

WHALE TAIL® GRANT

ADVANCE PAYMENT GUIDELINES

The California Coastal Commission may advance grant funds to Whale Tail grantees that are non-profit organizations, projects of non-profit fiscal sponsors, or federally recognized Tribes. The Commission has discretion whether to advance grant funds. No individual advance payment may exceed 25% of the total grant amount, and advance payment will not be issued for the final 25% of the grant amount.

Requesting Participation in the Advance Payment Program

To request participation in the advance payment program, the Grantee must submit a completed [Advance Payment Request Form](#) to the Grant Manager. The request may be submitted by email. The request must be sent from the position who signed the grant agreement. (If your grant signatory has changed, first work with your Grant Manager to establish an informal grant amendment to that fact.) The Grantee must submit the same form to the Grant Manager to request any additional advance payments.

Advance Payment Program Requirements

Advance payments must be limited to the minimum immediate cash requirements necessary for the Grantee to carry out the project.

To be eligible for advance payments, Grantees must agree to the following conditions:

- All Grantees must provide the Grant Manager with an Advanced Funds Documentation form with proof of expenditures and progress reports that include a summary of the work completed no less than quarterly on the schedule of January 31, April 30, July 31, and October 31, which may supersede the progress report schedule in the grant agreement. Guidance for completing the form is on our website.
- Further advance payments will not be approved unless the Grantee demonstrates it spent 100% of the advanced funds previously disbursed.
- The Grantee must deposit the advance payment in a federally-insured, interest-bearing account for which deposits, including interest, and withdrawals will be tracked (“advance payment account”). Grantees must track and report to the Grant Manager any interest earned on the advance. The advance payment account must be in the Grantee’s name, and not in the name of any of its directors or officers. All interest earned by funds in the advance payment account are deemed additional grant moneys and must be documented just like the original grant funds. The

Grantee must hold the advance payment in the advance payment account until expenditure. Upon completion of the project, the Grantee must return to the Commission all unused advance payment funds. “Unused advance payment funds” means the amount that is equal to the difference between the total amount of funds disbursed as advance payments (including interest) and the total amount of funds documented in Advanced Funds Documentation submissions approved by the Commission. If there are any unused advance payment funds, the Grantee must inform the Grant Manager and repay all unused advance payment funds within 15 business days of completion of the project. Unless absolutely necessary, we encourage Grantees to avoid advancing funds to subrecipients (e.g., contractors or subgrantees), and instead to pay subrecipients for completed work (in arrears) to reduce risks. The Grantee is responsible for the advanced funds and must ensure the subrecipient uses the advanced funds in compliance with the Commission’s requirements. This includes having a written agreement with the subrecipient that obligates the subrecipient to handle the advanced funds as described in these guidelines, the Grantee’s grant agreement, and in compliance with all laws.

- We strongly recommend that Grantees request advance payment in a manner that does not result in unused advance payment funds.

The Commission will also consider all the following in determining whether to approve advance payments:

- The Advance Payment Request Form.
- Whether the Grantee failed to perform (or had performance issues) on a previous Commission grant or other State grant of which the Commission is aware.
- Whether the Grantee failed to provide (or had difficulty providing) timely or adequate documentation on a previous Commission grant or other State grant of which the Commission is aware.

Process for Receiving & Documenting Advanced Funds

- The Grantee submits an [Advance Payment Request Form](#). If approved by the Commission, the Grant Manager provides written approval. As with invoice payments, Grantees can typically expect to receive payment from the State Controller’s Office within 4-6 weeks.
- Grant Manager provides Grantee with revised reporting schedule as needed, requiring at least quarterly submission of the [Advanced Funds Documentation form](#), including proof of expenditures. If the Grantee fails to provide a complete Advanced Funds Documentation form as required, the Commission will not

approve additional advance payments and may not approve advance payments on future projects.

- Grantees must report the current amount of accrued interest. This interest is deemed additional grant money and can be spent on project expenses as approved by the grant agreement. Accrued interest will be documented just like the original grant funds.
- After advancing funds, the Grantee may request and the Commission may disburse additional advanced funds if the Grantee has submitted Advanced Funds Documentation forms demonstrating that all previous advanced funds have been fully expended.
- All expenditure items must be specified in the grant budget in your signed grant agreement, or in writing from your Grant Manager as an amendment to your budget. If you anticipate needing changes, contact your Grant Manager before the expenditure.
- The Grantee must repay all unused advance payment funds, which are defined to include interest, and all inadequately documented advance payment funds within 15 business days of completion of the project. Commission staff will not recommend any additional Commission grants to the organization until funds have been repaid.