of the following: (a) An activity directly undertaken by any public agency. (b) An activity undertaken by a person which is supported, in whole or in part, through contracts, grants, subsidies, loans, or other forms of assistance from one or more public agencies. (c) An activity that involves the issuance to a person of a lease, permit, license, certificate, or other entitlement for use by one or more public agencies.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

CEQA requires public agencies to evaluate and disclose the potential environmental impacts of their discretionary actions, including their award of grant funding for projects that may directly or indirectly affect the environment. CEQA review ensures that potential environmental impacts are identified, mitigated where feasible, and disclosed to the public. CAL FIRE’s environmental compliance approval process ensures its actions are environmentally responsible and legally sound and supports the Department’s mission to serve and safeguard the people and protect the property and resources of California.

Planning-specific, or other activities that would not affect the environment, may not require environmental compliance documents. These activities will be identified by Climate & Energy environmental compliance staff when grantees discuss projects prior to application submittal or following execution of a grant agreement.

CEQA Agency Roles

Responsibilities of the grantee and CAL FIRE (grantor) depend upon the agency role they fulfill under CEQA. These roles primarily include:

Lead Agency

If the grantee or another project partner with decision-making (discretionary) authority over approving the project is a public agency,² they will assume the role of lead agency under CEQA. Discretionary authority refers to the power to make decisions that affect whether or how the project proceeds. The lead agency is responsible for: (a) performing the necessary environmental effects analysis; (b) preparing environmental documents; and (c) filing associated notices with the State Clearinghouse and, when needed, the county clerk.

If the grantee is not a public agency, and the grantee cannot identify another lead agency, CAL FIRE may be requested to assume the role of lead agency. This request should be coordinated with CAL FIRE Climate and Energy environmental compliance staff during grant solicitation.

For these projects, the grantee must work closely with CAL FIRE and provide the information necessary to ensure compliance with CEQA and other pertinent laws, regulations, and procedures. This includes performing the necessary environmental effects analyses, preparing required environmental documents, complying with any applicable inter-agency collaboration requirements, and following CAL FIRE's internal processes, including scheduling appropriately for final review and approval of the CEQA document(s).

For all environmental documents where CAL FIRE is the lead agency, cultural resources must be assessed in compliance with the procedures outlined in [Cultural Resources Review Procedures for CAL FIRE Projects \(2020\)](#). This may require the project proponent to consult with a CAL FIRE archaeologist to determine potential impacts and any necessary protection measures and/or mitigations. Communication regarding cultural resources should be initiated as early as possible in the environmental compliance planning process. All communication between the grantee and CAL FIRE Cultural Resources staff, including general questions, consultation, and document review, must occur through Climate and Energy environmental compliance staff.

NOTE: Per CAL FIRE's procedures, a CAL FIRE Certified Archaeological Surveyor certificate can only be used when ***CAL FIRE is the lead agency*** for CEQA. This

² CEQA Guidelines § 15379 (“‘Public agency’ includes any state agency, board, or commission and any local or regional agency, as defined in these Guidelines. It does not include the courts of the state. This term does not include agencies of the federal government.”); and CEQA Guidelines § 15368 (“‘Local agency’ means any public agency other than a state agency, board, or commission. Local agency includes but is not limited to cities, counties, charter cities and counties, districts, school districts, special districts, redevelopment agencies, local agency formation commissions, and any board, commission, or organizational subdivision of a local agency when so designated by order or resolution of the governing legislative body of the local agency.”)

means that when a grantee or another public agency assumes the role of lead agency, the grantee CANNOT use a CAL FIRE Certified Archaeological Surveyor certificate to obtain records from the California Historical Resources Information System (CHRIS).

For projects that are exempt from CEQA, where CAL FIRE has agreed to serve as the lead agency for purposes of filing a notice of exemption (“NOE”), the grantee must: (a) complete environmental due-diligence tasks, such as reviewing existing databases for known sensitive resources (e.g., archaeological sites, threatened species, wetlands) and conducting on-the-ground field surveys, when needed, to confirm whether those resources are present in the project area; and (b) complete CAL FIRE’s Environmental Review Report Form for an Exempt Project (“ERRF”) or equivalent document. These tasks will help to ensure the project will not inadvertently impact biological, cultural, or other environmental resources and document this effort. If, after reviewing the ERRF, Climate and Energy environmental compliance staff determine that an NOE is appropriate, CAL FIRE will prepare and file the NOE with the State Clearinghouse.

Responsible Agency³

When CAL FIRE is not the lead agency and an environmental impact report (“EIR”), negative declaration or mitigated negative declaration (“ND/MND”) has been, or will be, prepared, CAL FIRE will assume the responsible agency role and review an approved environmental analysis by the lead agency, make an independent judgement about the environmental impacts analyzed, and file a notice of determination (“NOD”) with the State Clearinghouse.

NOTE: Pursuant to CEQA Guidelines section 15096, the lead agency may be responsible for consulting with CAL FIRE and other responsible agencies before making its determination regarding the project’s potential impacts and the level of CEQA review required.

If a lead agency determines a project is exempt from CEQA and files an NOE, CAL FIRE, as a responsible agency, must ensure that its own discretionary decision (funding the project) complies with CEQA. CAL FIRE will review the exemption and supporting materials to confirm that grant-funded project activities are within the scope cited in the exemption and, if a categorical exemption is used, that no exceptions to the exemption apply. CAL FIRE may request additional documentation or analysis from the grantee to verify that the grant project qualifies for the exemption.

If CAL FIRE determines a CEQA document utilized by another lead agency does not adequately cover all grant-funded project activities or otherwise does not comply with the requirements of the law applicable to CAL FIRE’s decision to award grant funding, the grantee may need to conduct additional environmental analysis to receive environmental compliance approval.

³ PRC 21069 defines “Responsible agency” as “a public agency, other than the lead agency, which has responsibility for carrying out or approving a project.”

Pathways to CEQA Compliance

Within one year of the execution of the grant agreement (or longer if approved in writing by CAL FIRE Climate and Energy staff) and prior to commencing any grant-funded project activity that could affect the environment, the grantee must provide CAL FIRE with proof of adequate environmental compliance. Depending on the scope and nature of the grant, this may be accomplished by one or more of the following methods:

1. NOE filed with the State Clearinghouse and, if required, the county clerk. Note that PRC § 21159.27 prohibits a project from being divided into smaller projects to qualify for one or more exemptions.
2. ND/MND and NOD filed with the State Clearinghouse⁴.
3. Final EIR and NOD filed with the State Clearinghouse.
4. Timber harvesting permit or notice approved in compliance with the California Forest Practice Act and Rules for projects that undertake timber operations as defined in PRC § 4527. Note that use of timber harvest documents for CEQA compliance in the absence of timber operations is not appropriate.
5. For projects on Federal land that have been reviewed under the National Environmental Policy Act (“NEPA”) and are exempt from CEQA pursuant to PRC § 4799.05(d)(1), a finding of no significant impact (“FONSI”) decision notice, categorical exclusion (“CX”) decision memo, or environmental impact statement (“EIS”) record of decision prepared in compliance with NEPA. For further information, see “National Environmental Policy Act” below.
6. For activities proposed under a Program EIR (CEQA Guidelines §15168), like the California Vegetation Treatment Program (“CalVTP”) PEIR or California Forest Improvement Program (“CFIP”) PEIR, one of the following must be provided:
 - a. A checklist or similar evaluation tool (like a Project Specific Analysis (“PSA”) for the CalVTP) demonstrating that site-specific impacts were considered and that applicable mitigation measures from the Program EIR are incorporated; or
 - b. An Initial Study leading to a Negative Declaration, Mitigated Negative Declaration, or subsequent EIR if new effects not addressed in the Program EIR would occur; or
 - c. Documentation that the activity is within the scope of the Program EIR, supported by substantial evidence in the record; or

⁴ Beginning January 1, 2024, Senate Bill (SB) 69 (Cortese, 2023) requires electronic filing of all notices of determination (NODs) normally filed with the local county clerk to also be filed with the Governor’s Office of Land Use and Climate Innovation (LCI) (formerly, Office of Planning and Research or OPR). In addition, any NOEs filed with the local county clerk must also be filed with OPR.

- d. Other documentation showing compliance with CEQA Guidelines §§15162–15164 regarding subsequent, supplemental, or addendum analysis.

Obtaining Written Environmental Compliance Approval

To ensure environmental compliance occurs in a timely manner, grant applicants are strongly encouraged to consult with CAL FIRE Climate and Energy environmental compliance staff prior to submitting a grant application, even when an environmental professional is consulted or contracted for the project. After receiving an executed grant agreement and prior to commencing any grant-funded project activity that could affect the environment, including any ground-disturbing activity, the grantee must contact CAL FIRE Climate and Energy environmental compliance staff as soon as possible to discuss how the grantee will obtain environmental compliance approval from CAL FIRE for their project.

During the environmental consultation process between CAL FIRE and the grantee, CAL FIRE may request additional information or that changes be made to the project or environmental documents. Failure to obtain environmental compliance approval may result in loss of funding.

To obtain written environmental compliance approval, submit all environmental compliance documents for review, including your grant agreement number in the email subject line, to Climate and Energy environmental compliance staff at cegrants.ceqa@fire.ca.gov as early as possible but *no less than six weeks prior to planned commencement of work*. [Environmental Compliance Review Instructions for Wood Products Grants](#) can be found under the Current Grantee Resources section on the [Business and Workforce Development Grants](#) webpage.

The following documentation must be included in a request for environmental compliance review:

1. *Project Summary* – A brief description of the project area and treatment/training activities, including total acreage, acreage by treatment/training activity, and unit names.
2. *Maps* – A map(s) showing the location/boundary of grant-funded activities overlaid with the CEQA or NEPA project boundary and identifying all treatment/training types. Maps must contain a legend defining all components, a datum point, a north arrow, and a bar scale.
3. *Environmental Documentation* – All relevant, complete, approved, and filed CEQA (or CEQA-equivalent) and/or NEPA documents, including supporting documentation. Key sections relevant to the grant project should be highlighted or clearly identified.
4. *Additional Pertinent Information* – Any additional information that may facilitate review and approval of submitted environmental documents. This may include

documentation identifying that the lead CEQA and/or NEPA agency (if different than grantee) supports and has committed to act as lead agency for grant-funded work.

CAL FIRE Climate and Energy environmental compliance staff will review the project and all associated environmental compliance documentation (i.e., CEQA, NEPA, Forest Practice, etc.) and supporting materials to ensure that potential significant environmental impacts of all grant-funded activities, including by type and location, have been adequately addressed. Compliance staff may request additional information, as needed, to determine that environmental compliance has been met. The grantee must plan accordingly and, considering the level of complexity and CAL FIRE's CEQA role, allow sufficient time for CAL FIRE to complete their review. Any grant-funded project activity that could affect the environment, including any ground-disturbing activity, cannot commence without written environmental compliance approval from Climate and Energy environmental compliance staff to the grantee.

NOTE: Failure to obtain environmental compliance approval within one year of the execution of the grant agreement may result in loss of funding.

NATIONAL ENVIRONMENTAL POLICY ACT (NEPA)

Project work involving Federal actions, or occurring on federal lands, must comply with NEPA. Even if a project complies with NEPA, the project must still comply with CEQA when using CAL FIRE grant funds. If the requirements of PRC § 4799.05(d)(1) are met, the project may be exempt from CEQA and eligible for a statutory exemption. This means that prescribed fire, reforestation, habitat restoration, thinning, or fuel reduction projects undertaken, in whole or in part, on federal lands to reduce the risk of high-severity wildfire that have been reviewed under NEPA may not need additional CEQA analysis. However, an NOE still must be filed with the State Clearinghouse and with the county clerk in the county in which the project will occur. Consistent with PRC § 4799.05(d)(4)(A), the lead agency will also need to post the NOE on its internet website together with a description of where the documents analyzing the environmental impacts of the project under NEPA are available for public review.

BUDGETING FOR ENVIRONMENTAL COMPLIANCE

Business and Workforce Development grant solicitations allow for environmental compliance costs to be charged to the grant. If necessary, the grantee should ensure they request sufficient funds to cover all necessary environmental compliance work when applying for their grant, including for projects where CAL FIRE may serve as the lead agency. When preparing a budget, a grantee should consider all potential costs associated with CEQA compliance, including the need to contract with qualified resource professionals to conduct the necessary environmental assessments and prepare required documentation. This may include, but is not limited to, biologists, professional archaeologists, air quality specialists, registered professional foresters, and environmental planners.

NOTE: The CEQA document type cannot be determined prior to conducting a preliminary review. The level of CEQA review necessary depends on the project's scope and the potential environmental resources affected. Budget estimates should therefore anticipate the possibility that more detailed studies or an alternative CEQA pathway may be required.

Absent special circumstances approved in writing by CAL FIRE, the grantee should not charge the grant for duplicative CEQA compliance work for the same project covering the same scope of work. For example, if a grantee charges the grant for the preparation of a MND for their grant project and then later determines the project can proceed under a NOE before filing the notice of determination for the MND, CAL FIRE will not reimburse the grantee for preparation of both the MND and the NOE without prior written approval from CAL FIRE. All grantees are strongly encouraged to consult early and often with Climate and Energy environmental compliance staff regarding the appropriate environmental compliance pathway for their project. If environmental conditions necessitate potential change(s) to the established environmental compliance pathway, these changes must be communicated and agreed to by Climate and Energy environmental compliance staff prior to reimbursement of environmental compliance costs.

APPENDIX D – JUSTIFICATION FOR INDIRECT RATE ABOVE 15% FOR ELIGIBLE PROJECTS

Non-profit Workforce Development applicants that utilize a higher indirect rate on non-CAL FIRE grants and agreements may request to apply an indirect rate in excess of 15% as part of their application. The request shall include a detailed justification as a separate attachment to the grant application indicating why a higher rate is needed for the grant project along with supporting documentation as to how the higher indirect rate is determined. Supporting documentation may include, but is not limited to, the entity's Federally approved Negotiated Indirect Cost Rate Proposal. Under no circumstances will CAL FIRE approve an indirect rate exceeding 20%. Submittal of the justification and supporting documentation does not guarantee approval of the higher rate which is solely at CAL FIRE's discretion.

For applicants requesting the higher rate, you may include this rate within your total application request and within your budget breakdown. CAL FIRE will evaluate your request for higher indirect rate concurrently with your grant application. If your project is approved but the higher indirect rate is not approved, CAL FIRE will notify you of the reduced award amount and request changes to your budget if needed.

APPENDIX E– Priority Populations

Any project selected following the publish date will use the new benefit assessment tools. Please utilize the updated tools in the following link: [**Benefit Assessment Tools**](#)



APPENDIX F – CALCULATING INTEREST ON ADVANCE PAYMENTS

Interest on Advance Payments must be reported on invoices as Program Income no less frequently than quarterly, unless otherwise waived by CAL FIRE. Documentation to be provided with the invoice should include a copy of the statement showing the grantee's name, initial deposit of the advance funds into the account and the interest rate earned for each statement period associated with the invoice period reported until the advance funds have been fully liquidated. It is advised that the account number and other sensitive information be redacted from the bank statement.

Separate Account for Advance Payments: Advance funds deposited in a separate interest-bearing account that is not comingled with any other funds should provide a copy of the statement showing the interest earned for each statement period. The amount reflected as interest earned on each statement should tie to the Program Income reported on the invoice, unless there is additional program income earned.

Co-mingled Advance Payments: Advance funds that are co-mingled with other funds shall include a copy of the statement for each statement period associated with the advance funds. The calculation for the invoice period must be included and the total interest should tie to the Program Income reported on the invoice, unless there is additional program income earned. The interest earned can be calculated as:

Formula:

Remaining advance funds x interest rate % = Annual Interest.

Annual Interest/365 days = Daily Rate.

Daily Rate x number of days = Interest/Program Income

Use of an alternative calculation method based on the grantee's accounting process may be accepted at CAL FIRE's discretion.