

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

710



**FROM :** Community Action Partnership of Riverside County

**SUBMITTAL DATE:**  
January 17, 2012

**SUBJECT:** Amendment #4 to Agreement #10B-5631 with Department of Community Services and Development for the 2010 Low-Income Home Energy Assistance Program

**RECOMMENDED MOTION:** That the Board of Supervisors:

- 1) Ratify and authorize the Chairman of the Board to sign the attached Amendment #4 to the 2010 Low-Income Home Energy Assistance Program Agreement #10B-5631 between the Department of Community Services and Development (CSD) and the Community Action Partnership of Riverside County (CAP Riverside) to extend the end of the term from December 31, 2011 to June 30, 2012 and modify programmatic provisions.

FORM APPROVED COUNTY COUNSEL  
BY: NEAL R. KIPNIS DATE: Departmental Concurrence

Continued (2-pages total)

Maria Y. Juarez, CCAP, Executive Director

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$ 0	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	11/12

<b>SOURCE OF FUNDS:</b> 100% Federal	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY: Debra Cournoyer

**County Executive Office Signature**

Consent  
 Policy  
 Consent  
 Policy

Dep't Recomm.:  
 Per Exec. Ofc.:

**Prev. Agn. Ref.:** 3/2/10 (#3.5), 6/15/10 (#3.7), 2/15/11 (#3.3), 5/24/11 (#3.7) | **District:** All | **Agenda Number:**

ATTACHMENTS FILED WITH THE CLERK OF THE BOARD

3.5

**FROM:** Community Action Partnership  
of Riverside County

**DATE:** January 17, 2012

**SUBJECT:** Amendment #4 to Agreement #10B-5631  
with Department of Community Services  
and Development for the 2010 Low-Income  
Home Energy Assistance Program

**PAGE:** 2 of 2

**BACKGROUND:**

On March 2, 2010 (#3.5), the Board approved the 2010 LIHEAP Agreement #10B-5631 in the amount of \$992,670 providing the initial allocation for the 2010 Program Year to: 1) assist low-income consumers with high energy bills, 2) repair or replace heating and cooling devices that contribute to high energy consumption, and 3) weatherize homes.

On June 15, 2010 (#3.7), the Board approved Amendment #1 to the 2010 Agreement #10B-5631 to: 1) increase the initial allocation by \$3,217,719 to a maximum contract amount of \$4,210,389; 2) extend the end of the term of the agreement from April 30, 2009 to June 30, 2011; and 3) modify the programmatic terms and conditions.

On February 15, 2011 (#3.3), the Board approved Amendment #2 to increase the maximum contract amount by \$295,134 from \$4,210,389 to \$4,505,523 and modify programmatic terms and conditions.

On May 24, 2011 (#3.7), the Board approved Amendment #3 to extend the end of the term of the agreement from June 30, 2011 to December 31, 2011 and modify programmatic terms and conditions.

Amendment #4 extends the end of the term of the agreement from December 31, 2011 to June 30, 2012.

**FINANCIAL IMPACT:** No County General Funds will be required.

**CONCUR/EXECUTE:**

MYJ:KS:jb

AGREEMENT NUMBER <b>10B-5631</b>	AMENDMENT NUMBER <b>4</b>
REGISTRATION NUMBER <b>eP 1073276.4</b>	

1. This Agreement is entered into between the State Agency and the Contractor named below  
 STATE AGENCY'S NAME  
**Department of Community Services and Development**  
 CONTRACTOR'S NAME  
**Community Action Partnership of Riverside County**
2. The term of this Agreement is : **January 1, 2010 through June 30, 2012**
3. The maximum amount of this Agreement is: **\$ 4,505,523.00**
4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:
  - A. The maximum amount of this Agreement payable to Contractor by the State remains unchanged.
  - B. This amendment changes the term of this Agreement from January 1, 2010 through December 31, 2011 to January 1, 2010 through June 30, 2012.
  - C. This amendment changes Agreement language and Exhibit attachments as noted herein.

All other terms and conditions shall remain unchanged.

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

**CONTRACTOR**

**CALIFORNIA  
 Department of General Services  
 Use Only**

CONTRACTOR'S NAME (If other than an individual, state whether a corporation, partnership, etc.)

**Community Action Partnership of Riverside County**

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS

**2038 Iowa Ave, Suite B-102, Riverside, CA 92507**

**STATE OF CALIFORNIA**

AGENCY NAME

**Department of Community Services and Development**

BY (Authorized Signature)

DATE SIGNED (Do not type)

PRINTED NAME AND TITLE OF PERSON SIGNING

**Jean Johnson, Deputy Director, Administrative Services**

ADDRESS

**2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833**

FCIM APPROVED COUNTY COUNSEL  
 BY: NEAL R. KIPNIS  
 DATE: 1/19/12

"I hereby certify that all conditions for exemption have been complied with, and this document is exempt from the Department of General Services approval."

Exempt per \_\_\_\_\_

- D. This amendment changes language in Exhibit A, Sections 4 and 5.  
Replace Exhibit A in its entirety with the attached Exhibit A.
- E. This amendment changes language in Exhibit B, Section 3.  
Replace Exhibit B in its entirety with the attached revised Exhibit B.  
  
Replace Exhibit B, attachment IV "Reimbursement Rates for Weatherization and  
EHCS Activities" with the revised Attachment IV herein.
- F. This amendment changes language in Exhibit D, sections 5, 6, 7, 8, 13 and 14.  
Replace Exhibit D in its entirety with the attached revised Exhibit D.  
  
Exhibit D, Section 15, Attachments to the Contract has been changed to add  
Attachment VII, Board Roster Form (CSD 188).
- G. This amendment changes language in Exhibit E, Section 2.  
  
Replace Exhibit E in its entirety with the attached revised Exhibit E.

**EXHIBIT A**  
**(Standard Agreement)**

**SCOPE OF WORK**

1. **SCOPE OF WORK**

Contractor agrees to provide Weatherization (WX) assistance, Home Energy Assistance Program (HEAP) assistance, and Energy Crisis Intervention Program (ECIP) assistance to eligible participants residing in the service area described in EXHIBIT A, Section 6., pursuant to Title 42 of the United States Code (USC) Section 8621 et seq. (the Low-Income Home Energy Assistance Act of 1981, as amended, hereafter referred to as LIHEAP) and Government Code Section 16367.5 et seq., as amended. Unless otherwise specified in the Contractor's LIHEAP Agency Plan elsewhere in this Agreement, Contractor shall make its services and activities available to the low-income community within its service area throughout the entire term of this Agreement. Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, and that the services and activities funded by this Agreement shall also meet all other assurances specified at 42 U.S.C. § 8624.

2. **SERVICE AREA**

The services shall be performed in the following service area:

LIHEAP Provider Service Area

3. **ADDRESSES**

Send all correspondence and relevant reports to:

State Agency:	Department of Community Services and Development
Section/Unit:	Field Operations
Mailing Address:	P.O. Box 1947 Sacramento, CA 95812-1947
Hand Delivery:	2389 Gateway Oaks Drive, Suite 100 Sacramento, CA 95833
Phone:	(916) 576-7109

**EXHIBIT A**  
**(Standard Agreement)**

4. PROVISION FOR PROGRAM REQUIREMENTS

CSD shall provide Contractor with specific program requirements which shall be binding on the Contractor as a condition of the Contractor's participation in the LIHEAP program, and as a condition of receipt of funds under the program, PROVIDED:

- A. That such additional requirements shall be issued by CSD in writing in the form of "CSD LIHEAP Program Guidance No. XX" posted at <http://www.csd.ca.gov>.
- B. That such additional requirements shall be issued by CSD in the most timely and expeditious manner practicable;
- C. That such additional requirements shall be reasonably necessary to realize the purposes of the Low-Income Home Energy Assistance Program;
- D. That major and material changes in the program and/or requirements which substantially affect the Contractor's and/or CSD's ability to fulfill their obligations or otherwise serve to create a substantial hardship on either the Contractor or CSD shall be subject to an amendment to this Agreement;
- E. That the parties' failure to execute a mutually acceptable amendment, as contemplated in subparagraph D above, in a reasonable period of time, shall result in this Agreement's being without force and effect subject only to such provisions contained herein as are intended to survive the Agreement in accordance with the express and implied provisions of applicable Federal and State law; and
- F. That upon CSD's good faith determination, delivered to the Contractor by written notice that Agreement between the parties to any necessary amendment as contemplated in subparagraph D above, cannot be achieved, then this Agreement shall be "closed out" and the funds disposed in accordance with established CSD procedure and policy and as required under Federal and State law.

5. CONTRACTOR'S OPTION OF TERMINATION

Notwithstanding the provisions of paragraph 4., above, Contractor may, at Contractor's sole option, elect to terminate this contract in lieu of adherence to the procedures set out in paragraph 4, should Contractor determine that any subsequent grant guidance or proposed amendment to the contract is unjustifiably onerous or otherwise inimical to Contractor's legitimate business interests and ability to implement the contract in an effective and reasonable manner.

- A. Such notice of termination shall be in writing and shall be effective upon receipt by CSD, delivered by U.S. Certified Mail, Return Receipt Requested.

**EXHIBIT A**  
**(Standard Agreement)**

- B. Notice shall contain a statement of the reasons for termination with reference to the specific provision(s) in the grant guidance or proposed amendment in question.
- C. Contractor shall be entitled to reimbursement for all allowable costs incurred prior to termination of the contract. Such reimbursement shall be in accordance with the grant guidance and contract provisions in effect at the time the cost was incurred.

6. COMPLIANCE

All services and activities are to be provided in accordance with all applicable federal, state, and local laws and regulations, and as those laws and regulations may be amended from time to time, including but not limited to, pursuant to the following:

- A. The Low-Income Home Energy Assistance Program Act of 1981, 42 U.S.C. §§ 8621 et seq., and 45 Code of Federal Regulation (CFR) Part 96;
- B. The California Government Code §§ 16367.5 et seq., as amended, and Title 22, California Code of Regulations (CCR), §§ 100800 et seq.; and
- C. The Single Audit Act, 31 U.S.C. §§ 7301 et seq., and Office of Management and Budget (OMB) Circular A-133 and its appendices and supplements.

7. REQUIREMENTS, STANDARDS, AND GUIDELINES

Contractor agrees to apply all of the requirements, standards, and guidelines contained in the following authorities, as they may be amended from time to time, to all of the procurement, administrative, and other costs claimed under this Agreement, including those costs under subcontracts to this Agreement, notwithstanding any language contained in the following authorities that might otherwise exempt Contractor from their applicability. To the extent that the requirements, standards, or guidelines directly conflict with any State law or regulation at Government Code §§ 16367.5 et seq. or 22 CCR §§ 100800 et seq., or any specific provision of this Agreement, then that law or regulation or provision shall apply instead:

- A. OMB Circular A-102 (Common Rule for State and Local Governments), as codified by the Department of Health and Human Services (HHS) at 45 CFR Part 92;

**EXHIBIT A  
(Standard Agreement)**

- B. OMB Circular A-110 (Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals and other Non-Profit Organizations), as codified by HHS at 45 CFR Part 74;
- C. OMB Circular A-87 (Cost Principles for State, Local and Indian Tribal Governments) as codified at 2 CFR Part 225;
- D. OMB Circular A-122 (Cost Principles for Non-Profit Organizations) as codified at 2 CFR Part 230.

Contractor further agrees to execute and abide by all requirements in California Contractors Certification Clause 307 (CCC-307).

The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit [www.csd.ca.gov](http://www.csd.ca.gov).

8. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER

The Low-Income Home Energy Assistance Program (LIHEAP) Catalog of Federal Domestic Assistance number is 93.568. Award is made available through the United States Department of Health and Human Services.

9. ATTACHMENTS TO THE CONTRACT

ATTACHMENT I, Zip Code Cross-Reference.



**EXHIBIT B**  
**(Standard Agreement)**

**BUDGET DETAIL AND PAYMENT PROVISIONS**

1. **BUDGET CONTINGENCIES**

A. State Budget Contingency

- 1) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- 2) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

B. Federal Budget Contingency

- 1) It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if this Agreement were executed after that determination was made.
- 2) This Agreement is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the fiscal year 2009-2010 for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the Congress that may affect the provisions, terms, or funding of this Agreement in any manner.
- 3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- 4) The Department has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction in funds.

**EXHIBIT B**  
**(Standard Agreement)**

- 5) The State shall authorize expenditures of funds under this Agreement based on the Continuing Resolution appropriations. CSD shall notify the Contractor in writing of authorized interval funding levels.
- 6) It is mutually agreed that if the Congress does not appropriate sufficient funds for this Program or appropriates additional funds, this Agreement shall be amended to reflect any increase or decrease in funds.

2. BUDGET GUIDELINES

A. Budget and Allocation Forms

- 1) Upon execution of this Agreement, Contractor shall submit all budget and allocation forms attached to this EXHIBIT B, including the 2010 LIHEAP Weatherization Budget (CSD 557D), 2010 LIHEAP EHA-16 Program Budget (CSD 537E), and 2010 LIHEAP Nonconsideration Allocations (CSD 516), based on the Maximum Amount of this Agreement and in accordance with the accompanying instructions and other applicable provisions of this Agreement.
- 2) In the event the LIHEAP annual grant award is yet to be determined and CSD funds this Agreement based on Continuing Resolution appropriations, Contractor shall complete the budget and allocation forms using the Estimated Budget Allocation amount as defined in EXHIBIT G. When this Agreement is amended to reflect the Final Allocation, the budget and allocation forms shall be amended to reflect the actual annual allocation.

B. Weatherization Waiver

Weatherization consideration to be paid Contractor for the months of January, February, March, and April, if applicable, will be calculated and reimbursed to Contractor to include administrative costs on sixty percent (60%) of the total Weatherization budget based on the Interim Allocation and/or Final Allocation as appropriate. The remaining forty percent (40%) of the total budget for the remaining months to include administrative costs is totally contingent upon a Weatherization waiver being granted to CSD by the Federal Department of Health and Human Services (HHS) to allow Weatherization expenditure levels at twenty-five percent (25%) of the federal LIHEAP grant. Contractor will be notified by CSD, in writing, on the status of the waiver and disposition of the remaining funding.

**EXHIBIT B**  
**(Standard Agreement)**

C. Nonconsideration Allocation

The total nonconsideration payable by the State to Contractor under this Agreement shall be allocated as shown on EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT III, 2010 LIHEAP NONCONSIDERATION ALLOCATIONS (CSD 516).

1) Energy Crisis Intervention Program (ECIP): Electric and Gas (Fast Track)

The total amount allocated to the ECIP Fast Track Program shall not be included in the Maximum Amount of this Agreement but shall be for Contractor's use in accordance with the terms of this Agreement.

2) Home Energy Assistance Program (HEAP): Electric and Gas Allocation

The total amount allocated to the HEAP Electric and Gas Program shall not be included in the Maximum Amount of this Agreement but shall be for Contractor's use in accordance with the terms of this Agreement.

D. Working Capital Advance and Major Purchase Advances

1) Working Capital Advance (WCA)

Contractor may, in accordance with applicable law, receive WCA payments of allowable program costs contemplated under this Agreement, *provided* Contractor shall comply with the provisions of the present Paragraph D and such additional guidance issued by the State as is needed to implement Paragraph D (collectively "WCA Requirements") to ensure that:

- a. The time elapsing between the transfer of funds and the disbursement or expenditure of the funds by Contractor is minimized; and
- b. Contractor's financial management systems are compliant with the provisions of this Agreement and the standards for fund control and accountability as established in OMB Circular A-133 and in the Model Federal Advance Requirements as defined in subparagraph c., below with particular reference to 10 CFR 600.121.
- c. Working Capital Advance (WCA) Requirements include the following standards:
  - i. The WCA shall be for the minimum amounts necessary, timed in accordance with Contractor's immediate cash requirements, which will enable Contractor to carry out the purposes of this Agreement;

**EXHIBIT B**  
**(Standard Agreement)**

- ii. The *Model Federal Advance Requirements* are hereby incorporated by reference and adopted by the parties, for purposes of guiding and informing WCA requirements under the Agreement. The “Model Federal Advance Requirements” are defined as the provisions set out in the Code of Federal Regulations (CFR), Title 10, Chapter II, Sections 600.122, 600.220 and 600.221; and
  - iii. Guidance issued by the State regarding the scheduling of the WCA and the disbursement or expenditure of the funds by Contractor, while conforming to the requirements of subparagraphs 1) and 2) of the present Paragraph D, shall also take into account the practical requirements and limitations of efficient administration and the effective implementation of this Agreement by both Contractor and the State.
- d. In order to effect the purposes and requirements of subparagraphs 1) a. and b. above, the State has established the following general provisions in order to give effect to the WCA Requirements set out in this Agreement and in such supplemental guidance as may be issued:
- i. To ensure a minimal lapse of time between the transfer of funds, and the disbursement or expenditure by Contractor, and to effect both the consolidation of advance requests and optimal administration of advance payments, the WCA will be based on Contractor’s reasonable quarterly projections of anticipated expenditures allowable under the terms of this Agreement;
  - ii. The WCA request shall be: 1) submitted in advance of the beginning of the quarter, in accordance with CSD’s guidance; and 2) is subject to CSD’s review and approval;
  - iii. Upon approval of the WCA request, a payment will be issued to Contractor, which shall be limited to one hundred percent (100%) of the Contractor’s total projected expenditures for the entire quarter, not to exceed twenty-five percent (25%) of the Contractor’s total contract amount;

**EXHIBIT B**  
**(Standard Agreement)**

- iv. The WCA will be liquidated immediately, and will be reconciled at the end of the third month of each quarter. After issuance of a WCA, the balance will be offset by monthly expenditures in EARS.
- v. All WCA requests will be issued and reconciled pursuant to CSD Energy Policy and Procedures number EP 11-01, incorporated by reference to this Agreement and available on the CSD website at [www.csd.ca.gov](http://www.csd.ca.gov).
- vi. If, at the end of the contract term Contractor has received WCA payments in excess of requests for reimbursement that have been approved by CSD, Contractor shall promptly remit the excess balance owed.
- vii. Upon receipt of the WCA funds, Contractor shall deposit the funds in an interest-bearing advance account, in accordance with the provisions of this Agreement and Federal and State law. The account shall be sufficiently segregated to enable the tracking and accounting of WCA funds by CSD; and
- viii. In the event the State determines that Contractor has used the WCA for reimbursement of expenses that are not allowable under the terms of this Agreement and/or under Federal and State law, the State may, in accordance with the applicable provisions of the CFR, compel Contractor to repay any WCA monies wrongfully used and/or may make such adjustments in future payments to Contractor as it deems appropriate in order to rectify such misuse of WCA funds.

2) Major Purchase Advances

In the event an agency needs significant cash outlay for large purchases, a special advance may be requested at any time during the contract term. Requirements include:

- a. Request must be completed via the Major Purchase Advance Request (CSD 144).
- b. Limited to purchase of items in excess of \$5,000.
- c. No advance will be issued until the Request for Pre-approval of Purchase/Lease (CSD 558) has been approved by CSD.

**EXHIBIT B**  
**(Standard Agreement)**

- d. Procurement must comply with the open and competitive bid process, which must be documented through the Request for Pre-approval of Purchase/Lease (CSD 558).
- e. Advance repayment for major purchases will be liquidated upon the first expenditure reporting period following the date of the purchase of the item or items identified in the Request for Pre-approval of Purchase/Lease (CSD 558). An Advance Request (CSD 144) must reflect one-hundred percent (100%) liquidation in the month following the expected date of purchase.
- f. Major Purchase advance requests will not be granted unless Contractor has fully complied with the obligations and conditions of any Working Capital Advance (WCA) Contractor has received.

3) Special LIHEAP Provisions

In accordance with 22 CCR § 100840 (a) the total amount advanced to Contractor at any time, whether in the form of a Working Capital Advance (WCA) or a Major Purchase Advance, shall not exceed twenty-five percent (25%) of Contractor's total contract amount. Advance amounts repaid may be replaced by additional advances at any time as allowed in the present Paragraph D and corresponding guidance, so long as the aggregate amount advanced does not exceed the limit set out in this sub-paragraph.

E. Non-advance Payments and Offsets

If Contractor elects not to request a WCA, payment for allowable expenses under this Agreement shall be made upon approval by CSD of Contractor's monthly reimbursement and activity reports. If Contractor owes CSD any outstanding balances for overpayments under any contract, current or previous, the balance may be offset, based on arrangements made with the Contractor.

F. ECIP Payments - Electric and Gas (Fast Track)

Payment for applicant's electric and/or gas energy bills shall be made by CSD directly to the utility company or in the form of a dual-party warrant, payable to the applicant and the utility company. All payments shall be deducted from Contractor's Nonconsideration allocation.

**EXHIBIT B**  
**(Standard Agreement)**

G. HEAP Payments – Electric and Gas

Payment for applicant's electric and/or gas energy bills shall be made by CSD directly to the utility company or in the form of either a dual-party warrant, payable to the applicant and utility company; or, in the case where the cost of energy is included in applicant's rent, a single-party warrant shall be made, payable to the applicant. All payments shall be deducted from Contractor's Nonconsideration allocation.

H. Interest on Advances

Contractor should deposit all advances in an interest-bearing account. Any interest earned on LIHEAP advances shall be accounted for and expended pursuant to 22 CCR § 100855.

3. ALLOWABLE COSTS

A. Cost Reporting

All costs shall be reported using a "modified accrual" or "accrual" method of accounting.

B. Administrative

1) General

a. Administrative costs shall not exceed the amounts as set forth in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Attachments I and II. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

b. Administrative Costs shall mean actual costs for auxiliary functions such as salaries, wages, workers compensation, and fringe benefits for administrative staff, facilities, utilities, equipment, telephone, travel, accounting, auditing, monitoring assistance, office supplies, and like services necessary to sustain the direct effort involved in administering a grant program or an activity providing services to the grant program.

2) Local governments shall use 2 CFR Part 225 (OMB Circular A-87, Cost Principles for State and Local Governments) as a guide for determining administrative costs.

**EXHIBIT B**  
**(Standard Agreement)**

- 3) Private, nonprofit corporations shall use 2 CFR Part 230 (OMB Circular A-122, Cost Principles for Nonprofit Organizations) as a guide for determining administrative costs.

- 4) Assurance 16, ECIP, and HEAP

Administrative costs for Assurance 16, ECIP, and HEAP shall not exceed the amount as set forth in the allocation spreadsheet incorporated by reference and available on the CSD website at [www.csd.ca.gov](http://www.csd.ca.gov), and is contingent upon the expenditure of cumulative allowable expenditures for Assurance 16, ECIP and HEAP.

- 5) Weatherization

Weatherization administrative costs shall not exceed eight percent (8%) of the total Weatherization budget expenditures.

- 6) Travel

Travel and per diem costs related to the participation and attendance at policy advisory committees and work groups will be reimbursed by CSD as an administrative cost, upon submittal of an allowable claim to CSD.

C. Program Costs

- 1) General

Program costs are all allowable costs other than Administrative Costs. Program costs include those actual costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by CSD for the purpose of delivering services.

- 2) Outreach

Outreach shall be allocated at five percent (5%) each of the Weatherization, ECIP Consideration/Nonconsideration, and HEAP Consideration/Nonconsideration budgets based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual expenditures utilized for Outreach not to exceed the Final Allocation.



**EXHIBIT B**  
**(Standard Agreement)**

3) Intake

Intake shall be allocated at two percent (2%) of the Weatherization Budget and two percent (2%) of the ECIP/HEAP Consideration/Nonconsideration Budget based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to two percent (2%) of Final Allocation. Intake in excess of two percent (2%) may be charged as an administrative cost not to exceed allowable administrative cost maximum.

4) Assurance 16 Costs

Assurance 16 shall be allocated at five percent (5%) based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to five percent (5%), contingent upon the expenditure of the Final Allocation.

5) Direct Program Activities

Direct Program Activities shall mean those costs associated with the installation of measures to those dwellings weatherized and reported as completed, to include labor, materials, subcontractors, disposal fees, permits, HERS raters, lead-safe weatherization materials, Historic Preservation Reviews, and travel.

6) ECIP Emergency Heating and Cooling Services (EHCS)

ECIP EHCS shall mean those costs associated with emergency heating and cooling repair and replacement services and other related costs, including costs associated with disposal fees, permits, Home Energy Rating System (HERS) raters, lead-safe weatherization materials, and travel, all as further defined by the ECIP Policy and Procedures at EXHIBIT F, ATTACHMENT I, and the SWEATS Policy at EXHIBIT F, ATTACHMENT II when authorized by CSD.

7) Workers Compensation

Workers Compensation shall mean those actual costs associated with workers compensation coverage for program staff whose salaries and wages are chargeable under program costs. Workers Compensation for salaries and wages of staff chargeable under administrative costs shall be reimbursable at actual costs under administrative costs.

**EXHIBIT B**  
**(Standard Agreement)**

8) Liability Insurance

Liability Insurance shall mean those actual costs allocated for insurance bonds, general liability, vehicle insurance, and pollution occurrence insurance (if applicable).

9) Training - Weatherization and ECIP-EHCS

- a. Training and technical assistance shall be allocated up to five percent (5%) of the total Weatherization allocation and up to two percent (2%) of the total ECIP/HEAP allocation based on the Interim Allocations and/or subsequently the Final Allocation. Training and technical assistance shall not exceed these limits and shall be reimbursed at actual cost.
- b. If Contractor determines that an increase in the allowable allocation for training and technical assistance is needed to cover the cost of Energy Program Data (EPD) System or related automation training as specified below, then Contractor must submit a request to, and obtain prior approval from, CSD.
- c. Associated training and technical assistance costs may include costs related to: travel, admission, materials, and actual salaries/wages. On-the-job training is not reimbursable when the labor hours associated with the training are charged to a Weatherization measure for reimbursement.
- d. Crew members participating in on-the-job training or acting in a helper role shall be expensed to training and not to the installation of measures and will be charged at actual cost. The length of time for on-the-job training shall be in accordance with the Contractor's internal training program.
- e. Training and technical assistance shall include costs associated with the completion of Weatherization-related training as specified in the TRAINING REQUIREMENTS Section of Exhibit F of this Agreement. Training may also include internal contractor training, safety training, attendance of weatherization-related training to include EPD System or other forms of training to aid in the development and skill of staff in utilizing and supporting internal program automation systems, and/or weatherization-related workshops sponsored by utility companies, Department of Energy (DOE), CSD, and/or other organizations offering a component of weatherization training.

**EXHIBIT B**  
**(Standard Agreement)**

10) Vehicle and Equipment – Acquisition Costs

Acquisition Costs shall mean the actual costs associated with the purchase of a vehicle and/or equipment over \$5,000 per unit.

4. REIMBURSEMENT GUIDELINES

A. Claims for Reimbursement

Pursuant to the federal block grant and applicable regulations, Contractor may only claim reimbursements for actual, allowable, and allocable direct and indirect costs. For administrative efficiency during the term of this Agreement, CSD has incorporated fixed fees and other mechanisms for Contractor to use to seek reimbursement for various program services and activities on a monthly basis. At the end of the term of this Agreement, Contractor shall report actual costs incurred for actual expenditures up to any applicable maximum amounts set by this Agreement. Any reimbursements received over and above Contractor's actual costs shall be reported as Excess Income, pursuant to the procedures in Close-Out Report, Section 5. (D) below.

B. Assurance 16

- 1) Assurance 16 costs and its related services include those actual costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services. Assurance 16 costs shall include needs assessment, client education, budget counseling, and coordination with utility companies.
- 2) Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.
- 3) Contractor may claim Assurance 16 costs for the occupants of each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim Assurance 16 costs when a safety check of combustion appliances reveals safety hazards that preclude tightening of the envelope.
- 4) Contractor shall not claim Assurance 16 costs for client education unless the dwelling was previously weatherized by nonfederal funds, i.e., regulated or non-regulated utility companies, private-sector funds, etc., or by a weatherization service provider not associated with the provisions of this Agreement. If such circumstances exist, Contractor shall conduct client education and shall claim Assurance 16 costs for the occupants of each eligible unit previously weatherized.

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C. Wood, Propane, and Oil Assistance

1) HEAP WPO

Contractor may claim reimbursement for HEAP WPO expenditures and activities expenditures as required in accordance with the terms of this Agreement.

2) ECIP WPO

Contractor may claim reimbursement for ECIP WPO expenditures (excluding ECIP Fast Track) as required in accordance with the terms of this Agreement.

D. Weatherization and EHCS Specific

1) Contractor may claim reimbursement for Weatherization-related activities under the terms of this Agreement as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

2) Contractor shall ensure that duplicate billings for the same product or service do not occur.

3) Maximum Reimbursements

a. Contractor shall be entitled to obtain a maximum average reimbursement of \$3,055 per dwelling unit weatherized for applying the energy conservation measures and activities described in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT V, Reimbursement Rates for Weatherization and EHCS Activities.

b. In the event that the Governor declares a State of Emergency or Local Emergency under Article 13 or 14 of the Emergency Services Act or any federal official declares an emergency pursuant to 42 UCS 8622(1), the maximum average reimbursement shall be \$3,514 per dwelling unit.

c. For emergency ECIP EHCS provided outside Contractor's normal business hours of operations, Contractor may exceed the maximum cost limits allowed for repair and replacement services. Contractor shall not request reimbursement for more than one heating and/or cooling unit repaired or replaced per household.

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4) Measure Reimbursement

a. General

- i. Reimbursement for Weatherization or EHCS activities shall be claimed only once when LIHEAP and DOE WAP, or any other funding source, are used concurrently in the same unit.
- ii. Contractor may divide the material cost of a single measure among LIHEAP, DOE, or other CSD program when the single measure in question is installed in a dwelling where Weatherization or EHCS services are provided concurrently under these programs.
- iii. For weatherized dwellings where DOE and LIHEAP weatherization services are provided concurrently, Contractor may leverage material and labor costs under multiple LIHEAP weatherization contracts and may leverage material costs under DOE weatherization contracts for each weatherization measure described in EXHIBIT B, ATTACHMENT IV, and the following guidelines:
  - (a) Single Quantity Fixed-Fee Measures – are those weatherization measures described in EXHIBIT B, ATTACHMENT IV, with an assigned fixed-fee reimbursement and limits the maximum quantity of the measure/service to a single item per weatherized dwelling. Such measures can only be performed and charged to a single CSD program and cannot be further leveraged or split with another CSD contract or non-CSD funding source.
  - (b) Multiple Quantity Fixed-Fee Measures – are those weatherization measures described in EXHIBIT B, ATTACHMENT IV, with an assigned fixed unit price per measure and that provide for the installation of multiple quantities of the measure in a single weatherized dwelling. Such measures may only be leveraged with multiple LIHEAP weatherization contracts. Contractor cannot further leverage or split the fixed-fee price for these measures with another CSD contract or another non-CSD funding source.

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- (c) Labor and Material Single Quantity Measures – are those weatherization measures, described in EXHIBIT B, ATTACHMENT IV, where the reimbursement is based on the combined total of labor and material cost and the maximum quantity of the measure is limited to a single item per weatherized dwelling. Contractor may leverage the material and labor costs associated with the installation of these measures between multiple LIHEAP contracts. Contractor may only leverage material costs between LIHEAP and DOE contracts.
- (d) Actual labor hours for weatherization services shall not exceed the cumulative number of hours on the job site and shall be substantiated with client file documentation, job schedules, and payroll time records.
- (e) Labor and Material Measures – are those weatherization measures, described in EXHIBIT B, ATTACHMENT IV, where the measure reimbursement is based on the combined total of labor and material and the quantity of the measure itself is not limited to a specific amount per weatherized dwelling. Contractor may leverage the material and labor costs associated with the installation of these measures with multiple LIHEAP contracts to perform the installation of this type of measure within a single unit provided the combined expenditure reported to each CSD contract does not exceed the dwelling maximum reimbursement for the individual measure. Contractor may only leverage material costs between LIHEAP and DOE contracts. Contractor will be required to provide an accounting of labor, material, and for the quantities installed under each program.
- (f) Contractor may leverage the material and labor costs for ECIP HCS activities in dwellings where ECIP HCS and weatherization services are provided concurrently under multiple LIHEAP contracts. Contractor may only leverage material costs between ECIP HCS and DOE contracts.

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- b. Measure Maximums
  - i. For those Weatherization and EHCS measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor hours of Weatherization or EHCS crew members at the approved labor rate and the actual cost of the materials up to the maximum rate.
  - ii. Weatherization or EHCS measure costs exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, minor envelope repair, or another CSD program.
  - iii. When costs for a measure exceed the maximum reimbursement allowed, Contractor shall obtain prior written approval from CSD to exceed the maximum cost reimbursement and/or quantity limit for weatherization and ECIP HCS measures as described in EXHIBIT B, ATTACHMENT IV. Otherwise, at the Contractor's discretion, Contractor may elect to not provide the weatherization measure/service in the event the total cost exceeds the maximum cost reimbursement.
- c. Assessments and Diagnostics
  - i. Contractor may claim reimbursement for dwelling assessment for each eligible household.
  - ii. Contractor may claim reimbursement for dwelling assessment for each eligible unit not previously weatherized. For dwellings weatherized under this Agreement, Contractor may claim reimbursement for a modified dwelling assessment to perform re-weatherization services during the useful life period of the initial dwelling assessment. Once the useful life term has expired for the initial or last performed dwelling assessment, Contractor may claim a full dwelling assessment to perform re-weatherization services.
  - iii. If a dwelling was previously weatherized under a nonfederal program, the dwelling and occupant eligibility must be recertified; therefore, Contractor may claim reimbursement for assessment of dwelling and charge for intake.

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- iv. In the case of an un-weatherized dwelling where the installation of measures was not feasible and/or the dwelling was not accessible to install measures, Contractor may claim reimbursement for any related assessments and/or diagnostic checks that were performed. Reimbursement for travel is not allowable.
  - v. Contractor may claim reimbursement for dwelling assessment only once when LIHEAP and DOE funds are used concurrently in the same unit.
  - vi. Reimbursement for diagnostic testing for work performed under ECIP EHCS shall be included in the appliance repair or replacement line item for which the testing was performed.
  - vii. Contractor may claim reimbursement for renovator certification, defined as field-related costs associated with performing lead renovator certification for ensuring lead paint safety on weatherized dwellings built prior to 1978.
- d. Labor Reimbursement
- i. Contractor shall use the approved labor rate for all Weatherization crew labor expenses related to the direct delivery of Weatherization and EHCS services. The approved labor rate includes travel time, down time, supervision, inspection, support staff hours, and related operating expenses; therefore, Contractor shall not bill additional labor hours for these costs.
  - ii. Contractor must be able to substantiate all actual labor hours and labor costs charged.
  - iii. Actual labor hours for weatherization services shall not exceed the cumulative number of hours on the job site and shall be substantiated with client file documentation, job schedules, and payroll time records.
  - iv. If Contractor compensates Weatherization or EHCS crew members using piecework as an alternative to hourly wages or salaries, Contractor shall contact CSD for instructions prior to commencing with services for the current program year.



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v. For weatherization measure and specialty work activities in projects where LIHEAP and/or ECIP EHCS and American Recovery and Reinvestment Act of 2009 DOE WAP are leveraged, Contractor shall use the approved labor rates included in EXHIBIT D, ATTACHMENT VI, Approved Labor Rates for Units Leveraged with DOE ARRA, for reimbursement purposes.

vi. Assessments and Diagnostics

Contractor may claim reimbursement for renovator certification, defined as field-related costs associated with performing lead renovator certification for ensuring lead paint safety on weatherized dwellings built prior to 1978.

vii. Actual Labor Hours

(a) For measures that are not reimbursed by fixed fees, Contractor shall bill the number of actual labor hours associated with the installation of Weatherization and EHCS measures for the time spent at the job site.

(b) Contractor shall bill the actual labor hours incurred by Weatherization and EHCS crew members or other personnel associated with the direct facilitation of the disposal of appliances, the procurement of permits, and services performed by a HERS Program Rater.

viii. Other Labor

(a) Labor hours for other personnel are billable only if there are no billable hours for Weatherization or EHCS crew members for these services. The approved labor rate will be allowable for Weatherization and EHCS crew members only.

(b) When the installation of a measure is subcontracted and there are no billable labor hours for Weatherization or EHCS crew members, Contractor shall bill, in addition to the subcontracted expenditure, actual labor hours incurred by other personnel associated with the direct facilitation of that subcontracted measure. The approved labor

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rate will not be allowable for other personnel under these circumstances. A modified fixed fee labor rate determined by the Contractor or actual labor costs shall be used. Any modified fixed fee labor rate that is to be used must be submitted for CSD for approval prior to requesting reimbursement for these costs.

- (c) When the installation of a measure is subcontracted and there are billable labor hours for Weatherization or EHCS crew members who share in the installation of that subcontracted measure, Contractor shall bill, in addition to the subcontracted expenditure, the actual labor hours incurred by crew members at the approved labor rate.

e. Heating and Cooling Services (HCS/EHCS)

- i. If, during the course of repairing a defective unit, additional problems are found that would increase the cost of repairs to an amount beyond the established limits for repairs, Contractor may claim reimbursement for incurred costs related to the repair in addition to those costs associated with the replacement of the heating/cooling appliance.
- ii. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization and/or ECIP EHCS component, or under a re-weatherization call-back, Contractor may claim reimbursement for both the repair and the replacement of the appliance. Contractor shall report the single appliance as both a repaired and replaced appliance.
- iii. For multi-unit dwellings with a common water heater, Contractor may claim reimbursement for only one water heater. Contractor may claim reimbursement for the actual number of water heater blankets used to wrap the common water heater. Contractor shall prorate the cost among all dwelling units within that building envelope.
- iv. Duct repairs and replacements can only be charged to ECIP EHCS when provided in conjunction with emergency heating/cooling services performed under EHCS.

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- f. Other Program Costs
- i. Permit and Disposal Fees

Permit, HERS rater, and disposal fees are acceptable expenses and may be charged only once to ECIP EHCS, or LIHEAP Weatherization, or DOE Weatherization, per appliance or weatherization measure, per weatherized dwelling. Permit and disposal fee reimbursement includes crew member, subcontractor, or other personnel staff time and will be reimbursed based on the actual cost of the fee and actual labor hours.

- ii. Travel

Contractor shall be credited one round trip travel surcharge for any one dwelling weatherized or any one dwelling receiving assessments and diagnostic testing where weatherization services could not be provided due to client refusal or inability to gain access to the dwelling.

Contractor may claim mileage reimbursement for travel to Single Family Dwelling (SFD) and Multi-Unit Dwelling (MUD) Units in which travel exceeds a distance of 30 miles (one way) from Contractor's material storage site or headquarters. Contractor shall maintain records and source documentation in such a manner to substantiate mileage claims by individual dwelling weatherized. The following defines the conditions for mileage reimbursement applicable to dwellings weatherized:

- (a) Single Family Dwelling (SFD)

(i) Contractor may claim one travel surcharge equivalent to one (1) labor hour plus \$18.00 for each completed, weatherized SFD Unit.

(ii) For SFD Units in excess of 30 miles (one way) from Contractor's material storage or headquarters, Contractor may claim mileage in addition to the SFD travel surcharge for each completed, weatherized SFD Unit. Contractor may claim mileage at a rate of \$.91 per mile for each mile in excess of 30 miles (one way) or 60 miles round trip. Mileage reimbursement is limited to a single

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round trip, per completed SFD Unit; and Contractor may only claim the travel surcharge, fuel surcharge, and mileage reimbursement upon the completion of the SFD Unit.

(b) Multi-Unit Dwelling (MUD)

- (i) Contractor may claim one MUD travel surcharge of \$8.50 for each completed, individual, weatherized unit within a MUD complex.
- (ii) For MUD Units in excess of 30 miles (one way) from Contractor's material storage or headquarters, Contractor may claim mileage in addition to the MUD travel surcharge. Contractor may claim mileage at a rate of \$.91 per mile for each mile in excess of 30 miles (one way) or 60 miles round trip. Mileage reimbursement is limited to a single round trip per day, for travel to a MUD regardless of the number of individual completed units.
- (iii) All other travel-related expenses not directly related to the weatherization of dwellings are subject to reimbursement as described in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 1. Travel and Per Diem.

(c) Lodging and Per Diem

Contractor may claim reimbursement for lodging and per diem related to the installation of weatherization measurers subject to travel and per diem rates as described in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 1, Travel and Per Diem.

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iii. Overhead

All overhead costs shall be charged at actual costs to the appropriate monthly expenditure reporting line items. All other overhead costs without a reporting line item shall be included in the approved labor rate.

iv. Post-Weatherization Inspections

Contractor shall ensure that a total of twenty-five percent (25%) Post-Weatherization Inspections have been completed and that Contractor has not exceeded the maximum reimbursement amount allowable of twenty-five percent (25%) of the total weatherized dwellings per reporting period.

v. Clearance Inspections

Should a clearance inspection be required, Contractor shall defer the costs of the clearance inspection to the property owner and/or local housing authority. However, in those instances where the property owner and/or the local housing authority are unable to incur the costs of the clearance inspection, Contractors may seek a waiver allowing the cost of the inspection as a reimbursable activity. Waiver requests will be treated on a case-by-case basis and must be approved by CSD prior to beginning weatherization services. A copy of the clearance inspection must be placed and maintained in the client's file.

- g. When the total reimbursement for a measure is contracted under a non-CSD program and the reimbursement is intended to cover the entire costs of the contracted service, then all related costs associated with the installed measure shall be charged to that non-CSD program. Additional costs to facilitate or to offset cost deficits for the measure shall not be charged to CSD energy programs.

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5) Dwelling Status

a. Completed Units

- i. Contractor shall not report a weatherized dwelling as completed nor shall Contractor request reimbursement for a weatherized dwelling until all weatherization measures identified during the dwelling assessment have been installed and completed. Contractor shall not bill for incomplete units or prematurely close a unit with outstanding measures in order to receive reimbursement for work completed. If there are measures found to be non-feasible by crew members after the initial assessment, the reason for the non-feasibility shall be documented in the client file and the dwelling shall be considered completed.
- ii. Contractor shall not report a dwelling as weatherized nor request reimbursement prior to the quality assurance certification confirming quality and completeness of work performed upon weatherized and EHCS dwellings.
- iii. ECIP EHCS

Dwelling units receiving services under ECIP EHCS may be reported as completed and billed immediately upon the completion of ECIP EHCS and regardless to the completion of other weatherization measures installed within the same dwelling.

b. Un-weatherized Dwellings

- i. Contractor may claim reimbursement for outreach and intake for each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim reimbursement when a safety check of combustion appliances reveals safety hazards that preclude installation of measures.
- ii. Contractor may claim reimbursement for weatherization activities as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

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c. Previously Weatherized Dwellings

If the previous weatherization was performed under a nonfederal program or under this Agreement, the occupant eligibility must be certified; therefore, Contractor may claim outreach and intake costs.

d. Leveraging with Non-Federal Funding

Contractor may perform services and install energy conservation measures as per this Agreement and in accordance with requirements of another non-CSD funding source concurrently in the same dwelling as feasible and in the best interest of the client; however:

- i. Contractor may not claim duplicate reimbursement for the same services performed and energy conservation measures(s) installed under a CSD program with a non-federal program.
- ii. Contractor may not split Single Quantity Fixed Fee Measure under LIHEAP with any other funding source.
- iii. Contractor may not split LIHEAP or ECIP EHCS labor fees associated with a single measure with any other funding source.
- iv. Contractor may claim reimbursement for outreach and intake only once when DOE and LIHEAP funds are used concurrently in the same unit.

E. Severe Weather Energy Assistance and Transportation Services (SWEATS)

Reimbursement shall be in accordance with the SWEATS Policy, EXHIBIT F, ATTACHMENT II, when specifically authorized by CSD.

5. REPORTING REQUIREMENTS

A. Federal Funding Accountability and Transparency Act Reporting (FFATA)

CSD may issue guidance and/or Amendment(s) to this Agreement, establishing additional reporting requirements as necessary to ensure compliance with the Federal Funding Accountability and Transparency Act (FFATA) or other Federal and State regulations, as applicable.

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**B. Monthly Reports**

- 1) Contractor shall submit to CSD Contractor's expenditures and activities (excluding ECIP Fast Track and HEAP Electric and Gas) by entry into the web-based, Expenditure Activity Reporting System (EARS). The monthly reports shall be submitted on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.
- 2) Expenditures for Assurance 16, Intake, ECIP WPO, ECIP EHCS, SWEATS, and HEAP program costs shall be reimbursed through the LIHEAP Monthly EHA 16 Expenditure/Activity Report via EARS.
- 3) Expenditures for Weatherization shall be reimbursed through the LIHEAP Monthly Weatherization Expenditure/Activity Report via EARS.
- 4) All adjustments, if any, must be reported through EARS under the report period in which the expenditures occurred.
- 5) Contractor shall also submit to CSD client/job detailed data for services rendered under LIHEAP Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO for the monthly period in which the service activity occurred and reimbursement for the service activity is requested.
  - a. Utilizing the EPD System or equivalent software database collection system, Contractor shall submit monthly detailed client/job data separately from the EARS monthly activity/reimbursement reporting.
  - b. The client/job detailed data shall be sent electronically on or before the fifteenth calendar day following the reporting period in which direct service activity occurred.
  - c. The monthly EHA 16 Expenditure/Activity Report and the monthly Weatherization Expenditure/Activity Report will not be processed until CSD has reviewed and approved the Monthly Client/Job Detailed Data Report.

**C. CSD Review**

- 1) CSD shall review Contractor's monthly reimbursement/activity reports and evaluate Contractor's performance related to program and fiscal operations and its demonstrated ability to effectively utilize all funds available under this Agreement.



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- 2) The issuance of other CSD contracts, including reimbursement payments to the Contractor, shall be contingent upon timely receipt of the required reports and/or compliance of material requirements of this Agreement.

D. Close-out Report

Contractor shall submit on appropriate CSD forms, a close-out report, verifying all actual, allowable, and allocable costs earned during the term of this Agreement. Administrative costs, outreach, intake, and training and technical assistance shall not exceed the maximum allowable amounts. Administrative and Assurance 16 costs shall remain proportionate to the cumulative allowable program expenditures. Any administrative and Assurance 16 costs that exceed these limits shall be disallowed and returned to CSD within 90 calendar days after expiration of this Agreement. Subsequent payments, including advance payments, for LIHEAP or other CSD contracts shall also be contingent upon timely receipt of the close-out report of this Agreement.

- 1) The close-out report shall include the following forms:
  - a. Close-out checklist with authorized signature (CSD 733);
  - b. Excess Income/Interest Earned Reconciliation Report (CSD 733F);  
and
  - c. Equipment Inventory Schedule (CSD 733G).
- 2) Excess Income/Interest-Earned and Expended

Contractors shall use a CSD 733F, LIHEAP Excess Income and Interest Earned Close-out Reconciliation, to report actual costs, excess income and/or interest income earned and expended. Pursuant to CCR § 100840, any excess income generated as a result of actual costs being less than the fixed rate shall be used by the Contractor for any valid low-income energy assistance/weatherization activity in accordance with LIHEAP statutory and regulatory limits on expenditures subject to the maximum allowable limits for administrative costs, outreach, intake, and training and technical assistance. Upon request from CSD, Contractor shall provide an expenditure plan or other relevant information that demonstrates the allowable use of such excess income and/or interest income. Excess Income/Interest earned and expended are subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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- 3) Any weatherization materials purchased with the funds under this Agreement and remaining at the expiration of this Agreement shall be credited against Contractor's weatherization materials expenditures under this Agreement and charged to whatever other weatherization program Contractor may have in effect. If Contractor has no other weatherization program in effect, the State shall be contacted for disposition instructions.

6. ATTACHMENTS TO THE CONTRACT

The following documents are hereby attached to this Exhibit. Contractor shall complete the forms in Attachments I, II, and III and insert them into this Agreement upon execution of this Agreement, pursuant to Section 2.A. above.

- A. Attachment I 2010 LIHEAP WEATHERIZATION BUDGET (CSD 557D) and Instructions;
- B. Attachment II 2010 LIHEAP EHA-16 PROGRAM BUDGET (CSD 537E) and Instructions;
- C. Attachment III 2010 LIHEAP NONCONSIDERATION ALLOCATIONS (CSD 516);
- D. Attachment IV REIMBURSEMENT RATES FOR WEATHERIZATION AND EHCS ACTIVITIES.

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES FOR WEATHERIZATION AND EHCS ACTIVITIES

2010 LIHEAP Amendment Effective 12/15/2011

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Replacement Cycle in Full Years	Measure Life	Foot-notes	
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited				
<b>SECTION: Assessments/Diagnostics</b>															
1	Dwelling Assessment	With Attic Without Attic Modified Assessment (for Rework/Replacement dwellings only)	ADS	LIHEAP	No maximum at this time		1 assessment per dwelling unless expired				N		6 months		1
2	Combustion Appliance Safety Test	Pre Post	ADS	LIHEAP	No maximum at this time		No maximum at this time				N		Required if infiltration reduction measures (INF) are installed		
3	Blower Door Test	Pre Post	ADS	LIHEAP	No maximum at this time		No maximum at this time				N				2
4	Duct Leakage Test	Pre Post	ADS	LIHEAP	No maximum at this time		No maximum at this time				N				3
5	Contractor Post-Weatherization Inspection		ADS	LIHEAP		Hourly Crew Labor Rate	1 inspection per dwelling unless return visit is necessary to inspect additional work performed Total chargeable inspections not to exceed 25% of completed units				N				4
<b>SECTION: Health and Safety</b>															
1	Carbon Monoxide Alarm	Lithium Battery	HSM	LIHEAP	\$135 per dwelling		1 occurrence per dwelling; no maximum quantity						LIHEAP - Y; DOE - mat only	4	5
2	Smoke Alarm	Lithium Battery	HSM	LIHEAP	\$67 per alarm		Limited by code						Y - whole # only	4	5, 37
3	Cooking Appliance Repair, Free Standing Range or Cook Top	Electric Natural Gas and Propane Other Types Not Listed	HSM	LIHEAP	\$467 per dwelling or 50% of replacement		1 repair or replacement per dwelling; primary only						LIHEAP - Y; DOE - N	4	6, 7, 8

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Reweathering - LIHEAP and ECIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
4	Cooking Appliance Replacement, Free Standing Range or Cook Top	Electric	HSM	LIHEAP	\$934 per dwelling		1 repair or replacement per dwelling; primary only				LIHEAP - Y; DOE - N	10		6, 7, 8
		Natural Gas and Propane												
		Other Types Not Listed												
5	Cooling Repair	AC Wall/Window	HSM	LIHEAP, ECIP EHCS	\$788 per dwelling or 50% of replacement or \$822 per dwelling or 50% of replacement or \$1742 per dwelling or 50% of replacement or \$788 per MUD or 50% of replacement		1 repair or replacement per dwelling; primary only			LIHEAP - Y; DOE - mat only	4		5, 6, 8, 9, 10, 20, 21	
		Evaporative Cooler												
		FAU (Split System)												
		Multi-Unit Central System												
6	Cooling Replacement	AC Wall/Window	HSM	LIHEAP, ECIP EHCS	\$1575 per dwelling or \$1644 per dwelling or \$3483 per dwelling or \$1575 per MUD		1 repair or replacement per dwelling; primary only			LIHEAP - Y; DOE - mat only	10		5, 6, 8, 10, 22	
		Evaporative Cooler Roof												
		Evaporative Cooler Window/Wall Forced Air Unit (Split System)												
		Multi-Unit Central System												

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Authorization - LIHEAP and ECIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
7	Heating Source Repair	Exterior Wall Direct Vent, Interior Wall and Floor Furnace	HSM	LIHEAP, ECIP EHCS	\$1742 per dwelling or 50% of replacement		1 repair or replacement per dwelling; primary only				4		6, 7, 8, 9, 10	
		Forced Air Unit (Split System)			\$296 per dwelling or 50% of replacement									
		Mobile Home Furnace			\$1631 per dwelling or 50% of replacement									
		Multi-Unit Central System			\$1742 per MUD or 50% of replacement									
		Other Types Not Listed			\$2375 per dwelling or 50% of replacement									
		Package (Dual Pack)			\$364 per dwelling or 50% of replacement									
		Wood-Fueled			\$2375 per dwelling or 50% of replacement									
8	Heating Source Replacement	Exterior Wall Direct Vent, Interior Wall and Floor Furnace	HSM	LIHEAP, ECIP EHCS	\$3483 per dwelling		1 repair or replacement per dwelling; primary only				20		6, 7, 8, 10	
		Forced Air Unit (Split System)			\$4591 per dwelling									
		Mobile Home Furnace			\$3261 per dwelling									
		Multi-Unit Central System			\$3483 per dwelling									
		Other			\$4749 per dwelling									
		Package (Dual Pack)			\$6728 per dwelling									
		Wood-Fueled			\$4749 per dwelling									

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Replacement - LIHEAP and ECIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
9	Kitchen Exhaust Installation, Repair & Replacement	Range Hoods, Wall/Ceiling Mounts	HSM	LIHEAP	\$350 per dwelling		1 repair or replacement per dwelling	LIHEAP - Y; DOE - mat only		LIHEAP - Y; DOE - mat only	10		33	
10	Lead-Safe Weatherization		HSM	LIHEAP, ECIP, HCS	N/A		As required by EPA			LIHEAP - Y; DOE - mat only	N/A		38	
11	Water Heater Repair	Electric	HSM	LIHEAP, ECIP, EHCS	\$970 per dwelling or 50% of replacement		1 repair or replacement per dwelling; primary only	LIHEAP - Y; DOE - mat only		LIHEAP - Y; DOE - mat only	4		6, 7, 8, 11, 32	
		1 repair or replacement per MUD unit/building; primary only												
12	Water Heater Replacement	Electric	HSM	LIHEAP, ECIP, EHCS	\$1940 per dwelling		1 repair or replacement per dwelling; primary only	LIHEAP - Y; DOE - mat only		LIHEAP - Y; DOE - mat only	10		6, 7, 8, 10	
		1 repair or replacement per MUD unit/building; primary only												
<b>SECTION: Mandatory</b>														
1	Attic Ventilation	Only in conjunction with Ceiling Insulation	INS	LIHEAP	\$355 per dwelling		1 occurrence per dwelling; no maximum quantity			LIHEAP - Y; DOE - mat only	20		5, 15	
2	Caulking	Mobile Home	INF	LIHEAP	\$90 per dwelling		1 caulking per dwelling				4		16	
		Multi-Unit												N
		Single												
3	Ceiling Insulation	R-value 11	INS	LIHEAP			1 occurrence per dwelling; no maximum quantity				20			
		R-value 19												
		R-value 30												
		R-value 38												

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Replacement Cycle in Full Years	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
4	Compact Fluorescent Lamps	Hard Wire	EBL	LIHEAP	\$170 per dwelling		2 lamps per dwelling					4		5, 27
		Thread Based				\$10 per bulb	10 bulbs per dwelling	LIHEAP - whole # only; DOE - N						
5	Cover Plate Gaskets		INF	LIHEAP	\$33 per dwelling		1 occurrence per dwelling	N				20		16
7	Door Repair	Exterior - All Other Types	INF	LIHEAP	\$250 per door		3 repairs per dwelling					15		36
		Sliding Glass - 72" x 80" and smaller Sliding Glass - Greater than 72" x 80"			\$713 per door \$856 per door	1 repair per dwelling	LIHEAP - DOE - mat only							
8	Door Replacement - Catastrophic leaks only	Exterior - All Other Types	INF	LIHEAP	\$500 per door		3 replacements per dwelling					15		36
		Sliding Glass - 72" x 80" and smaller Sliding Glass - Greater than 72" x 80"			\$1425 per door \$1762 per door	1 replacement per dwelling	LIHEAP - DOE - mat only							
6	Duct Insulation		INS	LIHEAP	Up to \$0.95 per square foot		1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N				10		5
9	Duct Repair and Replacement		INF	LIHEAP, ECIP HCS	\$2200 per dwelling		1 repair or replacement per dwelling					10		10
		Air Conditioning Furnace			\$100 per dwelling	1 occurrence per dwelling	LIHEAP - Y; DOE - mat only							
10	Filter Replacement		GHW	LIHEAP			2 lamps per dwelling	LIHEAP - whole # only; DOE - N				4		35
11	Fluorescent Torchiere Lamp Replacement		EBL	LIHEAP	\$150 per dwelling							4		5, 27

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Reworkerization - LIHEAP and EGIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
12	Glass Replacement and Window Repair - Catastrophic leaks only		INF	LIHEAP	\$525 per dwelling		1 occurrence per dwelling; no maximum quantity			LIHEAP - Y - whole # only; DOE - mat only	10		17	
13	Hot Water Flow Restrictor	Faucet Restrictor Low Flow Handheld Showerhead Low Flow Showerhead	GHW	LIHEAP		\$8 per restrictor \$35 per showerhead \$27 per showerhead	1 occurrence per dwelling; no maximum quantity	LIHEAP - whole # only; DOE - N			4		5, 35	
14	Kneewall Insulation	R-value 11 R-value 19	INS	LIHEAP			1 occurrence per dwelling; no maximum quantity		LIHEAP - Y; DOE - mat only		20			
15	Mechanical Ventilation		OTH	LIHEAP	No maximum at this time		1 occurrence per dwelling		LIHEAP - Y; DOE - mat only		10			
16	Microwave Oven		EBL	LIHEAP	\$284 per oven		1 oven per dwelling		LIHEAP - Y; DOE - N		10		5, 23, 26	
17	Minor Envelope Repair		INF	LIHEAP	\$1331 per dwelling; Disaster Relief \$3514		1 occurrence per dwelling		LIHEAP - Y; DOE - mat only		4		13, 16, 17, 18	
18	Refrigerator Replacement	19 cu. ft. and below Over 19 cu. ft.	EBL	LIHEAP	\$1032 per appliance \$1187 per appliance		1 replacement per dwelling		LIHEAP - Y; DOE - mat only		15		5, 20, 28	
19	Thermostat	Manual Programmable	HCM	LIHEAP		\$65 per thermostat \$157 per thermostat	1 thermostat per dwelling	N			10		5, 25, 27	
20	Vent Cover, Interior	Evaporative Cooler/Air Conditioner	INF	LIHEAP		\$66 per cover	2 covers per dwelling	LIHEAP - whole # only; DOE - N			4		16	
21	Water Heater Blanket		GHW	LIHEAP		\$55 per blanket	1 blanket per dwelling	N			4		5, 35	



EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Replacement Cycle in Full Years	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
22	Water Heater Pipe Wrap		GHW	LIHEAP		\$3.90 per lin ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N			10		5, 35	
23	Weatherstripping	Hinged Door	GHW	LIHEAP		\$44 per door	1 occurrence per dwelling; no maximum quantity	LIHEAP - whole # only; DOE - N			4		16, 35	
		Other	INF			\$2.10 per lin ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N					16	
24	Window Replacement	Catastrophic leaks only	INF	LIHEAP	\$2400 per dwelling		1 occurrence per dwelling; no maximum quantity		LIHEAP - whole # only; DOE - mat only		20		17	
<b>SECTION: Optional</b>														
1	Ceiling Fans		OTH	LIHEAP	\$250 per fan		1 occurrence per dwelling; no maximum quantity		LIHEAP - whole # only; DOE - N		10		5	
2	Exterior Water Pipe Wrap		OTH	LIHEAP		\$3.90 per lin ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N			10		5	
3	Floor Foundation Venting	Only in conjunction with Floor Insulation	INS	LIHEAP	\$360 per dwelling		1 occurrence per dwelling; no maximum quantity		LIHEAP - Y; DOE - mat only		20		5, 15	
4	Floor Insulation	> 36" clearance ----- < 36" clearance	INS	LIHEAP			1 occurrence per dwelling; no maximum quantity		LIHEAP - Y; DOE - mat only		20		5, 24	
6	Shadescreens		GHW	LIHEAP	\$500 per dwelling		1 occurrence per dwelling; no maximum quantity		LIHEAP - Y; DOE - mat only		4		5	
7	Shutters		GHW	LIHEAP		\$6.00 per sq ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N			10		5	

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Rework/Replacement - LIHEAP and ECIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
8	Storm Windows	Fixed, Glass Glazing Fixed, Polycarbonate Operable, Glass Glazing Operable, Polycarbonate Other	GHW	LIHEAP	\$750 per dwelling	\$12.40 per sq ft \$18.40 per sq ft \$13.90 per sq ft \$21.40 per sq ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N				10		16 16, 29
9	Timer, Electric Water Heater		EBL	LIHEAP		\$112 per timer	1 timer per dwelling	N				4		5
10	Tinted Window Film		OTH	LIHEAP		\$3.30 per sq ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N				4		5
11	Wall Insulation, Stucco and Wood		INS	LIHEAP		\$11.05 per sq ft	1 occurrence per dwelling; no maximum quantity	LIHEAP - Y; DOE - N				20		5
<b>SECTION: Supplemental</b>														
1	Disposal Fees		OTH	LIHEAP, ECIP HCS			No max. quantity					If incurred		
2	Permits		OTH	LIHEAP, ECIP HCS			No max. quantity					If incurred		
3	HERS Rater		OTH	LIHEAP, ECIP HCS			No max. quantity					If incurred		
4	HPO Costs		OTH	LIHEAP, ECIP HCS			No max. quantity					If incurred		
5	Shop Fee		OTH	LIHEAP		\$10 per dwelling	1 fee per dwelling	N						30
6	Travel Credit	Single	TRA	LIHEAP, ECIP HCS, SWEATS		1 hour @ Approved Labor Rate + \$18	1 credit per WX, ECIP HCS or SWEATS dwelling	N				1 credit per reweatherized dwelling; 1 credit per reweatherized ECIP HCS dwelling		
		Multi (over 5 units) Lodging and per diem	TRA	LIHEAP, ECIP HCS, SWEATS	\$750 per trip	\$8.50 per dwelling	1 trip per reweatherized dwelling		N			1 trip per reweatherized dwelling		34

EXHIBIT B, ATTACHMENT IV, REIMBURSEMENT RATES  
FOR WEATHERIZATION AND EHCS ACTIVITIES

Line No.	Measure	Type	Classification	Allowable Measures by Funding Source	Maximum Expenditure Limits Per Job	Fixed Rates	Quantity Limits Per Job	Splitting of Measures between CSD Programs				Retrofitting and ECIP Measure Life (Replacement Cycle in Full Years)	Measure Life	Foot-notes
								Fixed Fee - Single Quantity	Fixed Fee - Multi Quantity	Labor/Mat - Quantity Limited	Labor/Mat - Quantity Not Limited			
7	Mileage Outside of 60-Mile Round Trip		TRA	LIHEAP, ECIP HCS, SWEATS		\$0.91 per mile	No max quantity; 1 mileage charge per WX, ECIP HCS or SWEATS dwelling	LIHEAP - Y; DOE - N			No max quantity; 1 mileage charge per reweatherized dwelling; 1 mileage charge per reweatherized ECIP dwelling.		31	
<b>SECTION: SWEATS Program Costs</b>														
1	Portable Equipment Purchased and Held on Reserve	Air Conditioner Evaporative Cooler Heater Fan Generator Other	SWE	SWEATS			No max. quantity							
2	Repair and Maintenance of Reserved Appliances	Air Conditioner Evaporative Cooler Heater Fan Generator Other	SWE	SWEATS			No max. quantity							
3	Additional Reimbursement—Fees, Fares, or Costs for Rental Vehicles		SWE	SWEATS			No max. quantity							
<b>SECTION: SWEATS Loaned Appliances Program</b>														
1	Portable Equipment Delivered on Loan to a Dwelling	Air Conditioner Evaporative Cooler Heater Fan Generator Other	SWE	SWEATS			No max. quantity							
2	Fuel for Generators		SWE	SWEATS			No max. quantity							

\* Classification Key

ADS	Assessment/Diagnostics	INF	Infiltration Reduction Measure	OTH	Other Weatherization Measure
DIS	Disaster Relief	EBL	Electric Baseload Measure	SWE	SWEATS
HSM	Health and Safety Measure	GHW	General Heat Waste	TRA	Travel Reimbursement Measure
INS	Insulation Measure	HCM	Heating Cooling Measure		

**FOOTNOTES SECTION**

1	Unit assessments are charged for each completed unit in addition to applicable blower door and/or duct leakage testing.
2	Following a determination that no combustion byproduct hazards exist, pre-weatherization blower door testing for shell-sealing purposes is a mandatory activity on a minimum of twenty percent (20%) of the total SF6 (1 to 4 units) including mobile homes, and a minimum of five percent (5%) of MUD (5 or more units) weatherized under this Agreement. Blower door diagnostic testing shall be proportional to the number of completed units for each quarter.
3	A duct leakage test using the Duct Blaster is a stand-alone test and may be performed in conjunction with the Blower Door Test for purposes of assessing outside air infiltration.
4	An inspection of twenty-five percent (25%) of the total number of dwellings weatherized under this Agreement must be completed in accordance with CSD Inspection Policies and Procedures. Reimbursement shall not exceed the maximum twenty-five percent (25%) limit. A maximum of 25% of the total dwellings reported in a reporting period shall be inspected and shall continue through the contract term. If due to rounding the number of required inspections does not equal 25%, the number of required inspections performed shall be rounded up and the maximum reimbursement limit will be increased accordingly. Reimbursement is allowable for the actual labor hours of the inspection activity including travel at the approved labor rate up to a maximum of three hours per dwelling.
5	If a combustion appliance safety hazard or other unsafe conditions requiring repair is found to exist and cannot be repaired under the scope of the program, Contractor may apply the non-envelope sealing measures identified by this note.
6	Must be classified as mandatory if a gas or electrical safety hazard exists. Age of the appliance cannot be used as a criterion for replacement.
7	If required by the local jurisdiction, a building permit must be obtained and finalized for vented appliance installations (Furnace, Boiler, Water Heater, Cook Top and Free Standing Range, and Vented Space Heater), Evaporative Cooler, Central HVAC, and Wood-Fueled
8	Special licensing is required for the installation of Central HVAC systems, Furnace, and Boilers. Special licensing may also be required for the installation and/or repair of Evaporative Cooler, Oven Cook Top and Free Standing Range, Vented Space Heater, Air Conditioning, and Gas and Electric Water Heaters, if two or more weatherization measures are not installed in a single unit. Electrical wiring upgrade/replacement and knob-and-tube wiring certification will always require a C-10 license.
9	Repairs include cleaning and filter replacement.
10	These maximums apply to heating and cooling source and water heater repairs and replacements under ECIP EHCS with the exceptions as noted in EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Section 4. REIMBURSEMENT GUIDELINES, C. Weatherization and EHCS Specific, item 3). Duct repair and replacement is an allowable stand-alone measure when needed or triggered by Title 24 regulations under the weatherization program only. However, duct repairs and replacements can only be charged to ECIP EHCS when provided in conjunction with heating/cooling services billed to EHCS when required under Title 24.
11	Costs that exceed the maximums in other categories of cooling and heating repairs and replacements cannot be charged to the line items reserved for other types of cooling and heating units not already listed.
12	Propane furnace repairs and replacements shall be reimbursed under Other Types Not Listed.
13	Energy Conservation Measures and Activity Definitions are included in the CSD Weatherization Installation Standards (WIS), and EXHIBIT G, DEFINITIONS.
14	A wood-fueled space heater may only be installed if it is to be used to replace a fossil-fueled space heater and/or damaged or hazardous wood stove that cannot feasibly be repaired, i.e., cost of repair exceeds thirty percent (30%) of replacement cost or existing unit is not a listed and labeled stove.
15	Per dwelling, attic and floor foundation venting may only be performed in conjunction with ceiling and floor insulation, respectively.
16	When using a blower door in conjunction with weatherizing a dwelling, do not apply these measures if the infiltration is less than the Minimum Ventilation Requirement or if the economic stop point for air sealing has been reached. Does not apply to catastrophic leaks that are health and safety hazards, e.g., broken-out window, severely damaged door, etc.
17	Costs that exceed the maximums in Glass Replacement and Window Repairs cannot be charged to Minor Envelope Repair or Window Replacement. The maximum reimbursement for Window Replacement is an average of all dwellings receiving new windows. If costs should occur such that the average maximum is exceeded for Window Replacements, the additional costs cannot be charged to Minor Envelope Repair or Glass Replacement and Window Repairs.
18	When installing a Minor Envelope Repair Measure, the installation of deadbolt locks in conjunction with an exterior door replacement is allowable on rental units only. Reimbursement will be based on the material costs for the door, the deadbolt lock, and the labor.
19	Includes sliding glass doors. Does not include weatherstripping applied to attic and crawl space access hatches, to evaporative-cooler and air-conditioner covers, or to open combustion appliance enclosure doors. Expenditures for weatherstripping applied to covers and enclosure doors shall be charged under the appropriate appliance repair line item. When insulation is not installed, applies to access hatches and windows.
20	Technicians performing evacuation and charging of refrigerant must have EPA-approved certification as a Type II or Universal technician. Refrigerant shall be recovered, and all hazardous waste materials shall be disposed of in conformance with federal, state, and local codes.
21	Do not perform if dwelling has an operable evaporative cooler.
22	Electric Base Load Measures: Special training is a mandatory prerequisite for Contractors before performing Evaporative Cooler Installation and Window/Wall Air Conditioner Replacement. Contractor must contact CSD to schedule training.
23	Cabinet retrofits are only allowed for built-in microwaves that have been replaced and are reimbursable under Minor Envelope Repair.
24	Crawl space height shall be documented on the Weatherization Building Assessment and Job Order Sheet (CSD 540).
25	Manual Thermostats may be installed only if the old thermostat is inoperable and may be installed in lieu of Programmable Thermostats if it is determined that the client receiving such services will not be able to operate and maintain the Programmable Thermostat properly.
26	Microwaves may be installed in dwellings with gas cooking appliances.
27	Contractors shall ensure the proper disposal of hazardous wastes products such as fluorescent light tubes, batteries, and mercury thermostats in accordance with the Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program): Final Rule.
28	CSD Policies and Procedures for electric base-load measures state that a replacement refrigerator may be replaced only if it was manufactured in 1992 or earlier. Documentation in the client file shall contain the manufacturer, make, model and metering information of all replaced refrigerators. Age must be verified utilizing the Refrigerator Energy Use Data at www.waptac.org or other applicable resources per CSD WIS.

**FOOTNOTES SECTION**

2010 LIHEAP Amendment  
Effective 12/15/2011

29	May be used by those Contractors that find that the per-square-foot rate under the other storm window categories is too high in comparison to the actual cost of materials within its service area.
30	Shop fees are used to cover incidental supplies that are difficult to track. Shop fees are allowed once per weatherized dwelling. Shop fees are not applicable for ECIP EHCS or rereatherized dwellings.
31	Only mileage exceeding a 60-mile round trip to the job site is reimbursable. Mileage is allowed once per weatherized dwelling.
32	The total cost per unit must be allocated to all units in the building being served by the central unit. Total costs of the central unit is subject to the sixty-six percent (66%) or fifty percent (50%) eligibility rule used to weatherize all units in a building.
33	Repairs and replacements are allowable on pre-existing and vented kitchen exhausts. New vented kitchen exhausts may be installed where one was not existing in mobile homes only.
34	One lodging and per diem claim filed for each dwelling is not limited by the number of crew members on the out-of-town job(s) and/or the number of nights required to stay to complete the out-of-town job(s). It is limited, however, to one trip by a crew for each weatherized or rereatherized dwelling. If more than one dwelling is weatherized during the single trip, the cost must be prorated among those units and shall be limited to that single trip.
35	General heat waste measures are intended to be low-cost items that can be quickly and easily installed. The weatherstripping for exterior doors only includes weatherstripping for door jambs and does not include door shoes or thresholds which are included in door repairs and replacements. If a blower door test is to be performed, these measures can be installed prior to the blower door test.
36	When installing an exterior door, the installation of deadbolt locks in conjunction with an exterior door replacement is allowable on rental units only. Reimbursement will be based on the material costs for the door, the deadbolt lock, and the labor. On any dwelling, an existing and functional deadbolt may be reinstalled in the replacement door, with reimbursement limited to labor for the reinstallation.
37	Quantities of installed smoke alarms are dictated by code and are limited by the higher of state or local building code. Copies of local building code requiring a higher number of alarms than state code must be on file at the agency for CSD review. Pre-existing smoke alarms are not to be replaced unless they are non-operable after battery replacement. Battery replacement is an allowable expenditure under this line item.
38	Lead-safe weatherization would include time related to completing the EPA reporting requirements by the EPA Certified Renovator.

**EXHIBIT D**  
**(Standard Agreement)**

**SPECIAL TERMS AND CONDITIONS**

1. **TRAVEL AND PER DIEM**

- A. Contractor's total travel for in-state and/or out-of-state and per diem costs shall be included in the contract Budget(s). Out-of-state travel costs that exceed the budgeted amount shall not be reimbursed without prior written authorization from CSD.
- B. Contractor's employee travel costs and per diem reimbursement rates shall be reimbursed in accordance with Contractor's written policies and procedures not to exceed federal per diem requirements, and subject to the requirements of OMB Circular A-87 Attachment B, Paragraph 43 (2 CFR, Part 225) or OMB Circular A-122 Attachment B, Paragraph 51 (2 CFR, Part 230) as applicable.
- C. In the absence of a written travel reimbursement policy, Contractor shall be subject to the provisions of California Code of Regulations Section 599.615 through 599.638, and shall be reimbursed in accordance with the terms therein.

2. **CERTIFICATIONS**

- A. Contractors' signature affixed hereon shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:
  - 1) Drug-Free Workplace Requirements, Contract Certification Clauses 307 (CCC-307)
  - 2) National Labor Relations Board Certification (CCC-307)
  - 3) Expatriate Corporations (CCC-307)
  - 4) Domestic Partners (CCC-307)
  - 5) Contractor Name Change (CCC-307)
  - 6) Resolution (CCC-307)
  - 7) Air or Water Pollution Violation (CCC-307)
  - 8) Information Integrity and Security (Department of Finance, Budget Letter 04-35)

**EXHIBIT D**  
**(Standard Agreement)**

9) Safeguarding Against and Responding to a Breach of Security Involving Personal Information (Office of Information Security and Privacy Protection, Management Memo 08-11).

B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit [www.csd.ca.gov](http://www.csd.ca.gov).

C. Internal Control Certification

Contractor shall ensure the establishment and maintenance of a system of internal accounting and administrative control. This responsibility includes documenting the system, communicating system requirements to employees, and assuring that the system is functioning as prescribed and is modified, as appropriate, for changes in conditions. The system of internal accounting and administrative control shall be attested to within the Contractor's independent audit conducted pursuant to this Agreement and shall include:

- 1) Segregation of duties appropriate to safeguard state assets;
- 2) Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;
- 3) Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;
- 4) Established practices to be followed in performance of duties and functions;
- 5) Personnel of a quality commensurate with their responsibilities; and
- 6) Effective internal reviews.

3. CONFLICT OF INTEREST

A. Contractor certifies that its employees and the officers of its governing body shall avoid any actual or potential conflicts of interest and that no officer or employee who exercises any functions or responsibilities in connection with this Agreement shall have any personal financial interest or benefit that either directly or indirectly arises from this Agreement.

B. Contractor shall establish safeguards to prohibit its employees or its officers from using their positions for a purpose that could result in private gain or that gives the appearance of being motivated for private gain for themselves or others, particularly those with whom they have family, business, or other ties.

**EXHIBIT D**  
**(Standard Agreement)**

- C. Pursuant 45 CFR § 74.42 and 92.36, Contractor shall not provide LIHEAP services or activities to beneficiaries where there is an actual or perceived conflict of interest, unless CSD has provided prior written approval of either: a) Contractor's conflict of interest policies and procedures, or b) any individual service or activity that presents an actual or perceived conflict including but not limited to:
- 1) Providing program services to Contractor's employees, officers, or other persons or entities with whom Contractor's employee or officer has family, business, or other ties; and
  - 2) Providing program services to owner-occupied or rental dwellings that are owned or managed by the Contractor, employees, or officers.
- D. To obtain prior written approval by CSD, Contractor must demonstrate that it will:
- 1) Follow all regular eligibility and prioritization requirements of the federal and State LIHEAP programs, as applicable to each service or activity;
  - 2) Comply with all dwelling eligibility requirements of this Agreement, including but not limited to rent increase and multiple dwelling restrictions;
  - 3) Substantiate the need for weatherization and EHCS services by completing a dwelling assessment for each individual dwelling unit served; and
  - 4) Consent to any further conditions if required by CSD. Failure to obtain prior written approval by CSD will result in costs being disallowed.

4. CODES OF CONDUCT

- A. Contractor shall maintain written standards of conduct governing the performance of its employees engaged in the award and administration of contracts or subcontracts. No employee, officer, or agent of the Contractor shall participate in the selection, award, or administration of a subcontract supported by Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein, has a financial or other interest in the firm selected for an award. The officers, employees, and agents of the Contractor shall neither solicit nor accept gratuities, favors, or anything of monetary value from subcontractors or parties to subagreements. The standards



**EXHIBIT D**  
**(Standard Agreement)**

of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.

- B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in 45 CFR Part 92 (for states and local governments) and 45 CFR Part 74 (for nonprofit organizations) (Office of Management and Budget Circular A-110, section 42).

5. BOARD ROSTER, BYLAWS, RESOLUTION, AND MINUTES

- A. Upon execution of this Agreement, Contractor shall submit to CSD a Board Roster Form (CSD 188) listing the current roster of members of its governing board, including contact information for each board member at a location other than the Contractor's office, and the most recent version of the organizational bylaws. The CSD 188 form is attached herein as Exhibit D, Attachment VII. If Contractor is a nonprofit or public entity that qualifies as an eligible entity under the federal CSBG Act, then Contractor shall submit a CSD 188, including contact information, of the tripartite board. Contractor is responsible to notify CSD of any changes to the roster within thirty (30) days of such occurrence.
- B. Contractor's governing board must authorize the execution of this Agreement. Contractor has the option of demonstrating such authority by direct signature by a Board member, or by any lawful delegation of such authority that is consistent with Contractor's bylaws.
- C. Where Contractor elects to delegate the signing authority to the chief executive officer, CSD will accept either a resolution specific to this Agreement or a resolution passed by the governing board that is more generally applicable to any CSD program contract or amendment. Where Contractor provides a general resolution, Contractor shall maintain documentation that the chief executive officer provided timely and effective communication of the execution and terms of this Agreement to the Board. Either a specific or current general resolution must be on file with CSD prior to CSD's finally executing this Agreement.
- D. Contractor shall submit to CSD the minutes from regularly scheduled meetings of the governing board and/or tripartite board no later than 30 days after the minutes are approved. Regularly scheduled meetings shall be in accordance with the board's bylaws.

**EXHIBIT D**  
**(Standard Agreement)**

- E. If the Contractor's board is both tripartite and advisory to the elected members governing a local government, the Contractor shall submit to CSD the approved minutes from any meeting of the elected officials where matters relating to this Agreement are heard, including but not limited to discussions about or decisions affecting the Low-Income Home Energy Assistance Program. Such minutes shall be submitted to CSD no later than 30 days after the related meeting.

6. AUDITING STANDARDS AND REPORTS

A. Auditing Standards

Contractor must follow all audit requirements as set forth in OMB Circular A-133 and the CSD Supplemental Audit Guide. The Supplemental Audit Guide is attached herein as Exhibit D, Attachment I. The Supplemental Audit Guide may be accessed at [www.csd.ca.gov](http://www.csd.ca.gov).

B. Audit Reports

- 1) a. Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of OMB Circular A-133 for nonprofit and public agencies, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, 2007 Revision, as amended."
- b. Contractors falling below the federal funding threshold that mandates a single agency-wide audit in accordance with OMB Circular A-133 shall:
  - i. Submit an annual program-specific audit within nine months of the end of the Contractor's fiscal year; and
  - ii. Be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30 days written notice.
- 2) The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

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- 3) The audit report must specifically mention that a review for compliance with OMB Circulars A-87 and A-122 was conducted.
- 4) Contractors shall submit to CSD one (1) printed copy and one (1) electronic copy of the required audit report(s) and any management letter issued by the accountant, within nine (9) months of the end of the Contractor's fiscal year, accompanied by a copy of the signed, final engagement letter between Contractor and the independent auditor.

If the Contractor's independent auditor is unable to meet this deadline, the Contractor shall submit to CSD Audit Services Unit a written request for an extension, which includes a copy of a letter from the independent auditor explaining the anticipated delay. CSD may grant an extension not to exceed thirty (30) calendar days from the original due date. The audit report(s) and all supplemental financial information are to be submitted to the following addresses:

Printed copy:  
Department of Community Services and Development  
Attention: Audit Services Unit  
P.O. Box 1947  
Sacramento, CA 95812-1947.

Electronic copy:  
[audits@csd.ca.gov](mailto:audits@csd.ca.gov).

In accordance with the guidelines of the Division of Audits of the California State Controller's Office (SCO), if Contractor is a local government agency, additional copies of the audit report must be submitted to the following address:

State Controller's Office  
Division of Audits  
300 Capitol Mall, Fifth Floor  
Sacramento, CA 95814.

- 5) In the event an audit required under this section has not been submitted in a timely fashion, CSD may at its option impose sanctions as provided in OMB Circular No. A-133 at § \_\_\_.225, to include:
  - a) Withholding a percentage of Federal awards until the audit is completed satisfactorily;
  - b) Withholding or disallowing overhead costs;
  - c) Suspending Federal awards until the audit is conducted; or
  - d) Terminating the Federal award.

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7. SUBCONTRACTS (CSD)

Contractor may enter into subcontract(s) to perform part or all of the direct services covered under this Agreement. Prior to the commencement of subcontracted services under this Agreement, Contractor shall obtain board approval, to include but not be limited to an assurance that the subcontractor agreement(s) shall comply with all terms, conditions, assurances, and certifications of this Agreement for the nonprofit and local governmental agencies performing services in the area(s) described in EXHIBIT A, SCOPE OF WORK, Section 2.

- A. Contractor shall provide written notification to the State within 60 calendar days of execution of each subcontractor agreement the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed under this Agreement. This written notification shall also include a certification that to the best of Contractor's knowledge, the subcontractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency. For purposes of this certification of subcontractor eligibility, Contractor may rely on information provided via the Excluded Parties List System (EPLS), available at <https://www.epls.gov>.
- B. If CSD determines that Contractor has executed a subcontract with an individual or entity listed as disbarred, suspended or otherwise ineligible on EPLS as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.
- C. Contractor remains responsible to substantiate the allowable and allocable use of all funds under this Agreement and to adopt fiscal control and accounting procedures sufficient to permit the tracing of funds paid to any subcontractor to a level of expenditure adequate to establish that such funds have not been used in violation of this Agreement. Contractor shall ensure that any subcontracts under this Agreement contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by OMB Circulars A-87, 122, and 133.
- D. Contractor shall immediately notify subcontractor(s) in writing within five days of such action in the event the State suspends, terminates, and/or makes changes to the services to be performed under this Agreement.

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- E. Contractor is the responsible party and shall remain liable for the performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse to the State, regarding the settlement and satisfaction of all contractual and administrative issues arising out of subcontract agreement(s) entered into in support of this Agreement, including disputes, claims, or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct of the subcontract(s).
- F. Nothing contained in this Agreement or otherwise shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of its responsibilities and obligations hereunder. Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

8. INSURANCE AND FIDELITY BOND

A. General Requirements

- 1) By execution of this Agreement, Contractor agrees that the below-required insurance policies and bond shall be in effect at all times during the term of this Agreement.
- 2) Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement.
- 3) In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided for herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.
- 4) New Certificates of Insurance are subject to review for content and form by CSD.
- 5) In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, the State may, in addition to any other remedies it may have, suspend this Agreement.

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- 6) With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.
- 7) The issuance of other CSD contracts, to include reimbursement payments, to the Contractor may be contingent upon required current insurance coverage being on file at CSD for this Agreement.
- 8) Should Contractor utilize a subcontractor(s) to provide services under this Agreement, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).

**B. Self-Insurance**

- 1) When Contractor is a self-insured governmental entity, the State, upon satisfactory proof, may waive the appropriate insurance requirements upon written certification. An appropriate county or city risk manager shall sign this certification that shall contain assurance of the adequacy of the governmental entity's ability to cover any potential losses under this Agreement.
- 2) Contractor shall specify in writing a list of which coverage(s) will be self-insured under this Agreement and shall list all applicable policy numbers, expiration dates, and coverage amounts.
- 3) In the case that the Contractor's self-insurance coverage does not contain any changes from the prior year, CSD will accept a certified letter signed by authorized personnel; stating that no changes have occurred from the last year. This letter is due at the time of contract execution or within 30 days of expiration of insurance.

**C. Workers' Compensation Insurance**

- 1) Contractor shall have and maintain for the term of this Agreement workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.
- 2) Contractor shall submit either an applicable Certificate of Insurance (ACORD 25) or a Certificate of Consent to Self-Insure issued by the Director of the Department of Industrial Relations to the State as evidence of compliance with the workers' compensation insurance requirement prior to issuance of an initial cash advance.

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D. Commercial or Government Crime Coverage (Fidelity Bond)

- 1) Contractor shall maintain a commercial crime policy, or if Contractor is a public entity, a government crime policy (hereinafter "fidelity bond") that shall include the following coverages or their substantial equivalents: Employee Dishonesty/Theft, Forgery or Alteration, and Computer Fraud.
- 2) Contractor's fidelity bond coverage limits shall not be less than a minimum amount of four percent (4%) of the total amount of consideration set forth under his agreement.
- 3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25) to the State as evidence of compliance with the fidelity bond requirement prior to issuance of an initial cash advance.

E. General Liability Insurance

- 1) Contractor shall have and maintain for the term of this Agreement general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.
- 2) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), naming CSD as an additional insured, to the State as evidence of compliance with general liability insurance requirements prior to issuance of an initial cash advance.

F. Vehicle Insurance

- 1) Contractor shall have and maintain for the term of this Agreement vehicle insurance in the amount of \$500,000 for each person and each accident for bodily injury and in the amount of \$500,000 for each person and each accident for property damage.
- 2) When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement non-owned and hired-auto liability insurance in the amount of \$500,000 for each person and each accident for bodily injury and \$500,000 for each person and each accident for property damage. (Driving to and from work is not within the scope of employment.)
- 3) Contractor shall submit an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to the State as evidence of compliance with said vehicle insurance requirements prior to issuance of an initial cash advance.

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9. COMPLIANCE MONITORING

- A. As the recipient of federal LIHEAP block grant funds under this Agreement, Contractor is responsible for substantiating that all costs claimed under this Agreement are allowable and allocable under all applicable federal and state laws, and for tracing all costs to the level of expenditure.
- B. As the administrator of the LIHEAP block grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHEAP law, and for allowable and allocable costs under the applicable rules of the Office of Management and Budget.
- C. CSD is required to conduct onsite and follow-up monitoring of Contractor to ensure that Contractor meets the performance goals, administrative standards, financial management requirements, and other requirements of the federal and State LIHEAP program.
- D. CSD shall provide Contractor reasonable advance notice in writing of on-site monitoring reviews of Contractor's program or fiscal performance.
- E. Contractor shall cooperate with CSD program and audit staff and other representatives and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement.
- F. In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Agreement, CSD shall provide the observations, recommendations, or findings and request for a corrective action plan to Contractor in writing. Contractor shall submit to CSD a specific action plan for correcting the noncompliance.

10. NONCOMPLIANCE WITH REQUIREMENTS OF THIS AGREEMENT

- A. Determination and Notice
  - 1) If CSD determines that Contractor has not complied with the requirements of this Agreement, CSD shall provide Contractor with written notice setting forth: 1) the factual and legal basis for the determination of noncompliance; and 2) the corrective action(s) required and the date by which they must be taken.
  - 2) If CSD determines that Contractor's noncompliance constitutes a material breach of the Agreement, and that immediate action is required, CSD may initiate an enforcement action in accordance with the provisions in this section and applicable State and federal law.



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- B. For purposes of this section, “material breach” means any act or omission by Contractor that is in contravention or disregard of Contractor’s duties and obligations under the terms of this Agreement and under applicable State and federal law, which act or omission:
- 1) constitutes fraud or gross negligence by Contractor or its agent(s);
  - 2) is likely to result in significant waste and/or abuse of Federal funds;
  - 3) has a significant adverse impact on Contractor’s ability to meet its administrative, financial or programmatic duties and obligations over the term of the contract or a significant portion thereof;
  - 4) violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;
  - 5) may have serious adverse effects and consequences on the Contractor’s customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; OR
  - 6) may otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.
- C. For purposes of this section “enforcement action” means the imposition of any of the following: a) special conditions and/or sanctions, b) “high risk” designation; c) contract suspension; d) contract termination; or e) termination of service provider designation.
- D. Special Conditions and Sanctions
- 1) In addition to all other requirements set forth in this Agreement and/or in any guidance issued pursuant to this Agreement, CSD may impose special conditions, sanctions and/or other special requirements with respect to Contractor’s performance. CSD may impose Special Conditions and/or Sanctions upon a determination that such steps are reasonably necessary to address a material breach of contract, as defined in Paragraph B, above.
  - 2) Special Conditions may include, but are not limited to:
    - a. obtaining training and/or technical assistance;
    - b. the imposition of special or additional reporting requirements;
    - c. the provision of documentation; AND/OR
    - d. the requirement to amend or modify systems, procedures, and/or policies;

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- 3) Sanctions may include, but are not limited to:
  - a. the suspension of advances and/or reimbursements; AND/OR
  - b. the issuance of stop work orders.
- 4) The suspension of advances and/or reimbursements and the issuance of stop work orders are subject to the following provisions:
  - a. if Contractor elects to contest the action, Contractor shall have two working days following receipt of notice to show cause why the sanction should not be enforced;
  - b. CSD shall have two working days following receipt of Contractor's response to accept or reject Contractor's objection and to state in writing the consequences of the decision and Contractor's obligations going forward, if any.
- 5) Contractor may, at any time, request in writing that CSD initiate the contract suspension or contract termination processes as set out below in order to resolve outstanding issues through the established regulatory process;
- 6) Should Contractor fail to submit in writing to show cause or fail to request that CSD initiate either the contract suspension or termination processes, CSD may initiate such action upon its own motion.
- 7) Notice of Special Condition(s) and/or Sanction(s) shall be in writing and shall become effective on the date specified in the notice. Notice must contain the following information:
  - a. The nature of the Special Condition(s) and/or Sanction(s) being imposed;
  - b. The reason(s) for imposing Special Condition(s) and/or Sanction(s); and
  - c. The corrective actions that must be taken and the time allowed for completing them before CSD removes the Special Condition(s) and/or Sanction(s).
- 8) Enforcement Actions involving "High risk" Designation, Contract Suspension, Contract Termination and Termination of Service Provider Designation shall be initiated and conducted in accordance with the applicable provisions found in Title 22 California Code of Regulations § 100875 and other applicable State and federal statutes and regulations.

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9) Lien Rights

The State retains lien rights on all funds advanced.

11. APPEAL PROCESS WHEN SPECIAL CONDITIONS ARE IMPOSED

When Special Conditions are imposed, Contractor may rebut and/or appeal the action pursuant to Title 22, California Code of Regulations, § 100875.

12. AGREEMENT CHANGES

A. Amendment

- 1) A formal Amendment is required for changes to the term, total cost or Maximum Amount of this Agreement, scope of work, and formal name changes. No amendment to this Agreement shall be valid unless made in writing, signed by the parties, and approved as required. No oral understanding or agreement not incorporated in the Agreement is binding on any of the parties.
- 2) Contractor shall advise the State when proposed changes to the contract also affect the Program Budget.

B. Minor Modifications

- 1) Contractor may request modifications to make minor adjustments during the contract term. Minor Modifications shall not affect the Maximum Amount payable under this Agreement.
- 2) Minor Modifications shall not affect the maximum limits set for specific line items under this Agreement, i.e., administrative costs, intake, outreach, and training and technical assistance.
- 3) Allowable modifications to this Agreement include:
  - a. Transferring of funds within each of the LIHEAP consideration programs and components, i.e., Weatherization, ECIP HCS, and/or ECIP/HEAP WPO.
  - b. Transferring of funds within the LIHEAP Nonconsideration program components, i.e., ECIP Fast Track and HEAP Electric and Gas.
  - c. Changes to the EXHIBIT H, 2010 AGENCY PRIORITY PLAN, WEATHERIZATION AND ECIP-EHCS.

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- 4) Contractor may elect to transfer funds between each of the LIHEAP consideration programs and components, i.e., Weatherization, ECIP HCS, and/or ECIP/HEAP WPO.
- a. Funding transfers that exceed the 25 percent (25%) maximum for Weatherization are prohibited.
  - b. Contractors will be required to provide justification and reasoning where the transfer of funds results in program funding allocations that deviate from the statewide program funding ranges outlined below:

ECIP Expenditures	Statewide Range
ECIP Fast Track	7% - 42%
ECIP WPO	1% - 21%
ECIP HCS	1% - 30%

C. Time Restriction

After March 15 of each program year, Contractor shall offer Energy Crisis Intervention Program services, as specified in EXHIBIT H, 2010 AGENCY PRIORITY PLAN, WEATHERIZATION AND ECIP-EHCS or may request an amendment to reallocate any unspent ECIP funds into direct assistance payment services (HEAP – Electric and Gas, and WPO).

D. Process

If Contractor intends to request a contract amendment and/or modification, Contractor shall submit a Request for Amendment/Modification Energy, CSD 509, an updated budget if applicable, and a justification supporting the funds transfer request. Contractor shall assure that the request is submitted to CSD no later than 45 calendar days prior to the expiration date of this Agreement. Contractor may submit the signed request for amendment/modification to CSD via fax and/or mail.

13. SPECIAL PROVISIONS – PERFORMANCE-BASED REQUIREMENTS

- A. Adequate fiscal performance will be the expenditure of one hundred percent (100%) of the total consideration and non-consideration allocations by June 30, 2012.
- B. CSD shall review Contractor's achievement of goals each month. If goals are not being achieved, CSD shall notify Contractor that contract goals are not being met, and Contractor shall provide to CSD an immediate resolution.

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- C. If the Contractor has previously been contacted regarding noncompliance and is found to have another monthly period of noncompliance, then CSD shall notify the Contractor in writing that contract goals are not being met and that the Contractor has established a pattern of failing to meet expenditure goals. Contractor shall meet all goals inclusive to the next one-month period.
  
- D. If, at the conclusion of the subsequent reporting period, the Contractor has failed to meet contract goals after written notification disclosing noncompliance, the State shall enter negotiations with the Contractor to access a realistic capacity to expend the remaining funds and a determination may be made as to the viable amount of funds that will remain in the contract. If a determination results in unexpended funds becoming available, the State will redistribute such funds to an eligible performing Contractor within the general geographic region of the Contractor-of-record. In the event a performing Contractor does not exist in the general geographic region, then the State shall reserve the right to redistribute funds to a performing Contractor within the state. If negotiations result in a modified expiration of the contract, EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, Section 1., BUDGET, item A., shall prevail.
  
- E. The term of this agreement will be no longer than thirty (30) months.

14. DAVIS-BACON PROVISIONS

- A. Wages for individuals performing weatherization services under this Agreement shall be fully subject to prevailing wages under the Davis-Bacon Act when LIHEAP-funded weatherization and ECIP EHCS activities are leveraged with DOE ARRA funding to complete a weatherization project. Weatherization or EHCS services do not have to be provided concurrently but will be subject if the LIHEAP funded weatherization and/or ECIP HCS activities are required in order to complete the DOE WAP work as determined during the dwelling assessment.
  
- B. Wages for trainees and crew leaders or journey while installing weatherization and EHCS measures as part of on-the-job training shall be subject to the Davis-Bacon Act when the dwelling for which services are being provided is also being serviced by DOE ARRA.
  
- C. When dwellings are leveraged with DOE ARRA, Contractor shall be required to comply with all applicable provisions of the Davis-Bacon Act (United States Code Title 40 – Public Buildings, Property, and Works, Subtitle II – Public Buildings and Works, Part A – General, Chapter 31 – General, Subchapter IV – Wage Rate Requirements) and related acts.

**EXHIBIT D**  
**(Standard Agreement)**

D. Davis-Bacon Rates

- 1) The Davis-Bacon wage rates determined by the Federal Department of Labor (DOL) are included as ATTACHMENT IV to this Exhibit.
  - a. These rates represent the minimum wage rates to be paid to weatherization workers by county.
  - b. Weatherization work for purposes of this wage determination is defined as minor repairs, battery insulation, blown insulation, window and door repair, and weather stripping, solar film installation, air sealing, caulking, minor or incidental structural repairs, duct sealing, air sealing, installation of light bulbs, and installation of smoke detectors.
    - i. California DOL's recent survey determined as a matter of prevailing practices that these duties are performed by a weatherization worker classification.
    - ii. Specialty weatherization work is the replacement of doors and windows; installation and repair of furnace/cooling (HVAC) systems, and all associated work involved with the installation of the HVAC system including electrical, pipe, and duct work. Classifications performing this work are also listed on the wage determination ATTACHMENT IV to this Exhibit.
    - iii. Contractor must track the amount of time a worker spends doing any of the tasks identified in EXHIBIT B, ATTACHMENT IV, and pay the appropriate wage rates as determined in ATTACHMENT IV to this Exhibit.
    - iv. Contractor shall ensure that employees and subcontractors performing work specific to the Basic Weatherization worker and the Doors & Windows Weatherization worker classifications are paid, at a minimum, the corresponding wage rates identified on ATTACHMENT IV to this Exhibit. The application and the use of the HVAC/Furnace/ Heating & Cooling Mechanic wage rates is limited to only those weatherization personnel directly performing activities assigned to this job classification.
  - c. The rates included in the Davis-Bacon Wage Determination, ATTACHMENT IV to this Exhibit are exclusively for residential project use only.

**EXHIBIT D**  
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- i. Commercial projects, defined as buildings five (5) or more stories, including apartment buildings and public housing buildings that meet this height, are excluded from this wage determination.
  - ii. Unless or until the U.S. DOE or the U.S. DOL issues clarification, Contractor may not conduct weatherization on commercial projects without written preapproval from CSD. Contractor must submit a written project proposal to CSD that is sufficient for evaluation by federal and state labor departments.
- d. The rates included in the Davis-Bacon Wage Determination, ATTACHMENT IV to this Exhibit are effective as of March 1, 2010.

E. Monitoring and Reporting of Davis-Bacon Provisions

- 1) CSD will monitor Contractor's adherence to all Davis-Bacon provisions. Noncompliance with Davis-Bacon will subject Contractor to the process outlined in Exhibit D, Section 10, "NONCOMPLIANCE WITH REQUIREMENTS OF THIS AGREEMENT".
- 2) Weekly payroll reports, in accordance with Davis-Bacon requirements, must be postmarked no later than seven (7) working days following the issuance of the weekly payroll and be submitted via U.S. Postal Service to:

Department of Community Services and Development  
Attention: Davis Bacon Unit  
P.O. Box 1947  
Sacramento, CA 95812-1947

- F. Applicability to all Labor and Construction Workers on DOE ARRA Funded Projects. Under the Davis-Bacon Act, the wage requirements apply to all labor or construction workers working on each dwelling where the weatherization is funded wholly or in part by this Agreement. For purposes of this Agreement, the Project shall refer to all weatherization or health and safety measures identified in the applicable dwelling assessment and performed on the dwelling as a result of the dwelling assessment performed under this program. Contractor's responsibilities under the Davis-Bacon Act include certifying that all labor and construction workers on the Project, including those whose salaries, wages, or benefits paid wholly or in part by other public or private funds, are paid prevailing wages according to federal law. Contractor's weekly certifications must therefore include information for all labor and construction workers on DOE ARRA dwellings or Projects, and not just those paid with funds under this Agreement.

**EXHIBIT D**  
**(Standard Agreement)**

15. ATTACHMENTS TO THE CONTRACT

The following documents are hereby attached to this Exhibit and incorporated by this reference.

ATTACHMENT I Supplemental Audit Guide

ATTACHMENT II Davis-Bacon Act

ATTACHMENT III Statement and Acknowledgement, Standard Form 1413

ATTACHMENT IV U.S. Department of Labor Weatherization Wage Determinations

ATTACHMENT V Davis-Bacon Wage Classifications by Measure

ATTACHMENT VI 2010 LIHEAP Approved Labor Rates for Units Leveraged with  
DOE ARRA

ATTACHMENT VII Board Roster Form (CSD 188)



**INSTRUCTIONS  
EXHIBIT D- ATTACHMENT VII  
BOARD ROSTER  
CSD 188**

Agency Name: Legal entity title as stated on Federal Tax ID Form; STD 204  
Address: Legal entity address as stated on Federal Tax ID Form; STD 204  
Submitted by: Person submitting form.  
Effective Date: Date entered into Contract with CSD and/or date of effective change(s) to Board Roster, CSD 188

**Board Member information:**

This should include submission of current board member names, address other than the Contractor's office and phone number of best reachable number per member. Lastly please provide an email for each board member if applicable.

\*Any changes to Committee Roster are the Contractor's responsibility and CSD should be notified within thirty days of such occurrence. These should also be submitted electronically to Contractor's field representative. \*

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

Board Roster

Exhibit D, Attachment VII

CSD 188 New

Received by CSD:

**Board Roster**

Agency Name: \_\_\_\_\_

Agency Address: \_\_\_\_\_

Effective Date: \_\_\_\_\_

Submitted By: \_\_\_\_\_

As per Exhibit D. Please also list any vacancies within the board itself, so that the required amount of board members is equal to the board by-laws.

Name:	Title/Position:	Address:	Phone Number:	Email:
	Executive Director			
	Board Chair			
	Additional Authorized signer of the Contract other than the above			

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

Received by CSD:

**Board Roster**

**Exhibit D, Attachment VII**

**CSD 188 New**

Name:	Title/Position:	Address:	Phone Number:	Email:

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

Received by CSD:

**Board Roster**

**Exhibit D, Attachment VII**

**CSD 188 New**

Name:	Title/Position:	Address:	Phone Number:	Email:

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**

Received by CSD:

**Board Roster  
Exhibit D, Attachment VII  
CSD 188 New**

Name:	Title/Position:	Address:	Phone Number:	Email:

**DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT**  
**Board Roster**  
**Exhibit D, Attachment VII**  
**CSD 188 New**

Received by CSD:

Name:	Title/Position:	Address:	Phone Number:	Email:

**EXHIBIT E**  
**(Standard Agreement)**

**ADDITIONAL PROVISIONS**

1. **PROVISIONS FOR FEDERALLY FUNDED GRANTS**

A. Contractor certifies that it possesses legal authority to apply to the State for LIHEAP funds and assures compliance with the purposes as set forth in 42 USC 8621 et seq., as amended.

B. **Eligibility to Receive Federally Funded Public Benefits**

Pursuant to the 42 USC 1305 (Public Law 104-193, 110 Stat. 2168, Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA)) and Executive Order W-135-96, dated August 27, 1996, while in effect, applicants for federally funded public benefits are required to provide proof of U.S. citizenship, U.S. non-citizen national, or qualified alien status. Contractor shall verify client eligibility in accordance with CSD Applicant Verification of Eligibility Procedures and Regulations, forms, and other written guidance provided by CSD.

C. The Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Section 508, NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS, Section 432 (d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1642) as amended, exempts nonprofit Charitable Organizations under this title to determine, verify, or otherwise require proof of U.S. citizenship, U.S. non-citizen national, or qualified alien status of any applicant for such benefits in providing any Federal public benefit (as defined in section 401 (c)) or any State or local public benefit (as defined in section 411(c)).

2. **FEDERAL CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND RELATED MATTERS**

Contractor hereby certifies to the best of its knowledge that it, any of its officers, or any subcontractors:

A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;

B. Have not within a three (3) year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement,

**EXHIBIT E**  
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theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph B above of this certification; and
- D. Have not within a three (3) year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.
- E. If any of the above conditions are true for the Contractor or any of its officers, Contractor shall describe such condition and include it as an attachment to this EXHIBIT E. Based on the description, CSD in its discretion may decline to execute this Agreement or set further conditions of this Agreement. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Agreement, and CSD may terminate this Agreement for cause immediately pursuant to the termination provisions of State and federal law governing the Low-Income Home Energy Assistance Program.
- F. As provided in Exhibit D, Section 7 of this Agreement, Contractor must certify in writing to the best of its knowledge that any subcontractor(s) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency.

3. PROCUREMENT

A. Contract Administration

- 1) Contractor shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including Office of Management and Budget (OMB) Circulars and amendments thereto, consistent with the general OMB compliance requirement in EXHIBIT B of this Agreement. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in 45 CFR Part 92 (OMB Circular A-102 for state and local governments) and 45 CFR Part 74 (OMB Circular A-110 for nonprofit organizations) and all additional provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.



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- 2) Contractor shall not permit any organizational conflicts of interest or noncompetitive practices that may restrict or eliminate competition or otherwise restrain trade. In order to ensure objective subcontractor performance and eliminate unfair competitive advantage, individuals or firms that develop or draft specifications, requirements, statements of work, invitations for bids, and/or requests for proposals shall be excluded from competing for such procurements. Contractor shall award any subcontract to the bidder or offeror whose bid or offer is responsive to the solicitation and is most advantageous to Contractor when considering price, quality, and other factors. Contractor's solicitations shall clearly set forth all requirements that the bidder or offeror shall fulfill in order for the bid or offer to be evaluated by the recipient.
- 3) Contractor assures that all supplies, materials, equipment, or services purchased or leased with funds provided by this Agreement shall be used solely for the activities allowed under this Agreement, unless a fair market value for such use is charged to the benefiting program and credited to this Agreement.
- 4) In addition to adhering to all OMB requirements and the Contractor's established procedures for all procurement transactions of any amount, for each purchase, lease, or subcontract for any articles, supplies, equipment, or services obtained from vendors or subcontractors where the per-unit cost exceeds \$5,000 or where the total contract amount exceeds \$100,000, three competitive bids/quotations shall be obtained or adequate justification documented and maintained as to the absence of bidding. In cases of a bona fide emergency where awarding a subcontract is necessary for the immediate preservation of public health, welfare, or safety, documentation of the emergency will be sufficient in lieu of the three-bid process.
- 5) To ensure that significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall prepare and submit a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least fifteen (15) calendar days prior to executing the subcontract for each of the following procurement transactions:
  - a. Any articles, supplies, equipment, or services having a per-unit cost in excess of \$5,000; or
  - b. Any articles, supplies, or equipment where the total contract amount exceeds \$100,000.

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- 6) Noncompliance with any of the provisions in this Section 3. shall result in a disallowance of the costs of the procurement transaction.
- 7) Contractor assures that it shall exercise due care in the use, maintenance, protection, and preservation of State-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:
  - a. Maintaining insurance coverage against loss or damage to such property or equipment.
  - b. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

B. Limitation on Use of Funds

Contractor shall assure that funds received under this Agreement shall not be used for the purchase or improvement of land or for the purchase, construction, or permanent improvement of any building or other facility other than low-income weatherization or energy-related home repairs.

4. AFFIRMATIVE ACTION COMPLIANCE

- A. Each Contractor or subcontractor with 50 or more employees and an agreement of \$50,000 or more shall be required to develop a written Affirmative Action Compliance Program.
- B. The written program shall follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.
- C. Each Contractor or subcontractor with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

5. NONDISCRIMINATION COMPLIANCE

- A. Contractor's signature affixed hereon shall constitute a certification that to the best of its ability and knowledge will, unless exempted, comply with the nondiscrimination program requirements set forth in this section.

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- B. Contractor hereby certifies compliance with the following:
- 1) Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity.
  - 2) Title VI and Title VII of the Civil Rights Act of 1964, as amended.
  - 3) Rehabilitation Act of 1973, as amended.
  - 4) Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.
  - 5) Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended.
  - 6) Public Law 101-336, Americans with Disabilities Act of 1990.

6. PRIORITIZATION OF SERVICES

- A. Contractor assures that ECIP, HEAP, and Weatherization activities are conducted in accordance with EXHIBIT H, 2010 AGENCY PRIORITY PLAN, WEATHERIZATION AND ECIP EHCS.
- B. Activities shall be designed to provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, and that such methods to be utilized shall assure that eligible households, particularly those households with elderly individuals, disabled individuals, or children five years (5) and under are made aware of the assistance available under this Agreement.

7. SPECIFIC ASSURANCES

- A. Pro-Children Act of 1994
- 1) This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act).
  - 2) Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

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B. American-Made Equipment/Products

Contractor shall assure, pursuant to Public Law 103-333, Section 507, to the extent practicable, that all equipment and products purchased with funds made available under this Agreement shall be American made.

C. Federal and State Occupational Safety and Health Statutes

Contractor assures that it shall be in compliance with the provisions as set forth in Federal and State Occupational Safety and Health Statutes; the California Safe Drinking Water and Toxic Enforcement Act of 1986; Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program); Final Rule; and Workers' Compensation laws.

D. Political Activities

- 1) Contractor shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Agreement.
- 2) Contractor is prohibited from any activity that is designed to provide voters or prospective voters with transportation to the polls or to provide similar assistance in connection with an election if such activities involve the use of any funds that are subject to this Agreement.

E. Lobbying Activities

- 1) Contractor shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject of this Agreement or any other fund, programs, projects, or activities that flow from this Agreement.
- 2) If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, EXHIBIT I, as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.

8. RIGHT TO MONITOR, AUDIT, AND INVESTIGATE

- A. In addition to the compliance monitoring described above, any duly authorized representative of the federal or state government, which includes but is not limited to the State Auditor, CSD staff, and any entity selected by CSD to perform inspections, shall have the right to monitor and audit Contractor and all subcontractors providing services under this Agreement through on-site inspections, audits, and other applicable means the State determines necessary.

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- B. Contractor shall make available all reasonable information necessary to substantiate that expenditures under this Agreement are allowable and allocable, including, but not limited to books, documents, papers, and records. Contractor shall agree to make such information available to the federal government, the State, or any of their duly authorized representatives, including representatives of the entity selected by CSD to perform inspections, for examination, copying, or mechanical reproduction, on or off the premises of the appropriate entity upon a reasonable request therefor.
  - C. Any duly authorized representative of the federal or state government shall have the right to undertake investigations in accordance with Public Law 97-35, as amended.
  - D. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause permitting any duly authorized representative of the federal or state government access to the working papers of said audit firm(s).
9. FAIR HEARING PROCESS FOR ALLEGED VIOLATION OF THE CIVIL RIGHTS ACT AGAINST CONTRACTOR
- A. In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.
  - B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Section 81.1 et seq.
10. FAIR HEARING PROCESS FOR APPLICANTS FOR DENIAL OF BENEFITS BY CONTRACTOR: WEATHERIZATION, HEAP, AND ECIP
- A. Contractor shall provide all interested individuals equal opportunity to apply for the Low-Income Home Energy Assistance Program and shall not discourage any interested individual from submitting an application for LIHEAP assistance. Contractor shall act upon all applications in writing within fifteen (15) working days.
  - B. Pursuant to Title 22 of the California Code of Regulations, Section 100805, Contractor shall establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor's process shall include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:

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- 1) Provisions that ensure that each applicant is notified in writing of the right to appeal a denial of or untimely response to an application, or to appeal unsatisfactory performance, and the process to request such an appeal, at the time that each applicant submits an application. Such notification shall include information about the right to appeal to both the Contractor and to CSD.
- 2) Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.
- 3) Provisions that ensure that Contractor notifies the applicant in writing of the Contractor's final decision within fifteen (15) working days after the appeal is requested. If the appeal is denied, the written notification shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall simultaneously provide a copy of the final decision to the Manager of CSD's Energy Services Division.
- 4) Provisions to enable Contractor to collate information on denials and appeals in its regular program reporting.

11. COMPLAINT MANAGEMENT POLICIES AND PROCEDURES

- A. Contractor shall establish and maintain policies and procedures for handling complaints and provide applicants an opportunity to register a complaint based on their experience with attempts to obtain services under LIHEAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.
- B. Contractor shall ensure that all formal complaints are documented, and include the date, time, client name and address, and nature of the complaint, and the actions undertaken by the Contractor to resolve the issue. For purposes of this section, "formal complaint" means a written complaint filed with the Contractor by the complainant.
- C. If the Contractor's efforts did not result in a resolution, the Contractor may refer the client to the CSD Field Representative assigned to the Contractor. The Contractor shall contact the CSD Field Representative directly and explain the issue, actions taken to resolve the issue, and provide to the CSD Field Representative any supporting documentation that demonstrates the Contractor's attempts to resolve the issue.

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- D. If the Contractor believes that the complainant will contact the media, State or Federal oversight agency or Governor's Office regarding the complaint, Contractor shall immediately notify their CSD Field Representative.

12. RECORD-KEEPING

- A. All records maintained by Contractor shall meet the OMB requirements contained in 45 CFR Part 92 and 45 CFR Part 74 (OMB Circulars A-102, Subpart C, {"Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments"} or A-110, Subpart C, Nonprofit Organizations), whichever is applicable.
- B. Contractor shall maintain all records pertaining to this Agreement for a minimum period of three years after submission of the final report. Contractor shall further maintain all such records until resolution of all related audit and monitoring findings are completed.
- C. Contractor assures that employee and applicant records shall be maintained in a confidential manner to assure compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.