

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



ITEM: 3.32
(ID # 30644)

MEETING DATE:
Tuesday, July 14, 2026

FROM : HOUSING AND WORKFORCE SOLUTIONS

SUBJECT: HOUSING AND WORKFORCE SOLUTIONS/COMMUNITY ACTION PARTNERSHIP (HWS/CAP): Receive and File the Department of Energy Weatherization Assistance Program (DOE WAP) Funding Agreement No. 25C-8015 and Amendment No. A-001 in the Amount of \$203,621 from the State of California's Department of Community Services and Development (CSD) to Provide Weatherization Services for Community Action Partnership (CAP) Clients throughout Riverside County; All Districts. [\$203,621 - 100% State of California Department of Community Services and Development Funds]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the Department of Energy Weatherization Assistance Program (DOE WAP) Funding Agreement No. 25C-8015 and Amendment No. A-001 (DOE WAP Agreement), for a total award amount of \$203,621, from the State of California Department of Community Services and Development (CSD), pursuant to Resolution No. 2020-166 granting delegated authority to the Director of Housing and Workforce Solutions (HWS) to apply for and accept DOE WAP funds for Weatherization Services on behalf of the County of Riverside;

Continued on Page 2

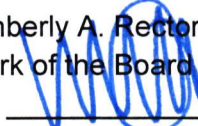
ACTION:Policy


Heidi Marshall, Director 6/9/2026

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Gutierrez, seconded by Supervisor Medina and duly carried, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Medina, Spiegel, and Gutierrez
Nays: None
Absent: Washington and Perez
Date: July 14, 2026
xc: HWS/CAP

Kimberly A. Rector
Clerk of the Board
By: 
Deputy

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

RECOMMENDED MOTION: That the Board of Supervisors:

2. Authorize the Director of HWS, or designee, to execute Agreements with contractors listed in Attachment C - RFQu-CAARC-0069 Weatherization Subcontractors, to conduct weatherization services, and ratify the period of performance from January 1, 2026 through September 30, 2026, with the option to renew annually up to four (4) years by written amendments, based on funding availability and as approved as to form by County Counsel;
3. Direct the Purchasing Agent to issue Purchase Orders for goods and/or services that do not exceed the total DOE WAP Agreement amount of \$203,621; and
4. Authorize the Director of HWS, or designee, to take all necessary steps to implement the DOE WAP Agreement, including, but not limited to: (a) signing subsequent necessary and relevant documents, subject to approval as to form by County Counsel; (b) signing any necessary agreement(s) and/or MOU(s), and (c) negotiating, signing and implementing any amendments to any agreement(s) or MOU(s), including but not limited to, contracts with any vendors or subcontractors selected by HWS and any agreements or amendments that result in amendments to period of performance or a disbursement of, or an increase in, any funds awarded to CAP from CSD, subject to approval as to form by County Counsel.

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$3,621	\$ 200,000	\$203,621	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: 100% State Funding			Budget Adjustment:	No
			For Fiscal Year: 25/26 & 26/27	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

The State of California's Department of Community Services and Development (CSD) has awarded the Community Action Partnership of Riverside County (CAP), a division of the Housing and Workforce Solutions department, Department of Energy Weatherization Assistance Program (DOE WAP) funds in the amount of \$203,621 with a period of performance from January 1, 2026 through June 30, 2026. DOE WAP funding supports no-cost energy-efficiency improvements for eligible low-income households, helping reduce utility costs, improve health and safety, and increase long-term energy savings. CAP Riverside delivers these services as one of California's local service providers working under CSD, which oversees DOE WAP statewide. Amendment No. A-001 subsequently extended the period of performance through September 30, 2026.

Weatherization services funded through DOE WAP are braided with the CAP-administered Department of Energy Weatherization Assistance Program Infrastructure Investment and Jobs Act (DOEIIJA) and Low-Income Home Energy Program (LIHEAP) funds under the CAP Weatherization Program, utilizing vendors awarded through RFQu CAARC-0069. This

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integrated funding approach allows CAP Riverside to deliver comprehensive energy-efficiency upgrades that reduce long-term energy consumption, lower household utility bills, and improve indoor comfort and safety for thousands of county residents each year.

DOE WAP funds will be allocated in accordance with the Standard Agreement Allocation Spreadsheet:

Weatherization Readiness Funds	\$67,069
Administration	\$18,756
Training & Technical Assistance	\$8,825
Weatherization	\$108,971

Impact on Residents and Businesses

There is no negative impact on residents or businesses. Low-income residents of Riverside County will have access to critical weatherization services through funding provided by the DOE IIJA grant. These services will increase the effectiveness of a dwelling's insulation and HVAC equipment and reduce overall energy bills.

Contract History and Price Reasonableness

The County issued Request for Qualifications (RFQu) CAARC-0069 County of Riverside Community Action Licensed General Contractors for Full-Service Weatherization Projects Under \$220,000. All proposals received for Weatherization Contractor Services were reviewed by an evaluation team. Each submittal met the required qualifications and complied with the minimum pricing standards. Proposed pricing from all contractors does not exceed the amounts established by CSD under applicable State and Federal regulations. No County General Fund dollars are required for these agreements.

The total dollar amount of the agreements with the contractors is not a guarantee of payment amount. The total dollar amount is the maximum amount that is available per contractor for performing billable work under the CSD contract. Any unspent contract amount will be carried forward to the next fiscal year, pursuant to the terms of the funding source.

Attachments

Attachment A - 2025 DOE WAP Standard Agreement No. 25C-8015_AATF.

Attachment B - 2025 DOE WAP Amendment No. A-001_AATF.

Attachment C - RFQu CAARC-0069 Approved Contractors.


Stacy Orton, Assistant Director of Purchasing

7/1/2026


Stacey Pena, EO Management Analyst

7/8/2026


Aaron Gettis, Chief Deputy County Counsel

7/8/2026



JASON WIMBLEY Director
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
(916) 576-7109
www.csd.ca.gov

Dear Executive Director:

The purpose of this letter is to provide you with information regarding your agency's 2025 Annual Department of Energy (DOE) Weatherization Assistance Program (WAP) contract for Federal Fiscal Year 2025. California's 2025 DOE WAP grant award is \$8,065,814 with an additional \$875,246 in Weatherization Readiness Funds, for a total of \$8,941,060. The 2025 DOE WAP contract term is January 1, 2026 through June 30, 2026.

Please refer to [CPA-E-25-03](#) and [CPA-E-25-10](#) 2025 DOE WAP Contract Highlights for details on this program year's changes. Attached is a contract checklist and other information needed for execution of the contract.

The contract packets must be completed and returned to the Department of Community Services and Development (CSD) within 30 calendar days from the date of this letter for private, nonprofit agencies, and within 45 calendar days for public agencies.

CSD looks forward to working in partnership with you to strengthen our capacity to effectively administer programs that improve the economic security of those we serve, and ultimately the lives of all Californians.

Sincerely,

Jason Wimbley

JASON WIMBLEY
Director

Attachments

2025 DOE WAP Contract Checklist

General Comments and Requirements:

Please contact your assigned Field Operations Representative immediately for assistance if this Agreement requires corrections. Agencies are required to utilize DocuSign to sign this Agreement. Please fill out and submit CSD 489 (DocuSign Contact Update Form) if you have not yet initialized DocuSign® with the California Department of Community Services and Development (CSD).

Contract Packet:

The following completed documents/forms must be returned to CSD in the Agreement packet within 30 days (45 days for public agencies). Please use the checkboxes below to indicate the documents/forms are included:

- ☐ Contract Face Sheet (STD 213) signed by individual authorized on Board Resolution
- ☐ Federal Funding Accountability and Transparency Act (FFATA) Form
- ☐ Certification Regarding Lobbying Form
- ☐ Contractor Certification Clause (CCC) Form
- ☐ Insurance or Self-Insurance. Please attach current evidence of insurance if not already on file with CSD
- ☐ Board resolution. (Not applicable if a general board resolution has already been submitted and is not specific to the program, program year, or contract number, and does not contain any changes.)

Programmatic Contract Requirements (as applicable):

- ☐ DOE Weatherization Budget form (CSD 570)
- ☐ DOE Priority Plan Narrative (CSD 793)
- ☐ Executive Director and Board Roster (CSD 188) Not applicable if no changes have occurred.

Please return completed contract packet within 30 days (45 days for public agencies) via the DocuSign link that will be sent by CSD.

The DocuSign logo, consisting of a blue square with rounded corners. Inside the square, the letters "DS" are written in a small font at the top, and "SP" is written in a larger, stylized font below it.

State of California
 Department of Community Services and Development
 2025 DOE Allocation
 Administration and Training & Technical Assistance

ALLOCATION SPREADSHEET

Agency	Contract Number	Total Allocation	Allowable Admin	Allowable T&TA	WRF Allocation
1 Amador-Tuolumne CAA	25C-8001	56,707	5,223	3,232	6,707
2 CAA of Butte County, Inc.	25C-8002	146,652	13,508	9,478	0
3 Glenn County Community Action Department	25C-8003	93,255	8,590	4,293	26,827
4 Fresno County Economic Opportunities Commission	25C-8004	86,549	7,972	4,293	20,121
5 Redwood CAA	25C-8005	50,000	4,606	3,232	0
6 Campesinos Unidos, Inc.	25C-8006	328,314	30,242	14,717	100,603
7 Community Action Partnership of Kern	25C-8007	50,000	4,606	3,232	0
8 Kings Community Action Organization, Inc.	25C-8008	171,613	15,808	11,091	0
9 North Coast Energy Services, Inc.	25C-8009	63,414	5,841	3,232	13,414
10 Maravilla Foundation	25C-8010	1,042,043	95,984	58,679	134,137
11 Pacific Asian Consortium in Employment	25C-8011	136,552	12,578	8,825	0
12 Long Beach Community Action Partnership	25C-8012	440,517	40,577	26,954	23,474
13 Merced County CAA	25C-8013	1,154,049	106,301	69,169	83,836
14 Community Action Partnership of Orange County	25C-8014	728,016	67,059	40,550	100,603
15 Community Action Partnership of Riverside County	25C-8015	203,621	18,756	8,825	67,069
16 Community Resource Project, Inc.	25C-8016	764,607	70,429	45,082	67,069
17 Community Action Partnership of San Bernardino County	25C-8017	310,332	28,585	17,890	33,534
18 Metropolitan Area Advisory Committee	25C-8018	392,293	36,135	24,054	20,121
19 San Joaquin County Department of Aging & Community Services	25C-8019	206,675	19,037	13,358	0
20 Community Action Partnership of San Luis Obispo County, Inc.	25C-8020	233,502	21,508	13,358	26,827
21 Central Coast Energy Services, Inc.	25C-8021	1,532,904	141,197	90,401	134,137
22 Self-Help Home Improvement Project, Inc.	25C-8022	121,916	11,230	7,013	13,414
23 Great Northern Services	25C-8023	38,353	3,533	2,262	3,353
24 Central Valley Opportunity Center, Incorporated	25C-8024	318,477	29,335	20,583	0
25 Community Services & Employment Training, Inc.	25C-8025	220,699	20,329	14,264	0
26 Community Action of Ventura County, Inc.	25C-8026	50,000	4,606	3,232	0
TOTAL		8,941,060	823,575	521,299	875,246

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

25C-8015

PURCHASING AUTHORITY NUMBER (If Applicable)

DCSD-4700

1. This Agreement is entered into between the Contracting Agency and the Contractor named below:**CONTRACTING AGENCY NAME**

Department of Community Services and Development

CONTRACTOR NAME

Community Action Partnership of Riverside County

2. The term of this Agreement is:**START DATE**

1/1/2026

THROUGH END DATE

6/30/2026

3. The maximum amount of this Agreement is:

\$203,621.00

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.**Preamble**

Article 1 – Scope of Work

Article 2 – Contract Administration and Procedure

Article 3 – Contract Changes

Article 4 – Administrative Policies and Procedures

Article 5 – Administrative and Program Expenditures Requirements

Article 6 – Reporting Policies and Procedures

Article 7 – Program Policies and Procedures

Article 8 – Program Implementation

Article 9 – Training, Licensing, and Certifications

Article 10 – Compliance Policies and Procedures

Article 11 – Federal and State Policy Provisions

Article 12 – General Terms and Conditions GTC 02/2025

Article 13 – Definitions

Article 14 – Table of Forms and Documents Incorporated by Reference

These documents can be accessed at <https://providers.csd.ca.gov/>.DS
EPInitial
PS*Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.**These documents can be viewed at <https://www.dgs.ca.gov/OLS/Resources>***IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.****CONTRACTOR****CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)**

Community Action Partnership of Riverside County

CONTRACTOR BUSINESS ADDRESS

1325 Spruce Street Suite 400

CITY

RIVERSIDE

STATE

CA

ZIP

92507

PRINTED NAME OF PERSON SIGNING

Heidi Marshall

TITLE

Director

CONTRACTOR AUTHORIZED SIGNATURE**DATE SIGNED**

1/14/2026

DocuSigned by:

Heidi Marshall

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STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD 213 (Rev. 04/2020)

AGREEMENT NUMBER

25C-8015

PURCHASING AUTHORITY NUMBER (If Applicable)

DCSD-4700

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Community Services and Development

CONTRACTING AGENCY ADDRESS

2389 Gateway Oaks Drive, Suite 100

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

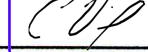
Chris Vail

TITLE

Chief Financial Officer

CONTRACTING AGENCY AUTHORIZED SIGNATURE

Signed by:



DATE SIGNED

1/30/2026

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL

EXEMPTION (If Applicable)

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

DS

SP



CERTIFICATION REGARDING LOBBYING
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FAMILY SUPPORT ADMINISTRATION

PROGRAM: Department of Energy Weatherization Assistance Program

PERIOD: January 1, 2026 through June 30, 2026

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award document for subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Director

Title

Community Action Partnership of Riverside County

Agency/Organization

DocuSigned by:

Heidi Marshall

Signature

1/14/2026

Date

DISCLOSURE OF LOBBYING ACTIVITIESApproved by OMB
0348-0046Complete the form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action: ☐ a. contract ☐ b. grant ☐ c. cooperative agreement ☐ d. loan ☐ e. loan guarantee ☐ f. loan insurance	2. Status of Federal Action: ☐ a. bid/offer/application ☐ b. initial award ☐ c. post-award	3. Report Type: ☐ a. initial filing ☐ b. material change For Material Change Only: year _____ quarter _____ date of Last report _____
4. Name and Address of Reporting Entity: ☐ Prime ☐ Subawardee Tier _____, if known: Congressional District, if known: _____		5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime: Congressional District, if known: _____
6. Federal Department/Agency:		7. Federal Program Name/Description: CFDA Number, If applicable: _____
8. Federal Action Number, if known:		9. Award Amount, if known: \$ _____
10. a. Name address of Lobbying Entity (if individual, last name, first, name, MI): (attach Continuation Sheet(s) SF-LLL-A, if necessary)		b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI): (attach Continuation Sheet(s) SF-LLL-A, if necessary)
11. Amount of Payment (check all that apply): \$ _____ ☐ actual ☐ planned	13. Type of Payment (check all that apply): ☐ a. retainer ☐ b. one-time fee ☐ c. commission ☐ d. contingent fee ☐ e. deferred ☐ f. other; specify: _____	
12. Form of Payment (check all that apply): ☐ a. cash ☐ b. in-kind; specify: nature _____ value _____		
14. Brief Description of Services Performed or to be Performed and Date(s) of Services, including officer(s), employee(s), or Member(s), contacted, for Payment indicated in Item 11: (attach Continuation Sheet(s) SF-LLL-A, if necessary)		
15. Continuation Sheet(s) SF-LLL-A attached: ☐ Yes ☐ No		
16. Information requested through this form is authorized by Title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1353. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty for not less than \$10,000 and not more than \$100,000 for each such failure.		Signature: _____ Print Name: _____ Title: _____ Telephone No.: _____ Date: _____
Federal Use Only:		Authorized for Local Reproductions Standard Form – LLL

DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

Reporting Entity: _____ Page _____ of _____

INSTRUCTION FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Use the SF-LLL-A Continuation Sheet for additional information if the space on the form is inadequate. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and ZIP Code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.

(b) Enter the full name of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including time for reviewing instructions, searching existing data sources, gathering, and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budgets. Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

Contractor Certification Clause

CCC 1005

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

Contractor/Bidder Firm Name (Printed)		Federal ID Number
Community Action Partnership of Riverside County		956000930
By (Authorized Signature)		
DocuSigned by: 		
Printed Name and Title of Person Signing		
Heidi Marshall		Director
Date Executed	Executed in the County of	
1/14/2026	Riverside	

CONTRACTOR CERTIFICATION CLAUSES

STATEMENT OF COMPLIANCE:

Contractor has, unless exempted, complied with the nondiscrimination program requirements. (GC 12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

DRUG-FREE WORKPLACE REQUIREMENTS:

Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a) Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - b) Establish a Drug-Free Awareness Program to inform employees about:
 - 1) the dangers of drug abuse in the workplace;
 - 2) the person's or organization's policy of maintaining a drug-free workplace;
 - 3) any available counseling, rehabilitation and employee assistance programs;
- and,

- 4) penalties that may be imposed upon employees for drug abuse violations.
- c) Provide that every employee who works on the proposed Agreement will:
 - 1) receive a copy of the company's drug-free policy statement; and,
 - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: (1) the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (GC 8350 et seq.)

NATIONAL LABOR RELATIONS BOARD CERTIFICATION:

Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court which orders Contractor to comply with an order of the National Labor Relations Board. (PCC 10296) (Not applicable to public entities.)

CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT:

Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

EXPATRIATE CORPORATIONS:

Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

SWEATFREE CODE OF CONDUCT:

- a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in

whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

- b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

DOMESTIC PARTNERS:

For contracts executed or amended after July 1, 2004, the contractor may elect to offer domestic partner benefits to the contractor's employees in accordance with Public Contract Code section 10295.3. However, the contractor cannot require an employee to cover the costs of providing any benefits which have otherwise been provided to all employees regardless of marital or domestic partner status.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

CONFLICT OF INTEREST:

Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

- a) Current State Employees (PCC 10410):
 - 1) No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
 - 2) No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.
- b) Former State Employees (PCC 10411):
 - 1) For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.

- 2) For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (PCC 10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (PCC 10430 (e))

LABOR CODE/WORKERS' COMPENSATION:

Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

AMERICANS WITH DISABILITIES ACT:

Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

CONTRACTOR NAME CHANGE:

An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

- a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
- b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.
- c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

RESOLUTION:

A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

AIR OR WATER POLLUTION VIOLATION:

Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

PAYEE DATA RECORD FORM STD. 204:

This form must be completed by all contractors that are not another state agency or other government entity.

Department of Community Services and Development
CSD 279 (Rev. 4/2022)

**Community Services and Development
Federal Funding Accountability and Transparency Act Report Form**

Return with the Contract

As of October 1, 2010, CSD is required to comply with sub-award reporting requirements of the Federal Funding Accountability and Transparency Act (FFATA). CSD must file the FFATA sub- award report by the end of the month following the month in which CSD awards funds greater than or equal to \$25,000 to any agency/service provider. In accordance with terms of the CSD agreement, agencies are required to provide the information requested in this form on or before the above due date. Failure to timely submit the completed form may result in "high-risk" designation and/or imposition of additional special terms and conditions on the agency's eligibility for CSD funds.

Please e-mail completed report form to the program e-mail address listed below:

Department of Energy Weatherization Assistance Program: Wx@csd.ca.gov

Community Services Block Grant: csbg.div@csd.ca.gov

Low Income Home Energy Assistance Program: Wx@csd.ca.gov

AGENCY/SUB-AWARDEE INFORMATION

Agency Name	Community Action Partnership of Riverside County	
Program Type (Check One)	☐ CSBG ☐ LIHEAP ☒ DOE WAP ☐ OTHER _____	
Contract Number	25C-8015	
Performance Period(s) (mm/dd/yy - mm/dd/yy)	01/01/26-06/30/26	
Agency Unique Entity ID (SAM.gov) NEW	E4E9EB8KFC15	
Agency Primary Contact Information (<i>person responsible for completing this form</i>)	Name:	Emma Perez Singh
	Title:	Acting Director
	E-Mail:	emmasingh@rivco.org
	Phone:	9519550204
Location of Agency	Mailing Address:	2038 Iowa Ave Suite B-12 Riverside
	State:	CA
	Zip + 4 Digits (+4 digit is required)	92507-2412
	U.S. Congressional District:	
	State Assembly District:	
	State Senate District:	

Department of Community Services and Development
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Place of Performance <i>(where program funds are primarily spent, if different from agency location above)</i>	Mailing Address:	
	State:	
	Zip + 4 Digits (+4 digit is required)	
	U.S. Congressional District:	
	State Assembly District:	
	State Senate District:	
Agency (Sub-Awardee) Executive Compensation Reporting	Is more than 80% of your agency's annual gross revenue from the Federal government? ☒ Yes ☐ No (If YES, continue to the next question. If NO, you are now finished completing this form.)	
	Does your agency's total annual federal funding exceed \$25 million? ☐ Yes ☐ No (If YES, continue to the next question. If NO, you are now finished completing this form.)	
	Is your agency one of the entities described below? ☐ Yes ☐ No ▪ A tax-exempt nonprofit entity required to file an annual Form 990 return with the Internal Revenue Service (IRS). ▪ A publicly owned corporation required to file annual reports with the Securities and Exchange Commission (SEC).	
	(If NO, please list the names and compensation of your agency's top five highest compensated employees in the spaces below. If YES, you are now finished completing this form.)	
Five Highest Compensated Executives/Employees	Name	
	Compensation	
	Name	
	Compensation	
	Name	
	Compensation	
	Name	
	Compensation	
	Name	
	Compensation	

Department of Community Services and Development
CSD 279 (Rev. 4/2022)

Description of Information Requested

Place of Performance

Address represents where the prime recipient is performing the majority of work funded. If the award funds multiple projects in different locations, then an address such as a city hall or county seat may be the most appropriate if it represent where the majority of funds are being used.

Agency/Sub-Awardee Executive Compensation Reporting

Sub-awardees must report the total compensation and names of the top five executives in the organization if:

- a) More than 80% of the annual gross revenues are from the Federal government, and those revenues are greater than \$25 million annually; and
- b) Compensation information is not readily available through reporting to the IRS on a Form 990 (section 6104 of the Internal Revenue Code of 1986), or through reporting to Securities and Exchange Commission (SEC). SEC reporting is required for publicly owned/traded corporations.

Exemptions: Refer to 2 CFR

Part 170 for exemption criteria. <http://www.gpo.gov/fdsys/pkg/CFR-2012-title2-vol1/pdf/CFR-2012-title2-vol1-part170.pdf>

Additional Resources

Unique Entity ID (UEI Number)	
On April 4, 2022, the D-U-N-S® Number will be removed and the Unique Entity ID (SAM) will be the authoritative identifier. This ID is used within SAM.gov and other government award and financial systems to identify a unique entity. The transition to the Unique Entity ID (SAM) is a federal governmentwide initiative.	https://sam.gov/content/home https://gsa.gov/entityid
Zip Code + 4 Digit Zip	
Use the United States Postal Service website to identify your +4 digit zip	https://tools.usps.com/go/ZipLookupAction!input.action
Congressional District	
Use the following sites to identify your congressional district	
U.S. Congressional District	http://www.house.gov/representatives/find/
State Assembly and Senate District	http://findyourrep.legislature.ca.gov/
Reporting Requirement Regulations	
The Federal Funding Accountability and Transparency Act of 2006	http://www.gpo.gov/fdsys/pkg/PLAW-109publ282/html/PLAW-109publ282.htm
FFATA Subaward Reporting System (FSRS) website	https://www.fsrs.gov/

SUBVENTION CONTRACT

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SUBVENTION CONTRACT

PREAMBLE

This subvention contract, for the implementation of the Department of Energy Weatherization Assistance Program (DOE WAP) in program year 2025 (“Contract”), is entered into between the Department of Community Services and Development (“CSD” or “Department”) and the contractor named on Form STD 213, the face sheet of this document (“Contractor”), and shall be enforceable on the date last signed.

NOW THEREFORE, in consideration of the promises and of the mutual agreements and covenants hereinafter set forth, CSD and Contractor hereby agree as follows:

ARTICLE 1 – SCOPE OF WORK

1.1 General

- 1.1.1 Contractor agrees to provide Weatherization assistance to eligible participants residing in the service area described in Section 1.2, pursuant to all applicable federal and state statutes and regulations, including the Energy Conservation and Production Act (42 USC §§ 6861 et seq., as amended) (the Act) and Title 10 of the Code of Federal Regulations (CFR), Part 440, as amended, the Department of Energy Weatherization Assistance Program (DOE WAP) for low-income persons. Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest income and highest energy costs or needs in relation to income.
- 1.1.2 The DOE WAP Federal Assistance Listing is 81.042. The award is funded through the United States Department of Energy (DOE).

1.2 Service Area

- 1.2.1 The services shall be performed in the Service Territory comprised of the following service area(s):

The 2025 DOE Numbers, Contractors, and Service Areas document may be accessed at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx>.
- 1.2.2 Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Code Listing for San Diego Contractors or the ZIP Code Listing for Los Angeles County Contractors located at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx> to determine the zip codes for their respective service area.

SUBVENTION CONTRACT

1.3 Term and Amount of Contract

- 1.3.1 The term of this Contract shall be for the period represented on the face sheet (Form STD 213).
- 1.3.2 The Maximum Amount of this Contract shall be as specified on Form STD 213.
- 1.3.3 The amount allocated under this Contract as specified in Section 1.3.1 is expressly contingent upon Contractor's compliance with DOE WAP Performance requirements specified in Article 10, Section 10.5, "Service Delivery and Expenditure Requirements," of this Contract.

1.4 Program Authorities – Requirements, Standards and Guidance

- 1.4.1 All services and activities are to be provided in accordance with 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, the following:
 - 1.4.1.1 The Energy Conservation and Production Act of 1976, 42 USC §§ 6861 et seq., and 10 CFR Part 440;
 - 1.4.1.2 The Federal Procurement requirements for federal awards, including 2 CFR § 200.317 et seq.;
 - 1.4.1.3 The Single Audit Act of 1984, 31 USC §§ 7501 et seq.; and
 - 1.4.1.4 Applicable Intellectual Property provisions for federal awards, as specified in 2 CFR § 200.448.
- 1.4.2 Conflict of Laws. Contractor shall comply with all of the requirements, standards, and guidelines contained in the authorities listed below, as they may be amended from time to time, regarding procurement, administrative, and other costs claimed under this Contract, including those costs incurred pursuant to subcontracts executed by Contractor, 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 in this Contract directly conflict with any State law or regulation, or any provision of this Contract, then federal law or regulation or provision shall take precedence, and then state law; unless, under specified circumstances, a provision of federal law applicable to grants allows for the application of state law.
 - 1.4.2.1 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200); and

SUBVENTION CONTRACT

1.4.2.2 Contractor further agrees to abide by all requirements in California Contractor Certification Clauses 04/2017 (CCC-04/2017).

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

1.4.3.1 That such guidance shall be issued by CSD in writing in the form of "CSD Program Notice (CPN) No. XX-XX" posted at <https://agencies.csd.ca.gov/home/Pages/CPNCPA.aspx>;

1.4.3.2 That such guidance shall be issue by CSD in writing in the form of "CSD Program Advisory (CPA) No. XX-XX" posted at <https://agencies.csd.ca.gov/home/Pages/CPNCPA.aspx>;

1.4.3.3 That such guidance shall be issued by CSD in the most timely and expeditious manner practicable;

1.4.3.4 That such guidance shall be reasonably necessary to realize the purposes of DOE WAP;

1.4.3.5 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 Contract;

1.4.3.6 Contractor shall notify CSD within 10 business days of issuance of a CPN or CPA, if Contractor is unable to fulfill its obligations under the new guidance;

1.4.3.7 That the parties' failure to execute a mutually acceptable amendment or CPN, as contemplated in subparagraph 1.4.3.5 and 1.4.3.6, in a reasonable period of time, shall result in this Contract being without force and effect subject only to such provisions contained herein as are intended to survive the Contract in accordance with the express and implied provisions of applicable federal and state law; and

1.4.3.8 That upon CSD's good faith determination, delivered to the Contractor by written notice that an agreement between the parties to any necessary amendment or CPN or CPA as contemplated in subparagraph 1.4.3.5 and 1.4.3.6 cannot be achieved, then this Contract shall be "closed-out", and the funds disposed in accordance with established CSD procedure and policy and as required under federal and state law.

SUBVENTION CONTRACT

- 1.4.4 CSD provided Contractor with specific participation requirements that are incorporated into this Contract as referenced in the DOE WAP - Participation Requirements and Application. The Participation Requirements and information represented in Contractor's Application are requirements of Contractor's participation in DOE WAP.
- 1.4.5 The federal and state laws, regulations and other authorities referenced in this section are hereby incorporated by reference into this Contract. Copies may be accessed for reference at:
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.
- 1.4.6 As a recipient of Federal grant dollars, CSD is required to check SAM.gov using the Unique Entity ID (UEI) to ensure subrecipients and subcontractors are not debarred, suspended, or ineligible. The UEI is a 12-character alphanumeric ID assigned by SAM.gov. Entities doing business with the Federal government, including subrecipients and subcontractors must register for a Unique Entity ID (UEI).
- 1.4.7 Required Documents
- 1.4.7.1 Contractor's DOE Weatherization Priority Plan Narrative and forms listed below are integral to this Contract:
- 1.4.7.1.1 DOE Weatherization Priority Plan Narrative (CSD 793) (referenced in Article 5.1);
- 1.4.7.1.2 DOE Weatherization Budget (CSD 570) (referenced in Article 5.1);
- 1.4.7.1.3 Certification Regarding Lobbying/Disclosure of Lobbying Activities;
- 1.4.7.1.4 Contractor Certification Clauses (CCC-04/2017);
- 1.4.7.1.5 Current Insurance or Self-Insurance Authority Certification;
- 1.4.7.1.6 Agency Staff and Board Roster (CSD 188);
- 1.4.7.1.7 Federal Funding Accountability and Transparency Act Report (CSD 279); and
- 1.4.7.1.8 Contractor's 2025 DOE WAP - Participation Requirements and Application.

SUBVENTION CONTRACT

1.4.7.2 The forms must be completed by Contractor before CSD will execute the Contract and Contractor is authorized to commence work. CSD may execute this Contract pending its review and final approval of Contractor's submission, provided Contractor acts in good faith to rectify any outstanding issues associated with the documents submitted pursuant to Section 1.4.7.1 forms. All documents submitted pursuant to Section 1.4.7.1 shall become part of this Contract.

1.4.8 Contractor's signature shall constitute a certification that to the best of Contractor's ability and knowledge it will, unless exempted, comply with the provisions set forth in Article 11, Section 11.1, "Certifications" of this Contract.

1.5 Special Contract Contingency – Quality Control Inspector Certification

In addition to the Quality Control Inspectors (QCI) Certification requirement specified in Section 9.2 and the reimbursement restrictions and inspection requirements provided in Section 5.5.4.1.1, this Contract is subject to, and expressly contingent upon, the following provisions:

1.5.1 This Contract shall have no force and effect until fully executed by CSD and notice of CSD's execution of the Contract has been communicated to Contractor. CSD will not execute this Contract until Contractor has provided CSD with documentation reasonably acceptable to CSD that shows Contractor has employed or contracted with a Certified QCI who satisfies the certification requirements of Section 9.2.

1.5.2 If at any time during the term of this Contract Contractor is unable to meet the requirements of Section 5.5.4.1.1. because Contractor loses access to a Certified QCI, Contractor shall immediately notify CSD of the loss and may not report any weatherized dwelling or request reimbursement for weatherization work and associated expenditures until such time as Contractor has employed or contracted with another Certified QCI who satisfies the certification requirements of Section 9.2.

1.5.3 If CSD determines that Contractor is unable to fully expend Contractor's allocation and provide services as required herein because of a lack of access to a Certified QCI, CSD may, at its sole option, suspend or terminate this Contract and/or transfer Contractor's allocation, in whole or in part, to another contractor for expenditure, after giving Contractor written notice of its intended action.

SUBVENTION CONTRACT

ARTICLE 2 - CONTRACT ADMINISTRATION AND PROCEDURE

2.1 State Contracting Requirements – “General Terms and Conditions, GTC 02/2025”

In accordance with State contracting requirements, specified contracting terms and conditions are made a part of this Contract. The provisions in their entirety are found in Article 12 of this Contract and are fully binding on the parties in accordance with state law.

2.2 Contractor’s Option of Termination

2.2.1 Notwithstanding the provisions of Section 1.4.3, Contractor may, at Contractor’s sole option, elect to terminate this Contract rather than adhere to the procedures set out in Section 1.4.3, should Contractor determine that any subsequent program guidance or proposed amendment to the Contract is unjustifiably onerous or otherwise counter to Contractor’s legitimate business interests and ability to implement the Contract in an effective and reasonable manner, PROVIDED:

2.2.1.1 The notice of termination is in writing, delivered by U.S. Certified Mail, Return Receipt Requested and will be effective 30 calendar days after receipt by CSD; and

2.2.1.2 The notice contains a statement of the reasons for termination with reference to the specific provision(s) in the program guidance or proposed amendment in question.

2.2.2 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 program guidance and Contract provisions in effect at the time the cost was incurred. Contractor is responsible for adhering to the Contractor Average Cost Per Unit (Contractor ACPU) and related provisions. If Contractor exercises its Option of Termination, Contractor is responsible for disposing or transferring equipment and other capital expenditures to a qualifying program pursuant to federal regulations, including 2 CFR § 200.313 and § 200.439, and in accordance with applicable CSD guidance and disposition policies.

2.2.3 Contractor shall, within 60 calendar days of termination, close-out the Contract in accordance with contractual close-out procedures.

2.2.4 CSD may at its option procure a temporary replacement provider, and may at its option, designate a permanent replacement provider for Contractor’s service area in accordance with federal and state law.

2.3 Budget Contingencies

2.3.1 Federal Budget Contingency

SUBVENTION CONTRACT

2.3.1.1 Because of uncertainty in the federal budget process, this Contract may be executed before the availability and amounts of federal funding can be ascertained, in order to minimize delays in the provision of services and the distribution of funds. The obligations of the parties under this Contract are expressly contingent on adequate funding being made available to the State by the United States Government.

2.3.1.2 If federal funding for any fiscal year is reduced to such degree that CSD reasonably determines that the program cannot be implemented effectively, CSD shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer an amendment addressing the reduced funding. If the parties fail to reach an agreement on such amendment, CSD may at its option give written notice of termination without further obligation by either party except for contract close-out obligations, and final settlement.

2.3.1.3 If federal funding authorities condition funding on any obligations, restrictions, limitations, or conditions not in existence when this Contract was executed, this Contract shall be amended by mutual agreement for compliance with such obligations, restrictions, limitations or conditions. Failure of the parties to reach an agreement on such amendment shall render this Contract without force and effect.

2.3.1.4 Subject to the provisions of subparagraph 2.3.2.2, CSD shall authorize expenditures of funds under this Contract based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.3.2 State Budget Contingency

2.3.2.1 If funds are not appropriated for implementation of DOE WAP through the State budget process or otherwise, whether in the current year and/or any subsequent year covered by this Contract, this Contract shall be of no further force and effect. Upon written notice to Contractor by CSD that no funds are available for contract implementation, the Contract shall be terminated, and the State shall have no obligation to pay Contractor or to furnish other consideration under this Contract and Contractor shall not be obligated for performance.

2.3.2.2 If program funding for any fiscal year is reduced to such degree that CSD reasonably determines that the program cannot be implemented effectively, the State shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer and negotiate an amendment addressing the reduced funding. If the parties fail to reach agreement on such amendment, CSD may at its option give written notice of termination without further

SUBVENTION CONTRACT

obligation by either party except for contract close-out obligations and final settlement.

2.4 Miscellaneous Provisions

- 2.4.1 Assignment. Neither this Contract nor any of the rights, interests, or obligations under this Contract shall be assigned by any party without the prior written consent of the other parties, except in the case where responsibility for program implementation and oversight may be transferred by the State to another State agency. In the event of such transfer, this Contract is binding on the agency to which the program is assigned.
- 2.4.2 Merger/Entire Contract. This Contract (including the attachments, documents and instruments referred to in this Contract) constitutes the entire contract and understanding of the parties with respect to the subject matter of this Contract and supersedes all prior understandings and contracts, whether written or oral, among the parties with respect to such subject matter.
- 2.4.3 Severability. If any provision of this Contract is found to be invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Contract will not be in any way impaired and shall remain in full force and effect.
- 2.4.4 Notices. Unless otherwise provided herein, notice given by the parties shall be in writing, delivered personally, by United States mail, or by overnight delivery service (with confirmation). Certain reporting and other communications may be delivered electronically as specified by CSD or as is customary between the parties. Notice shall be delivered as follows:

2.4.4.1 To Contractor's address of record; and

2.4.4.2 To CSD at:

Department of Community Services and Development
Field Operations
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

SUBVENTION CONTRACT

ARTICLE 3 – CONTRACT CHANGES

3.1 Amendment

- 3.1.1 Changes to this Contract shall be made by formal amendment with exceptions specified in Section 3.2 with respect to minor modifications.
- 3.1.2 Contractor shall notify CSD in writing when any proposed amendment or change will significantly impact Contractor’s Program Budget and/or Operations. CSD will afford Contractor a reasonable opportunity and sufficient time in which to phase-in the mandated change.

3.2 Minor Modifications

- 3.2.1 Contractor may request modifications to make minor adjustments during the Contract term. Minor Modifications shall not affect the Maximum Amount payable under this Contract.
- 3.2.2 Minor Modifications shall not affect the maximum limits set for specific line items under this Contract, e.g., administrative costs, health and safety, training and technical assistance.
- 3.2.3 Allowable modifications to this Contract include the minor budget modifications and expenditure requirements, specified in Article 5.

SUBVENTION CONTRACT

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES

4.1 Board Roster, Bylaws, Resolution, and Minutes

- 4.1.1 Contractor shall submit to CSD an Agency Staff and Board Roster form (CSD 188) listing the current Agency Staff and roster of its governing board members, including contact information for each board member at a location other than the Contractor's offices, and the most recent version of the organizational bylaws. Contractor shall notify CSD of any changes to the Executive Director, Program Manager, Chief Financial Officer and board roster within 30 calendar days of such occurrence.
- 4.1.2 Contractor's governing board must authorize the execution of this Contract. Contractor has the option of demonstrating such authority by the signature of a Board Chair, affixed to the signature page of this Contract, or by any lawful delegation of such authority that is consistent with Contractor's bylaws.
- 4.1.3 Where Contractor elects to delegate the signing authority to the chief executive officer or designated officials, CSD will accept either a resolution specific to this Contract or a resolution passed by the governing board that applies to any contract entered into by Contractor. 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 Contract to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Contract by CSD.
- 4.1.4 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 Contract are heard, including but not limited to discussions about or decisions affecting the WAP. Such minutes shall be submitted to CSD no later than 30 calendar days after the related meeting.

4.2 Internal Controls Requirements

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 Contract and shall include:

- 4.2.1 Segregation of duties appropriate to safeguard state assets;

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- 4.2.2 Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;
- 4.2.3 Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;
- 4.2.4 Established practices to be followed in the performance of duties and functions;
- 4.2.5 Personnel of a quality commensurate with their responsibilities; and
- 4.2.6 Effective internal reviews.

4.3 Record Retention Requirements

- 4.3.1 All records maintained by Contractor shall meet the Record Retention and Access requirements under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR §§ 200.334-200.338).
- 4.3.2 Contractor shall maintain all records pertaining to this Contract for a minimum period of three years after submission of the final report or until resolution of all related audit or monitoring findings, enforcement actions, including cost disallowance, legal proceedings or other pending matters, whichever is later (10 CFR Part 600.153).
- 4.3.3 Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Federal Privacy Act of 1974 (5 USC § 552a), as amended, and Information Practices Act of 1977 (Civ. Code §§ 1798 et seq.), as amended.
- 4.3.4 To the extent Contractor maintains records in an electronic format, Contractor shall ensure that all records are “backed-up” or copied, utilizing appropriate, secure technology and operational procedures in order to avoid unauthorized access, permanent loss or destruction, occasioned by theft, accident, willful acts or negligence, or by fire, flood, earthquake or other natural disaster.

4.4 Insurance and Fidelity Bond

4.4.1 General Requirements

- 4.4.1.1 Contractor agrees that the required insurance policies and bonds, specified below, shall be in effect at all times during the term of this Contract.
- 4.4.1.2 Contractor shall provide CSD 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 Contract and, prior to any lapse or reduction in

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coverage, provide CSD with documentation, as specified in subparagraph 4.4.1.3, showing substitute coverage has been obtained or alternative measures have been taken to ensure compliance with the requirements of this Contract.

4.4.1.3 In the event insurance coverage expires during the term of this Contract. Contractor agrees to provide, within 30 calendar days of the expiration date, a new Certificate of Insurance (ACORD 25) for not less than the remainder of the term of this Contract. The new Certificate of Insurance (ACORD 25) shall evidence no lapse in coverage. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.

4.4.1.4 New Certificates of Insurance are subject to review for content and form by CSD. Certificates of Insurance must be submitted electronically via email to: PSU@csd.ca.gov

4.4.1.5 In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, CSD may, in addition to any other remedies it may have, suspend this Contract.

4.4.1.6 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 Contract.

4.4.1.7 The issuance of other CSD contracts, as well as reimbursement payments, to the Contractor may be suspended until evidence of the required current insurance coverage has been submitted to CSD.

4.4.1.8 Should Contractor utilize a subcontractor(s) to provide services under this Contract, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).

4.4.2 Self-Insurance

4.4.2.1 When Contractor is a self-insured governmental entity, the State, upon receipt of satisfactory proof of the entity's self-insurance authority, may waive the insurance requirements. A duly authorized county or city risk manager shall provide signed certification of the governmental entity's ability to cover any potential losses under this Contract.

4.4.2.2 Governmental contractors shall specify in writing a list of which coverage(s) will be self-insured under this Contract and shall list all applicable policy numbers, expiration dates, and coverage amounts for coverage which is not self-insured.

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4.4.2.3 If a governmental 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 previous year. This letter is due at the time of contract execution or within 30 calendar days thereafter.

4.4.3 Workers' Compensation Insurance

4.4.3.1 During the term of this Contract, Contractor shall maintain legally sufficient workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.

4.4.3.2 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD either a Certificate of Insurance (ACORD 25) or a Certificate of Consent to Self-Insure, issued by the Director of the Department of Industrial Relations, as evidence of compliance with the workers' compensation insurance requirement.

4.4.4 Commercial or Government Crime Coverage (Fidelity Bond)

4.4.4.1 Contractor shall maintain commercial crime coverage. If Contractor is a public entity that elects to self-insure, Contractor shall make provision for adequate coverage to insure against crime risks. The commercial crime policy or government crime self-insurance coverage (hereinafter "fidelity bond") shall include the following coverage or the substantial equivalent: Employee Dishonesty/Theft, Forgery or Alteration, and Computer Fraud.

4.4.4.2 Contractor's fidelity bond coverage limits shall not be less than a minimum amount of 4% of the total contract amount set forth under this Contract.

4.4.4.3 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance (ACORD 25) as evidence of compliance with the fidelity bond requirement.

4.4.5 General Liability Insurance

4.4.5.1 Contractor shall maintain for the term of this Contract general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.

4.4.5.2 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance

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(ACORD 25), designating CSD as an additional insured as evidence of compliance with general liability insurance requirements.

4.4.6 Vehicle Insurance

4.4.6.1 Contractor shall maintain for the term of this Contract 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.

4.4.6.2 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 Contract 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 shall not be considered to be within the scope of employment.)

4.4.6.3 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to CSD as evidence of compliance with the stated vehicle insurance requirements.

4.5 System Security Requirements

Contractor shall, in cooperation with CSD, institute measures, procedures, and protocols designed to ensure the security of data and to protect information in accordance with the Information Practices Act of 1977 (Civ. Code §§ 1798, et seq.), and such other State and Federal laws and regulations as may apply. In the event there are different system security standards that may be applied to this Article, Contractor shall endeavor to use the strictest security standard that complies with state and federal requirements. The parties hereto agree to the following requirements, obligations, and standards in accordance with regulations set in the State Administrative Manual (SAM) 5100, 5300.5, and 5340.:

4.5.1 Data Protection

4.5.1.1 Data exchanged between CSD and Contractor must be limited to the data fields included on Data Transfer Rules (DTR) documents posted at <https://agencies.csd.ca.gov/home/Reporting/Pages/WXReporting.aspx>. No personal financial information, e.g., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.

4.5.1.2 Access to the above-mentioned data included in the DTR must only be given to authorized personnel to complete essential duties. Authorized personnel are to log into these systems using their own assigned

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credentials (i.e., no login account sharing). Upon departure of personnel with assigned credentials, the Contractor will remove the employee's access to the systems as soon as possible.

4.5.1.3 To the extent Contractor utilizes tablet or other internet-based or mobile devices for client intake and application purposes ("Electronic Intake") in lieu of paper forms and documents, Contractor shall comply with all federal and state information security requirements and with such guidance and protocols as CSD may from time to time issue for the purpose of ensuring the integrity of Electronic Intake, including, but not limited to, the use of electronic signatures, data privacy, security, transfer and retention requirements.

4.5.1.4 Data exchanged between CSD and Contractor via email communication must have all personal identifiable information (PII) and other sensitive information redacted before the document is sent. Alternately, Contractor must encrypt any attachments that have sensitive data using encryption tools and configurations as required by CSD.

4.5.2 Contractor Systems Security

4.5.2.1 The physical location of the computing and data storage devices (e.g. servers) shall be within access-controlled facilities. Individual users may not have access to the data except through their systems that are specifically credentialed for Contractor business. All access will be controlled by authentication methods to validate the approved users.

4.5.2.2 Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption.

4.5.2.3 Both CSD and Contractor shall keep security patches and anti-virus and anti-malware software up to date on all systems on which data may be used.

4.5.2.4 Contractor shall securely destruct data by sanitizing media prior to disposal.

4.5.3 Trusted Behavior Expectations

CSD's application system and users shall protect Contractor's application system/data, and the Contractor's application system and users shall protect CSD's application system/data, in accordance with the Privacy Act of 1974 (5 USC § 552a), Trade Secrets Act (18 USC § 1905), and the Stored Communications Act (18 USC §§ 2701 et seq.). Technology and systems code

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and functionality are owned by the respective parties and may not be shared with anyone else or used without the consent of the owner.

4.5.3.1 Incident Reporting

Any party discovering a security incident shall report it in accordance with its incident reporting procedures. Contractor shall, within 24 hours of discovery, report to CSD's Information Security Office at ISO@csd.ca.gov any security incident contemplated herein. Examples include, but are not limited to, stolen or lost equipment, malware/ransomware detection, suspected hacking, etc. Contractor further agrees CSD shall have the right to participate in the investigation of a security incident involving CSD's data, and to cooperate fully with CSD and other relevant State entities during independent investigation of the security incident.

4.5.3.2 Audit Trail Responsibilities

Both parties are responsible for auditing application processes and user activities. Activities that will be recorded include event type, date and time of event, user identification, workstation identification, success or failure of access attempts, and security actions taken by system administrators.

4.5.4 Data Sharing Responsibilities

Contractor shall ensure that all primary and delegated secondary organizations that share, exchange, or use personal, sensitive, or confidential data, pursuant to this Contract and subcontracts issued by Contractor, shall adhere to these security requirements and applicable state and federal law, in addition to further data sharing guidance as may be issued by CSD during the term of this Contract. If data sharing is accomplished via interconnectivity of an application system, then data sharing must be certified to be secure by both parties.

4.6 Travel and per diem

4.6.1 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 are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200.475), or any amendments thereto, as applicable.

4.6.2 Contractor shall complete the Out-of-State Travel Form (CSD 536) and keep on file with back up documentation for compliance monitoring. Out-of-State travel is limited to two staff per agency per event, unless otherwise indicated on the Out-

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of-State-Travel Form CSD 536. Contractor must seek preapproval, prior to travel, for non-preapproved conferences when more than two staff are attending.

- 4.6.3 In the absence of a written travel reimbursement policy, Contractor shall receive reimbursement rates not to exceed federal per diem limits.

4.7 Conflict of Interest

- 4.7.1 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 sub-contracts. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.
- 4.7.2 Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agents, 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 2 CFR § 200.318.
- 4.7.3 Contractor shall ensure that its employees and the officers of its governing body do not engage in actual or potential conflicts of interest and that no officer or employee who has responsibility for any activity or function with respect to DOE WAP and the implementation of this Contract shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.
- 4.7.4 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.
- 4.7.5 Contractor shall not provide DOE WAP services or benefits in situations where an actual or perceived conflict of interest exists, unless the activity is explicitly allowed under Contractor's conflict of interest policies and procedures that are

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compliant with federal requirements. If Contractor provides program services to owner-occupied or rental dwellings that are owned or managed by the Contractor, its employees, or officers, Contractor shall submit the Property Certification form (CSD 678), in advance of providing weatherization services. Contractor shall ensure that other recipients or potential eligible recipients of services are not prejudiced or adversely affected by the receipt of services by Contractor.

- 4.7.6 Organizational conflicts of interest are those where, because of relationships with a parent company, affiliate, or subsidiary organization, the Contractor is unable or appears to be unable to be impartial in conducting procurement action involving a related organization (2 CFR 200.318(c)(2)). The Contractor must disclose in writing any potential or actual organizational conflict of interest to CSD. CSD may share the disclosure with DOE. The Contractor must provide the disclosure prior to engaging in a procurement or transaction using project funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe. For a list of the information that must be included in the disclosure, see Section VI. of the DOE interim Conflict of Interest Policy for Financial Assistance at <https://www.energy.gov/management/departments-energy-interim-conflict-interest-policy-requirements-financial-assistance>. If the effects of the potential or actual organizational conflict of interest cannot be avoided, neutralized, or mitigated, the recipient must procure goods and services from other sources when using project funds.

4.8 Procurement Standards

Contract Administration

- 4.8.1 Maintenance of written procurement procedures. Contractor shall administer this Contract in accordance with all federal and state rules and regulations governing DOE WAP grants pertaining to procurement, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and amendments thereto, consistent with the general Code of Federal Regulations compliance requirement in Section 1.4, Article 1 of this Contract, and pursuant to CPA-A-12-01. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in 2 CFR § 200.317 through § 200.326 or any subsequent amendments to these standards, and the applicable provisions in this Contract, 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.
- 4.8.2 Eligible Bidders. 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

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requests for proposals shall be excluded from competing for such procurements. Contractor shall only award a 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 relevant to the procurement. Contractor's solicitations shall clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be adequately and fairly evaluated by the recipient.

4.8.3 All supplies, materials, equipment, or services purchased or leased with funds provided pursuant to this Contract shall be used solely for the activities allowed under this Contract, unless the fair market value for such use is charged to the benefiting program and treated as program income earned under this Contract.

4.8.4 CSD Lease/Purchase Pre-Approval Requirements. 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 15 calendar days prior to executing the subcontract for each of the following procurement transactions:

4.8.5.1 Any articles, supplies, equipment, or services having a per-unit cost in excess of \$10,000; or

4.8.5.2 Any articles, supplies, or equipment where the total contract amount exceeds \$100,000.

4.8.5 In all procurements, whether requiring CSD pre-approval or not, Contractor is solely responsible for maintaining adequate procurement records demonstrating compliance with Federal and State requirements.

4.8.6 Noncompliance with any of the provisions in this section may result in a disallowance of costs related to the procurement transaction.

4.9 Use and Disposition of Vehicles and Equipment

4.9.1 To ensure compliance with the requirements for vehicles and equipment, Contractor shall comply with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards governing the acquisition of equipment with federal funds set forth in 2 CFR § 200.313.

4.9.2 To ensure compliance with the requirements for equipment, vehicles, and the maintenance of equipment and vehicle records, Contractor shall adhere to [CPN-A-17-01](#) or as revised. Contractor shall include information relevant to any purchase/lease pre-approval documented in the CSD 558 submitted to, and approved by, CSD, including the date the request was sent to CSD, the item(s) requested, and date of CSD approval in Contractor's property records. Pursuant to

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DOE Guidance (including WPN 24-1, BIL WPN 1, and WPN 17-6), vehicle and equipment purchases made under this agreement are to be expensed as a Program Operations cost. Vehicles and Equipment are Program Operations costs and must be included in the Contractor Average Cost Per Unit (Contractor ACPU) for all projects completed on before May 15th of each year.

- 4.9.3 Contractor shall provide the information specified in [CPN-A-17-01](#), including any supporting documents, to CSD upon request.
- 4.9.4 Limitation on Use of Funds. Contractor shall assure that funds received under this Contract 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.

4.10 Subcontracts

- 4.10.1 Contractor may enter into subcontract(s) to provide services pursuant to this Contract in the service area(s) specified in Section 1.2 of Article 1, Subcontracts must require that parties comply with all applicable provisions of this Contract. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.
- 4.10.2 If Contractor elects to subcontract for services, the Contractor's Board authorization and approval must be obtained and communicated to CSD in writing together with notice of execution of the subcontract as provided in Section 4.10.3. Contractor's Board, through a resolution or other official documentation, may elect to delegate the signing authority for the approval of subcontractors to the Chief Executive Officer or designated authority unless such delegation is set forth in the bylaws of the agency and a copy of the provision is communicated to CSD.
- 4.10.3 Within 60 calendar days of the execution of any subcontract, Contractor shall provide written notification to CSD of the execution of the subcontract as well as identifying information, to include the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed by the subcontractor.
- 4.10.4 Notification of subcontract execution shall contain certification by Contractor 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 available at <https://www.sam.gov/>.

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- 4.10.5 If CSD determines that Contractor has executed a subcontract with an individual or entity listed as disbarred, suspended or otherwise ineligible on the Excluded Parties List System as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.
- 4.10.6 Contractor must ensure that funds expended pursuant to this Contract are allowable and allocable and Contractor must adopt fiscal control and accounting procedures sufficient to enable 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 Contract. Contractor shall ensure that any subcontracts under this Contract 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 the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR § 200, Subpart E – Cost Principles).
- 4.10.7 Contractor shall notify subcontractor(s) in writing within five business days of such action in the event the State suspends, terminates, and/or makes changes to services to be performed that materially alter the obligation of the subcontractor under this Contract.
- 4.10.8 Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Contract, without recourse against the State over matters involving subcontracts entered into for the implementation of this Contract, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.
- 4.10.9 Nothing in this Contract creates or implies a contractual relationship between the State and any subcontractor or creates any obligation by the State to any subcontractor. Contractor is liable to the State for damages to the State for the acts and omissions of its subcontractors that occur in connection with the implementation of this Contract. Contractor's obligation to pay its subcontractors is independent of any obligation of the State to pay Contractor, and Contractor shall not represent to subcontractors any such obligation of the State to pay or ensure payments to subcontractors.
- 4.10.10 All subcontractors shall be subject to the training and record-keeping provisions in this Contract.

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4.11 Complaint Management Policies and Procedures

- 4.11.1 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 DOE WAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.
- 4.11.2 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.
- 4.11.3 If the Contractor’s efforts did not result in a resolution, the Contractor may refer the complainant to CSD. The Contractor shall contact CSD and explain the issue, actions taken to resolve the issue, and provide CSD with all supporting documentation that indicates the nature and extent of Contractor’s effort to resolve the issue.
- 4.11.4 The CSD Field Representative shall immediately be notified if the Contractor has reason to believe that the complainant will contact the media, a State or Federal oversight agency or the Governor’s Office regarding the complaint.

4.12 Fair Hearing Process for Applications for Denial of Benefits by Contractor:

- 4.12.1 Contractor shall establish a written appeal 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 22 CCR § 100805(b), plus:
 - 4.12.1.1 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. At the time the applicant applies for services, applicant shall be informed of appeal rights and appeal procedures, to include the right to appeal to both the Contractor and to CSD.
 - 4.12.1.2 Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.
 - 4.12.1.3 Provisions that ensure that Contractor shall notify the applicant in writing of the Contractor’s final decision within 15 business days after the appeal is requested. If the appeal is denied, the written notification

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shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall at the same time provide a copy of the final decision to the Manager of CSD's Energy Services Division.

4.12.1.4 Provisions to track information on denials and appeals.

4.12.2 Upon receipt of an applicant's appeal of a Contractor's denial of benefits or services, CSD may conduct a hearing in accordance with established procedures. CSD's decision following the appeal and hearing shall be final.

4.13 Fraud, Waste, and Abuse

4.13.1 Contractor shall submit written reports to CSD within 30 calendar days of discovery of incidents and activities, or suspected incidents and activities, involving fraud, waste, and abuse of DOE funds by Contractor's employees, subcontractors, clients, or other parties affiliated with Contractor. Incidents and activities subject to reporting under this section include, but are not limited to, criminal acts and other violations of law constituting a misuse of funds that could result in cost disallowance. Contractor shall inform CSD within 30 calendar days of any reports or complaints submitted to law enforcement officials by Contractor, Contractor's employees, subcontractors, clients or other parties affiliated with Contractor, concerning the misuse of DOE funds.

4.13.2 Contractor shall provide employees, subcontractors, clients, and other parties affiliated with the Contractor the information necessary to report fraud, waste, and abuse to the Department of Energy's Office of Inspector General fraud hotline and/or visit their [website](#).

4.13.3 As provided in 2 CFR 200.217, an employee of the Contractor must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The Contractor must inform their employees in writing of employee whistleblower rights and protections.

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ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS

5.1 Budget Guidelines

5.1.1 Budget and Allocation Forms

5.1.1.1 Upon execution of this Contract, Contractor shall submit all budget and allocation forms, including the 2025 DOE WAP Weatherization Budget (CSD 570) based on the Maximum Amount of this Contract and in accordance with the accompanying instructions and other applicable provisions of this Contract.

5.1.1.2 In the event the DOE WAP annual grant award is yet to be determined and CSD funds this Contract based on Continuing Resolution appropriations, Contractor shall complete the budget and allocation forms using the Estimated Budget Allocation amount as defined in the [“Definitions”](#) section.

5.1.1.3 For purposes of allocating indirect costs, contractors may use current negotiated indirect cost rates that have been approved by a cognizant federal agency. Contractor shall submit a copy of the letter of approval from the cognizant agency which includes date of approval and amount of rate. In the absence of a negotiated indirect cost rate, Contractor may elect to use a 15 percent de minimis indirect cost rate as permitted under 2 CFR § 200.414(f).

5.1.2 Minor Modifications

If Contractor intends to request a minor modification to this Contract, Contractor shall submit a Request for Amendment/Modification Energy, Form CSD 509, an updated budget if applicable, and a justification supporting the funds transfer or change request. Contractor may submit the signed request for amendment/modification to CSD via email, fax, or hard copy with signature via Mail.

Minor modifications which Contractor may propose for approval by CSD include the following:

5.1.2.1 Transferring funds within or between Program Services and/or Support Costs program components as defined:

Modifications to the projected budget(s) that do not affect the maximum amount payable under this Contract or the work to be performed within the specific DOE WAP component.

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5.1.2.2 An increase to the out-of-State travel budget allocation prior to travel.

5.1.2.3 Changes to the DOE Weatherization Priority Plan Narrative.

5.2 Advance Payments

5.2.1 All advance payment approvals shall be at the discretion of DOE and CSD. All advance payments issued shall be subject to the requirements of 2 CFR §200.305.

5.2.2 Contractor advance payment requests shall be submitted in accordance with any instructions issued by CSD. Advanced funds may only be used for allowable expenses under this contract and in accordance with the purposes and costs listed in the Contractor's request.

5.2.3 If available, the Contractor must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on Federal funds before requesting additional advances or reimbursements.

5.2.4 Contractor may, at CSD's discretion, be required to remit any advance payments not fully liquidated within an approved period of time. At DOE's discretion, Contractor may be required to remit any unliquidated advance payments at any point. At CSD's option, failure to remit funds under this subpart may result in withholding of additional advance or reimbursement payments.

5.2.5 Contractor's failure to liquidate advance payments as described in 5.2.4 or failure to consistently maintain appropriate recordkeeping or accounting practices may result in the denial or reduction of future advance requests or remittance of existing advanced funds.

5.2.6 All advance payments must be deposited and maintained in insured accounts whenever possible. If compliance with this subpart is not possible, Contractor must immediately inform CSD and provide a justification.

5.2.7 Contractor shall deposit all advances in an insured interest-bearing account. If Contractor believes they meet an exception under 2 CFR 200.305(b)(11), an explanation and request for exception must be submitted to CSD immediately.

5.2.7.1 Interest earned amounts up to \$500 per year may be retained by Contractor for administrative expense. The account shall be sufficiently segregated to enable the tracking and accounting of advanced funds by CSD.

5.2.7.2 Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted quarterly to CSD.

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- 5.2.7.3 Contractor shall report interest accrued on advance funds to CSD quarterly. Contractor's report shall include the total interest earned and each remittance paid during the prior quarter, the contract year to date, and the entirety of the contract term to date.

5.3 Program Income

- 5.3.1 Contractor shall maintain records of the receipt and disposition of all "program income" defined in 2 CFR § 200.1 and pursuant to [CPN-A-18-01](#), as income that is generated or earned as a result of DOE WAP activities.

5.3.2 Determining Net Program Income

- 5.3.2.1 Except as provided below in paragraph 5.3.2.2, any costs Contractor incurs in generating program income may be deducted from gross program income to determine net program income.

- 5.3.2.2 Contractor shall not deduct from gross program income any allowable program expenses for which Contractor has been, or will be, reimbursed from the DOE WAP grant award.

5.3.3 Expenditure, Reporting, and Rollover of Program Income

- 5.3.3.1 Program income must be expended in accordance with the requirements for expenditure of regular DOE WAP funds, for allowable program purposes.

- 5.3.3.2 Contractor shall expend program income during the term of this Contract. Contractor shall report all such expenditures, along with remaining unexpended program income, at the close-out of this Contract or at such other time(s) as CSD reasonably requires.

- 5.3.3.2 Contractor's unexpended program income at the close-out of this Contract shall roll over to the 2026 Annual DOE WAP contract.

5.4 Allowable Costs

5.4.1 Cost Reporting

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

- 5.4.1.2 Pursuant to the federal grant and applicable regulations, Contractor may only claim reimbursements for actual, allowable, and allocable direct and indirect costs.

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5.4.1.3 Contractor shall report all expenditures at actual cost and shall maintain records and source documentation in such a manner as to substantiate all costs reported.

5.4.2 Administrative

5.4.2.1 General

5.4.2.1.1 Administrative costs shall not exceed the amounts as set forth in allocation spreadsheet. Contractor shall not use funds provided under this Contract to cover administrative costs incurred under another contract.

5.4.2.1.2 Administrative Costs shall mean actual costs for auxiliary functions such as salaries, wages, workers' compensation, and fringe benefits for administrative staff, as well as for 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.

5.4.2.2 Contractor shall use 2 CFR Part 200 Subpart E – Cost Principles as a guide for determining administrative costs.

5.4.2.3 Administrative Equipment More Than \$10,000—Acquisition Costs

5.4.2.3.1 Acquisition costs shall mean the actual costs associated with the purchase of equipment over \$10,000 per unit used for administrative purposes.

5.4.2.3.2 CSD pre-approval is required for the purchases or lease-purchase option of equipment with a total value greater than \$10,000 utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

5.4.2.4 Administrative Out-of-State Travel

Administrative out-of-state travel costs shall mean cost incurred for out-of-state meeting, conferences or training that is critical to administering and/or maintaining DOE WAP. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of Contractor for DOE WAP purposes.

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5.4.3 Program Costs

5.4.3.1 General

Program costs are all allowable costs other than Administrative Costs. Program costs include those costs that are directly attributable to the performance of this Contract and that are reasonable and necessary as determined by CSD for the purpose of delivering services. Allowable costs shall be as set forth in Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR Part 200 Subpart E – Cost Principles).

5.4.3.2 Intake Costs

Intake Costs shall include salary, fringe, and travel costs, and subcontractor costs associated with assisting clients with completion of intake forms and conducting eligibility determinations.

5.4.3.3 Outreach

Outreach shall include those actual costs associated with outreach, development of outreach materials, and implementation of strategies to promote awareness of the availability of services funded by this Contract.

5.4.3.4 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 but not limited to diagnostic testing performed by crew staff, labor, materials, subcontractors, permits, California Home Energy Rating System ((HERS Raters) will be known as Energy Code Compliance (ECC) beginning January 1, 2026), and lead-safe weatherization materials.

5.4.3.5 Assessments / Inspections / Diagnostics

Assessments / Inspections / Diagnostics shall mean those costs associated with assessing a dwelling for services, conducting an energy audit, performing post-inspections and performing pre- and post-diagnostic testing. These activities shall be conducted by a qualified assessor or Quality Control Inspector. Costs are limited to labor, fringe benefits, and travel. Additionally, in-office Energy Modeling is allowable in the Energy Audit budget category provided that office staff complete the required energy audit modeling software training, in support of the assessor.

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5.4.3.6 Liability Insurance

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

5.4.3.7 Training and Technical Assistance

5.4.3.7.1 Training and technical assistance shall not exceed the actual cost as set forth in the project funding page and shall be reimbursed at actual cost.

5.4.3.7.2 Associated training and technical assistance costs may include costs related to: travel, admission, materials, client education, and actual salaries/wages. Subcontractor training costs are limited to travel, client education, admission, and materials.

5.4.3.7.3 Training and technical assistance shall include costs associated with the completion of training of personnel or subcontractors to perform program activities related to outreach, intake, client education, and weatherization training as specified in the Training Requirements of Article 9.1 of this Contract. Training includes, but is not limited to, internal contractor training, safety training, attendance at weatherization-related training to include the software database collection system or other forms of training to aid 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), or CSD training. CSD training may include Local Service Provider's Meetings and Association of California Community and Energy Services Roundtable Meetings, and/or other organizations offering a component of weatherization training, and/or is necessary to carry out the direct delivery of services.

5.4.3.7.4 Training is limited to agency or subcontractor personnel who will be performing weatherization services directly funded by DOE WAP.

5.4.3.7.5 Training for job corps and workforce development trainees shall be limited to required CSD health and safety training sessions, unless otherwise approved by CSD.

5.4.3.7.6 Client Education/Counseling Services

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Contractor shall include those actual costs associated with providing group client education, energy conservation information, resource and referral, budget counseling, mold education, and lead safe education.

5.4.3.7.7 Out-of-State Travel. Contractor staff out-of-state travel costs shall mean cost incurred for out-of-state meetings, conferences or trainings that are critical to carrying out the DOE program. Travel expenses are limited to transportation, subsistence, and related items incurred by traveling on official business on behalf of the Contractor for DOE WAP.

5.4.3.8 Acquisition Costs

5.4.3.8.1 Minor Vehicle and Field Equipment Costs Less Than \$10,000 – Acquisition Costs

Minor Vehicle and Field Equipment costs under \$10,000 per unit must follow all federal and state rules and regulations governing DOE WAP pertaining to procurement standards.

5.4.3.8.2 Major Vehicle and Field Equipment Costs \$10,000 or Greater– Acquisition Costs Must Be Pre-Approved

CSD and DOE pre-approval is required for the purchases or lease-purchase option of vehicles and field office equipment with a total value of \$10,000 or greater, utilizing the Request for Pre-Approval of Purchase/Lease (CSD 558).

5.4.3.9 General Operating Costs:

General Operating Costs may be charged to the program and are for directly allocable costs related to facilities, office and computer equipment, office supplies, telephone, travel and materials.

5.4.3.10 Other Program Costs:

5.4.3.10.1 Other Program Costs

Other Program Costs shall mean the actual costs associated with field staff wages, program management and support wages, ancillary supplies, disposal fees, and Historic Preservation review costs, lodging and per diem, vehicle and equipment repair, maintenance, and fuel, waste, breakage, and solar water heating maintenance/warranty.

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5.4.3.10.2 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.

5.4.3.11 Client Education/Counseling Services

Contractor shall include those actual costs associated with providing group client education, energy conservation information, resource and referral, budget counseling, mold education, and lead safe education.

5.4.3.12 Automation Costs

5.4.3.12.1 Contractor can expend funds to the Automation Costs (AC) in an amount not to exceed \$10,000, to be used to meet the contract program startup requirements such as the Contractor's IT automation needs to comply with CSD's updated or new financial reporting system and the Weatherization Database ("CSD System") requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. AC funds are not limited exclusively to CSD System -related IT expenditures but any IT expense related to CSD System costs incurred including necessary training on upgrades to Contractor's system.

5.4.3.12.2 If Contractor's cost requires an increase to the AC budgeted amount Contractor may request written approval from CSD to exceed the ten thousand (\$10,000) dollar maximum.

5.4.3.12.3 Contractor shall report all AC and IT expenditures related to compliance with the reporting requirements under this Contract in the Automation Costs line item. Such expenditures may include, but is not limited to, computer and IT equipment; approved front-end database acquisition and ongoing subscription costs; IT security implementation costs; and IT systems training. All costs reported in this line item must be directly related to program functions. IT costs related to administrative functions shall be reported as administrative costs pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

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5.4.3.12.4 Contractors with multiple DOE contracts for the same program year are limited to reimbursement up to \$10,000 per contract. Contractor shall allocate costs among contracts when permitted and may not charge the same costs to more than one contract.

5.4.3.12.5 CSD System related IT costs charged to the AC shall be submitted for reimbursement in accordance with CSD's normal reporting and accounting procedures.

5.4.3.12.6 Contractors that remain in contract with their front-end vendor are not required to conduct a procurement for ongoing maintenance, updates or process improvements performed by the front-end vendor.

5.4.3.13 Health & Safety Activities

5.4.3.13.1 Health & Safety Activities shall mean those costs associated with installation of measures classified as health and safety measures and to include labor, materials, lead safe weatherization renovator certification and subcontractors. These costs shall represent the cumulative total of expenditures from the separate Health & Safety Activities section of the DOE Monthly Expenditure Report.

5.4.3.13.2 Contractor shall apply no more than the allowable maximum amount toward mitigating health and safety hazards as described in the DOE Weatherization Budget (CSD 570). The allowable maximum shall be determined using the Health and Safety formula as defined in Article 13, ["Definitions"](#). Reimbursement shall be limited to the allowable maximum contingent upon expenditure of line items included in the Health and Safety formula.

5.4.3.13.3 Lead Safe Weatherization means those expenses associated with performing lead safe weatherization, lead renovator certification for ensuring lead paint safety on weatherized dwellings built prior to 1978, including materials, and the time spent by the EPA-Certified Renovator completing the EPA reporting requirements while on the job site.

5.5 Reimbursement Guidelines

5.5.1 Claims for Reimbursement

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5.5.1.1 Pursuant to the federal grant and applicable regulations, Contractor may only claim reimbursements for actual, allowable, and allocable direct and indirect costs. Contractor shall report actual costs incurred for actual expenditures up to any applicable maximum amounts set by this Contract.

5.5.1.2 Contractor shall not incur expenditures prior to execution of this Contract by both parties.

5.5.2 General

5.5.2.1 Contractor may claim reimbursement for allowable weatherization-related activities under the terms of this Contract as documented on the CSD Dwelling Assessment Form (CSD 540) or approved Contractor's equivalent for each eligible household not previously weatherized under the Annual DOE WAP, BIL WAP and funding granted under the American Recovery and Reinvestment of Act of 2009 (ARRA).

5.5.2.2 Contractor is prohibited from leveraging funds with any other DOE program that may be in effect in any dwelling.

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

5.5.2.4 Completed units as specified in section 5.5.4.1.1 shall be submitted for payment within 30 calendar days of completion or by the due date of the last reporting period of this Contract, whichever is less. A completed unit shall not be carried over into another contract period.

5.5.2.5 Contractor Average Cost Per Unit

5.5.2.5.1 Contractor shall be entitled to reimbursement of allowable costs, not to exceed the Contractor ACPU of \$8,547 for jobs completed between January 1, 2026 - June 30, 2026.

Contractor shall ensure the cost for individual weatherized units correspond with specified Contractor ACPU maximums. Job costs shall include conservation measures and activities described in the Reimbursement for Weatherization Activities located on the CSD LAP at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx>. The formula for determining the Contractor ACPU rate is specified in Article 13, "Definitions".

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5.5.2.5.2 The Contractor shall be entitled to reimbursement for allowable costs related to the weatherization of whole multi-family building projects.

If a multi-family building project meets the 66/50 rule in accordance with Article 8.1, Section 8.1.2.6, then total investment for the whole building multi-family project may not exceed the number of dwelling units multiplied by the specified Contractor ACPU. Calculation of total investment for buildings that meet the 66/50 rule includes income eligible, non-income eligible, and vacant units. Contractor must complete the Multi-Family Dwelling Certification form (CSD 75P) to substantiate that the 66/50 rule is being applied correctly.

Contractor shall ensure costs to weatherize whole multi-family building projects completed between December 1, 2025 – June 30, 2026, do not exceed the number of eligible dwelling units in the building multiplied by the \$8,547 Contractor ACPU.

If performing weatherization services on individual units when approved by CSD and DOE Project Officer, and not a whole multi-family building project, Contractor shall ensure costs do not exceed the Contractor ACPU.

5.5.2.6 Group Homes

The maximum reimbursement that can be paid for a group home shall be equal to the current maximum average allowed for single family and multi-unit dwellings.

5.5.2.7 Temporary Shelters/Homeless Individuals

Maximum reimbursement will be based on the unit otherwise qualifying as a multi-unit structure. For the purpose of determining how many dwelling units exist in a shelter, a grantee may count each 800 square feet of the shelter as a dwelling unit or it may count each floor of the shelter as a dwelling unit.

5.5.2.8 Measure Reimbursement

5.5.2.8.1 For those weatherization measures that have an established maximum rate, the reimbursement amount shall be equal to the actual costs of labor, materials and subcontracted services not to exceed the maximum reimbursement allowable.

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- 5.5.2.8.2 For those weatherization measures that have an established maximum quantity, the quantity shall not exceed the maximum quantity allowable.
- 5.5.2.8.3 Cost and quantities that are projected to exceed the maximum limits as described in Reimbursements Rates for Weatherization may be exceeded if a waiver request has been submitted to and approved by CSD. Contractor shall obtain prior written approval from CSD before work commences.
- 5.5.2.8.4 Work outside of the scope of the program may only be allowable under extenuating circumstances. Contractor shall obtain prior written approval from CSD before work commences.
- 5.5.2.8.5 Weatherization measure costs or quantities exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, or another CSD or non-CSD program. An exception to this rule exists, however, as identified within Section 5.5.5 Leveraged Funds.
- 5.5.2.8.6 When costs for a measure exceed the maximum cost reimbursement, labor hours and/or quantity limits allowed for a health and safety measure as described in Reimbursement Rates for Weatherization, Contractor shall obtain prior written approval from CSD prior to work commencing to exceed the maximum cost limitations for health and safety measures. However, in no case will Contractor be allowed to exceed the maximum allowable for Health and Safety as shown in DOE Weatherization Budget based on the formula specified in Article 13, [“Definitions”](#).
- 5.5.2.8.7 Assessments and Diagnostics
- 5.5.2.8.7.1 Contractor may claim reimbursement for one full dwelling assessment for each instance of weatherization services including initial weatherization and re-weatherization services. Contractor may claim reimbursement for performed dwelling assessments.
- 5.5.2.8.7.1.1 Re-weatherization is only permissible under this contract in cases of emergency or disaster situations that are pre-approved by CSD.

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5.5.2.8.7.2 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 testing that were performed.

5.5.2.8.7.3 Contractor may claim reimbursement for dwelling assessment and diagnostic testing only once when LIHEAP and DOE funds are used concurrently in the same unit.

5.5.2.8.7.4 Waivers from CSD shall be required for any assessments and diagnostic testing or health and safety and weatherization measure with a cost that will exceed the maximum reimbursements allowable.

5.5.2.8.7.5 HERS/ECC Rater and permit fees are acceptable expenses and may be charged only once per dwelling to ECIP EHCS or LIHEAP weatherization or DOE WAP per weatherized dwelling. HERS/ECC Rater fee and permit reimbursement include subcontractor cost, staff time on job site, and fees that will be reimbursed based on the actual cost.

5.5.2.8.8 Labor Reimbursement

5.5.2.8.8.1 Contractor shall bill the number of actual labor hours and actual labor cost incurred by weatherization crew members or other persons associated with the installation, assessment and inspection of weatherization measures, removal of debris and appliances, the procurement of permits and services performed by HERS/ECC Raters.

5.5.2.8.8.2 Contractor must be able to substantiate all actual labor hours and labor costs charged.

5.5.2.8.8.3 Actual labor hours and costs 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.

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5.5.2.8.8.4 When the installation of a measure is subcontracted and there are billable labor hours for weatherization crew members who participate in the installation of that subcontracted measure, Contractor may bill, in addition to the subcontracted expenditure, the actual labor hours and labor costs incurred by Contractor's crew members.

5.5.2.8.8.5 Labor expenses for weatherization service delivery shall exclude labor expenses associated with training, travel to weatherization job sites, staff time not associated with the direct installation and/or performance of weatherization services and activities on the job site, downtime and general operating expenses as provided below in subsection 5.5.3 "Other Program Costs".

5.5.2.8.8.6 Labor expenses associated with the manufacturing of installation materials such as cooler covers while not on the job site shall be charged as part of the cost of materials at actual labor hours and actual labor costs.

5.5.2.8.9 Heating and Cooling Appliance Repair and Replacement

For health and safety reasons:

5.5.2.8.9.1 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.

5.5.2.8.9.2 Dwellings in which a single appliance has been both repaired and replaced, or under a 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. Call-backs will require additional reporting; refer to [CPN-E-12-05](#).

5.5.2.8.9.3 For multi-unit dwellings with a common system (water heater, heating and/or cooling), Contractor

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shall prorate the cost among all dwelling units within that building envelope.

5.5.3 Other Program Costs

5.5.3.1 Wages – Field Staff

Contractor may request reimbursement for the actual labor costs including benefits related to weatherization supervisors, assessors, inspectors, and crew members that are allocable to the program but not associated with the direct installation and/or performance of weatherization services/activities on the job site and training, including, but not limited to: job scheduling, job preparation, travel time, disposal of appliances and materials building and prepping of weatherization materials away from the job site and downtime in accordance with any guidance issued by CSD.

5.5.3.2 Wages – Program Management and Support

5.5.3.2.1 Contractor may request reimbursement for the actual labor costs related to program management and support staff directly responsible for the direct management and oversight over the DOE Weatherization program activity or providing direct support to ensure the successful delivery of weatherization services.

5.5.3.2.2 Reported costs may include labor costs associated with performing direct support in coordinating the delivery and tracking of direct program services, including but not limited to: job scheduling, collating and aggregating of weatherization activities and materials, staff time associated with Historic Preservation Review activities, obtaining permits and coordination of subcontracted services.

5.5.3.3 Lodging and Per Diem

Contractor may claim reimbursement for lodging and per diem related to the installation of weatherization measures subject to travel and per diem as described in the Travel and Per Diem Section 4.6 of this Contract.

5.5.3.4 Disposal Fees

5.5.3.4.1 Contractor may claim reimbursement for disposal fees and associated expenses incurred by Contractor and their subcontractor. Disposal fee reimbursement is limited to the actual cost of the fee.

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5.5.3.4.2 Contractor may claim reimbursement for the removal of a secondary heating system that cannot be repaired to include associated labor and materials.

5.5.3.5 Vehicle, Equipment Repair, Maintenance and Fuel

5.5.3.5.1 Contractor may claim reimbursement for expenses related to upkeep and maintenance of vehicles and equipment used in the direct delivery of weatherization services. Allowable costs shall be limited to expenditures associated with the maintenance of the vehicles and equipment fuel and oil.

5.5.3.5.2 Contractor shall maintain records for fuel expenditures, vehicle maintenance and vehicle usage to substantiate allowable travel costs related to and allocable to DOE WAP.

5.5.3.6 Historic Preservation Reviews

Historic Preservation Reviews means those expenses that are subcontracted to a third party to perform the collection of and reporting of potential weatherization properties subject to Historic Preservation Review requirements.

5.5.3.7 Waste Breakage

Waste breakage are those expenses associated with weatherization materials that have been damaged and are part of Contractor's inventory or special-order materials that are allocated to CSD programs. The cost of weatherization materials that are damaged and benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for waste breakage is not allowable for subcontractors.

5.5.3.8 Ancillary Supplies

Ancillary supplies are additional low-cost materials or supplies (such as nuts, bolts, screws and washers) necessary to install a weatherization measure and not easily identifiable to a specific measure or dwelling. Costs of ancillary supplies that benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for ancillary supplies is not allowable for subcontractors.

5.5.4 Dwelling Status

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5.5.4.1 Completed Units

5.5.4.1.1 Except as otherwise provided in the CSD Technical Reference Manual (TRM), Contractor shall not report a weatherized dwelling as completed nor shall Contractor request reimbursement for a weatherized dwelling until all weatherization measures identified as feasible during the dwelling assessment have been installed and inspected by a Certified Quality Control Inspector, all inspection fails have been resolved, and Contractor has all available information to report the unit.

5.5.4.1.2 For dwellings where no Energy Conservation Measures (ECM) are feasible, health and safety work may be performed, but the home cannot be counted toward the dwelling completion count.

5.5.4.1.3 Contractor shall not bill for incomplete units or prematurely close a unit with outstanding, unfinished weatherization 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 if satisfactorily documented, the job shall be reported as completed in accordance with subparagraph 5.5.4.1.1.

5.5.4.1.4 Contractor shall reimburse CSD for all costs associated with the delivery of weatherization services covered under this Contract to dwellings occupied by households ineligible for weatherization assistance at the time such services were provided.

5.5.4.2 Building Permits

5.5.4.2.1 Contractor shall obtain all required permits in accordance with the TRM, prior to the commencement of all work performed, unless work is performed as a result of an emergency requiring immediate action where there is an imminent danger and requesting a permit would hinder the Contractor's ability to resolve the emergency. If an emergency is remedied, Contractor shall apply for a permit as soon as reasonably possible.

5.5.4.2.2 Penalties or fines imposed on Contractor or subcontractor by the local authority or building department are not allowable costs.

5.5.5 Managing Alternative Funding

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5.5.5.1 Contractor may perform services and install energy conservation measures in a qualified dwelling as provided herein and in accordance with requirements of any other CSD program and compatible non-CSD funded program, if in the best interest of the client, and as described in the TRM Appendix D Energy Audit/Priority List Protocol, provided:

5.5.5.1.1 Contractor may not leverage DOE WAP funded weatherization service or related activity with other DOE funding.

5.5.5.1.2 Contractor may divide DOE material expenditures associated with a single measure with any funding source other than other DOE WAP provided the combined expenditures reported to each contract does not exceed the maximum reimbursement for the individual measure. Contractor will be required to provide an accounting of labor, material, and quantities installed under each program.

5.5.5.1.3 Contractor shall not bill multiple funding sources for the same product or service unless costs are allocated in such a manner that billing is not duplicative and Contractor receives no more than the total cost of the products and services provided. The amount billed under both DOE WAP and alternative funding source cannot exceed the total cost of the installation of the measure.

5.5.5.1.4 In accordance with TRM Appendix D Energy Audit/Priority List Protocol, individual measure leveraging is allowable under the following conditions:

5.5.5.1.4.1 Full measure leveraging, or braiding of funds, is when the entire measure cost will be paid for by the funds of any non-DOE program. When the total reimbursement for a measure is paid with a non-DOE funding source, and the reimbursement is intended to cover the entire costs of the contracted service, all related costs associated with the installed measure shall be charged to the alternative funding source. Additional costs to facilitate or to offset cost deficits for the measure shall not be charged to another CSD energy program.

5.5.5.1.4.2 Partial measure leveraging, or co-funding, is where the cost of an Audit-Driven Measure (ADM) is divided between the DOE WAP and an alternative

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non-DOE funding source. The package of measures, including the full cost of the measure to be partially leveraged, must have a Dwelling SIR ≥ 1.0 for the Annual DOE WAP share of investment. Measures that are not included in this package do not qualify for partial measure leveraging. Leveraged ADMs must have a Measure SIR < 1.0 , but ≥ 0.5 , to qualify for partial measure leveraging.

5.5.5.1.4.3 Cost sharing is not considered leveraging, but it is a division of measure cost that applies only to Health & Safety, Priority List, and General Heat Waste (audit path only) measures. When cost-sharing, all labor must be billed to the DOE WAP. Material costs may be billed entirely to another program or shared between the DOE WAP and another program.

5.5.5.1.5 Measure buy-down is optional and will apply only to multi-family buildings. The property owner/landlord is allowed to contribute to the cost of an ADM in single-family (2-4 unit buildings only), small multi-family (5-24 units), or large multi-family rental properties (25 or more units). The buy-down must apply to all units served (except any unit occupied by the owner) when the Measure SIR is ≥ 1.0 using the reduced measure cost, and the Dwelling SIR is ≥ 1.0 using the total installed cost of the measures to be installed in the building.

5.5.5.1.6 Weatherization Readiness Funds – Only WRF measures may be billed under the “Weatherization Readiness Funds” line item.

5.5.6 Disaster Relief

5.5.6.1 Contractor may claim reimbursement for approved services for qualified disaster victims in accordance with the Disaster Relief Plan which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

5.5.6.2 Reimbursement shall be limited to a maximum allowable average reimbursement of \$8,547 per dwelling unit completed on or after January 1, 2026.

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ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

6.1.1 General

6.1.1.1 Contractor shall submit required client/job detailed data for Weatherization activities to CSD's Enterprise Combined Outcome Reporting Engine (eCORE) on a monthly basis, for the period in which the service activity occurred.

Similarly, adjustments shall be submitted for the monthly period in which services occurred.

6.1.1.2 Contractor shall request reimbursement associated with all Contract activities by reporting expenditures to CSD's financial reporting system, in accordance with [CPN-E-19-002](#): Energy Reimbursement Policies and Procedures, which is available online at:
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

6.1.1.2.1 Contractor shall submit report adjustments to CSD's financial reporting system in accordance with [CPN-E-19-002](#).

6.1.1.2.2 Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly submission.

6.1.1.2.3 Contractor shall be up to date with all monthly reporting no later than May 15th of each contract year. If Contractor is not current with all monthly reporting for each program year, CSD will withhold reimbursement from all open contracts.

6.1.1.2.4 Contractor shall be at or below the required Contractor ACPU as identified in the contract as of May 15th of each contract year. If Contractor exceeds the Contractor ACPU, CSD will disallow costs to bring the Contractor into compliance with the Contractor ACPU requirement.

6.1.1.2.6 Contractor must report expenditures in CSD's financial reporting system the month after the expenditures occur and completed units for reported service-related expenditures to eCORE.

6.1.1.2.7 Contractor must settle any negative balances no later than May 15th of the contract year.

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6.1.1.3 Contractor shall ensure that the data reported in the Weatherization Database and the request for reimbursement reported in CSD's financial reporting system, reconcile in accordance with [CPA-E-18-005](#).

6.1.1.4 Contractor shall submit requested client files, records and documents to the File Transfer Protocol (FTP) Server quarterly or as requested by CSD. CSD shall use Contractor-submitted documents to perform an in-house desk review to verify compliance with financial, administrative and programmatic requirements.

6.1.1.5 Reporting System Requirements

6.1.1.5.1 CSD will provide Contractor with specifications of minor IT reporting changes or other minor changes, and upon receipt of the specifications, Contractor shall implement system changes in their local system within 30 calendar days. Minor changes are those that are routine in nature to begin performance under the Contract such as but not limited to adjustments to the expenditure activity report layout, adding or deleting measures and adjusting eligibility guidelines.

6.1.1.5.2 Major reporting changes, upon receipt of the specifications, shall be implemented in Contractor's local system as negotiated by CSD. Major IT system changes are those changes made to the business rule validations as listed in the most current Weatherization DTR and/or new field lines as outlined in the DTR Document (Schema-Breakdown). The most current Weatherization DTR and Data Transfer Reference Document (Schema-Breakdown) are located on the CSD Local Agencies Portal website on the Resources website page.

6.1.2 CSD Review and Approval of Reports

6.1.2.1 CSD shall review and approve Contractor's monthly reimbursement/activity reports before offsets to advances or reimbursement payments are issued. CSD will conduct an ongoing evaluation of Contractor's performance related to program, fiscal operations, Contractor ACPU, and its demonstrated ability to effectively utilize all funds available under this Contract.

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

6.1.3 Close-out Report

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- 6.1.3.1 In accordance with Section 6.1.1,2.6. Contractor shall submit all expenditure and job reporting within 30 calendar days of the close of the contract.
- 6.1.3.2 Contractor shall submit, on the appropriate CSD forms, a close-out report verifying all actual, allowable, and allocable costs expended during the term of this Contract and return all excess reimbursement and unexpended funds to CSD within 60 calendar days of the expiration of this Contract. If Contractor fully expends funds prior to the end of the contract term, all appropriate CSD close-out forms shall be submitted within 60 calendar days of final expenditure.
 - 6.1.3.2.1 Administrative costs shall remain proportionate to the allowable program expenditures, not to exceed the amount set forth in the allocation spreadsheet.
 - 6.1.3.2.2 Training and Technical Assistance costs shall remain proportionate to the allowable program expenditures, not to exceed the amounts set forth in the allocation spreadsheet.
 - 6.1.3.2.3 Health and Safety shall not exceed 33% of the allowable Program Operations expenditures in accordance with the formula defined in Article 13, [“Definitions”](#).
 - 6.1.3.2.4 Any Administrative, Health and Safety, and Training and Technical assistance costs that exceed the maximum limits shall be disallowed.
 - 6.1.3.2.5 Subsequent payments, including advance payments, for DOE or other CSD contracts may be withheld, absent timely receipt of the close-out report of this Contract.
- 6.1.3.3 The issuance of other CSD contracts, and reimbursement and advance payments for existing contracts, may be withheld, absent receipt of the close-out report which is due no later than 60 calendar days after Contractor fully expends or the end of the Contract term.
- 6.1.3.4 The close-out report shall include the following forms and be available on the CSD Local Agencies Portal website:
 - 6.1.3.4.1 DOE Close-Out Checklist (CSD 720);
 - 6.1.3.4.2 DOE Close-Out Equipment Inventory Schedule (CSD 720D);
 - and

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6.1.3.4.3 DOE Close-Out Reconciliation Report (CSD 720E).

6.1.3.5 Unexpended Funds

6.1.3.5.1 Contractor shall use the DOE Close-Out Reconciliation Report (CSD 720E) to reconcile and report actual costs, interest earned, and reimbursements.

6.1.3.5.2 Any unexpended funds shall be returned to CSD at the time the close-out report is submitted.

6.1.3.6 Any weatherization materials purchased with these funds and remaining at the Contract expiration shall be credited against Contractor's weatherization materials expenditures under this Contract and charged to whatever other weatherization program Contractor may have in effect. If Contractor has no other weatherization program in effect, CSD shall determine how the materials will be disposed and what, if any, financial adjustments are required.

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ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 Program Standards and Regulatory Requirements

7.1.1 Program Standards

7.1.1.1 Contractor shall adhere to all CSD program standards pursuant to the following documents and manuals which have been incorporated by reference and made part of this Contract as if attached hereto:

7.1.1.1.1 CSD Technical Reference Manual (TRM);

7.1.1.1.2 Official State and Federal Program Notices and Guidance Documents;

7.1.1.1.3 DOE WAP Disaster Relief Plan;

7.1.1.1.4 Current Eligibility and Verification Guide;

7.1.1.1.5 Weatherization DTR;

7.1.1.1.6 Contractor’s DOE WAP – Participation Requirements and Application;

7.1.1.1.7 Upon execution of the Agreement, Contractor will acknowledge receipt of all current and revised technical manuals, policies, and protocols in Article 7.1.1.1; and

7.1.1.1.8 The CSD Training Policies and Procedures Manual (TPPM).

7.1.1.2 In the event of disagreement between policies and field protocols contained within the TRM and/or the Weatherization Policies and Procedures and this Contract, Contractor shall abide by the terms of this Contract.

7.1.2 Regulations

7.1.2.1 Standards contained in the most current Uniform Building Code and local city and county codes shall take precedence over the CSD TRM if the code requirement is not included in the manual and/or is more stringent; otherwise, Contractor shall abide by the TRM.

7.1.2.2 All work performed by Contractor shall be in compliance with most current and applicable provisions of the California Energy Commission

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Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, HERS/ECC Program regulations.

7.1.2.3 Services provided to all covered pre-1978 dwellings shall be in compliance with the most current Environmental Protection Agency rules in 40 CFR Part 745 et seq., Lead-Based Paint Poisoning Prevention in Certain Residential Structures, and the Housing and Urban Development rules in 24 CFR Part 35 et seq., and Lead; Requirements for Hazard Education Before Renovation of Target Housing: Final Rule (63 FR 29908).

7.1.2.4 All materials procured for weatherization purposes shall be in conformance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

7.1.2.5 All materials used must be in compliance with Department of Energy rules in 10 CFR Part 440, Appendix A.

7.1.3 Title 24

7.1.3.1 Contractor shall, when required by its local jurisdiction, obtain a building permit when additions or alterations of existing residential buildings are performed or when a component, system, or equipment of an existing building breaks, cannot be repaired and must be replaced.

7.1.3.2 Title 24 requirements are applicable only to energy conservation measures and Health and Safety appliance replacements of heating, cooling, and water heating installed to dwellings located within Contractor's specific California Energy Commission (CEC) Climate Zone. For a listing of the CEC climate zones, refer to the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>. Contractor shall exercise caution not to utilize the DOE Climate Zone for compliance with California's Title 24 Energy Efficiency Standards for Residential and Nonresidential Requirements.

7.1.3.3 Contractor shall obtain the services of a qualified HERS/ECC Rater when required to perform required field verification and diagnostic testing on applicable weatherization measures and building alterations performed under this Contract.

7.1.3.4 The HERS/ECC Rater shall be an independent entity from the Contractor or subcontractor performing the building alteration and/or energy-efficiency improvement being tested and verified and shall have no financial interest in the work performed.

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7.1.4 Pre-1978 Dwellings

7.1.4.1 Lead-based paint is presumed to be present in all pre-1978 units unless the dwelling unit has previously been certified by a California Certified Inspector/Risk Assessor to be lead-free.

7.1.4.2 Dwellings that are not previously certified to be lead-free, were built prior to 1978, and are receiving weatherization services in which painted surfaces exceeding de minimis levels are disturbed, require the successful achievement of lead-safe standards after the completion of weatherization services. Contractor shall assure that an Environmental Protection Agency (EPA) Certified Renovator performs the post-weatherization verification after the completion of weatherization services and that the Assessor deems the weatherized meets EPA Renovation, Repair, and Painting Rule lead-safe standards.

7.1.4.3 HUD units not previously certified to be lead-free, built prior to 1978, and receiving weatherization services in which painted surfaces exceeding de minimis levels are disturbed, require the successful achievement of lead-safe standards after the completion of weatherization services. Contractor shall assure that a third-party California Certified Inspector/Risk Assessor performs the clearance inspection after the completion of weatherization services and that the Assessor deems the weatherized HUD unit as lead-safe.

7.1.4.4 Contractor shall document notification to tenants of multi-unit housing of weatherization and/or renovation activities in common areas using the Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent and Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent.

7.2 Service Priority Guidelines

7.2.1 When a waitlist exists, in accordance with 10 CFR 440.16 (b), Contractor shall give first priority for weatherization services to those households with elderly persons (ages 60 years or older), persons with disabilities, families with children 19 years of age or younger, and households with a high energy burden.

7.2.2 Contractor may give first priority for services to those households whose members have life-threatening emergencies.

7.2.3 Equitable Treatment. Contractor shall ensure that owners and renters receive equitable treatment under this program.

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- 7.2.4 Eligibility Income Data - If the Contractor displays income eligibility data on its website(s), Contractor must regularly update the information to align with the most recent income eligibility guidelines applicable to the services covered by this agreement. The displayed information must include specific reference to DOE WAP income eligibility guidelines.

7.3 Outreach and Intake Activity Guidelines

7.3.1 Outreach

Contractor shall perform appropriate outreach activities to ensure that households in the service area(s) are informed about all DOE WAP services and have an opportunity to apply for such services.

7.3.2 Intake

Contractor shall use intake program funds for determining eligibility of applicants seeking DOE WAP services. Services include the process of completing an intake application and reviewing applicant documentation. Contractor shall:

- 7.3.2.1 Establish reasonable hours whereby applicants will have access during regular business hours to seek program information with an assurance that the Contractor shall respond to the applicant's request within a reasonable amount of time.
- 7.3.2.2 Accept applications for assistance during regular business hours.
- 7.3.2.3 Accept applications at sites that are geographically accessible to all households in the area served by Contractor.
- 7.3.2.4 Provide low-income individuals who are physically infirm with the means to submit applications without leaving their residences.
- 7.3.2.5 All sites where intake is conducted must be accessible to the disabled.
- 7.3.2.6 If Contractor opts to "pre-screen" applicants for benefits by discussing eligibility criteria and by counseling potential clients in advance of their completing and submitting an Energy Intake Form (CSD 43) or approved Contractor's equivalent, Contractor must apply income guidelines and Contractor's DOE Weatherization Priority Plan Narrative (CSD 793) when prescreening applicants. If the applicant appears to be ineligible, Contractor must so inform the applicant but must nevertheless notify prescreened applicants of the right to apply for benefits upon changes in the prescreened applicant's circumstances and status. Energy Intake Form (CSD 43) or approved Contractor's equivalent must be provided to an

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applicant upon request, whether or not a prescreening process is employed.

7.4 Client Education and Counseling Activities

Client Education/Counseling Activities program funds shall be used for such services, including client needs assessment, client education and budget counseling, that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance.

7.4.1 Needs Assessment

Contractor shall conduct a needs assessment for each applicant, which shall include computing the energy burden of each applicant's household and prioritizing households as described in Article 7.2, Service Priority Guidelines.

7.4.2 Client Education / Budget Counseling

7.4.2.1 Contractor shall provide to all recipients of energy assistance under this Contract applicable energy conservation information and budget counseling in accordance with Contractor's approved DOE Weatherization Priority Plan Narrative (CSD 793). As a minimum Contractor shall include the following:

7.4.2.1.1 Information to the client regarding the importance of applying for energy assistance prior to being in an arrearage situation and to include information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State;

7.4.2.1.2 Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household;

7.4.2.1.3 Written information that identifies safety conditions assessed in the home and as self-declared by occupants, in accordance with the CSD TRM Appendix E Health and Safety Requirements, CSD TRM individual measure standards, and as required in the CSD 540G Health and Safety Form (A copy of the completed CSD 540G form shall be left with the client during the assessment visit);

7.4.2.1.4 Resource information, referral, family, and budget counseling in order to assist clients in achieving self-sufficiency;

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7.4.2.1.5 Referral to other community, state or federal programs to address conditions that may exist that cannot be mitigated due to the scope of the corrections which exceed DOE WAP or other CSD weatherization programs and cannot be achieved in a cost-effective manner.

7.4.2.1.6 The EPA pamphlet “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools”;

7.4.2.1.7 The EPA pamphlet “A Brief Guide to Mold, Moisture, and Your Home”;

7.4.2.1.8 A description of the benefits that the client can expect to receive as a result of the weatherization measures installed and diagnostic tests performed in the dwelling;

7.4.2.1.9 Disclosure of any identified health, safety, or structural hazard conditions or deficiencies to the property owner and occupying tenant; and

7.4.2.1.10 The EPA pamphlet “A Citizen’s Guide to Radon: The Guide to Protecting Yourself and Your Family from Radon.”

7.4.2.1.11 The California Department of Public Health fact sheet “About Asbestos in the Home and Workplace”.

7.4.2.2 Contractor shall place in the client’s file the Client Education Confirmation of Receipt (CSD 321) or Contractor’s equivalent, which substantiates that the client was provided with energy conservation, budget counseling, and mold and moisture, lead-based paint-safe, radon, and asbestos education.

7.4.2.3 In the event pre-existing health, safety, or structural conditions prevent the delivery of weatherization services or a particular measure, Contractor shall complete the CSD Weatherization Deferral Form (CSD 542) to document the reason(s) for the service deferral and provide a copy to the property owner and occupying tenant.

7.4.3 Coordination

Contractor shall refer all potentially eligible applicants to other energy or conservation programs including, but not limited to the LIHEAP Weatherization Program, ECIP EHCS, HEAP, California Alternative Rates for Energy Program (CARE), Reduced Rate Program (RRP), or Arrearage Management Payment (AMP) Plan. Contractor shall coordinate its activities with other federal, state, or

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local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.

7.5 Leveraging/Cost Sharing/Buy-Down Activities

- 7.5.1 Leveraging, cost sharing, and buy-downs with weatherization funds may be used to install feasible measures in accordance with the CSD TRM Appendix D Energy Audit/priority List Protocol. Decision making for measure cost management shall be documented in the client file accordingly.
- 7.5.2 When using alternative funding with Annual DOE WAP funds to pay for a measure, Contractor shall ensure that the measure installation conforms with Annual DOE WAP weatherization guidelines.
- 7.5.3 Contractor shall track the use of different funding sources with sufficient detail to confirm that funds are spent according to federal regulations and CSD policies. Contractor shall document within the Weatherization client file the activity performed, date of the activity performed, and the source of the leveraged funds.
- 7.5.4 CSD may use information about activities paid for with funds from alternate funding sources for the purpose of verifying the delivery of services. CSD may review and verify or use a third-party inspector to review and verify that the leveraged-funded activities conform to applicable DOE WAP standards and practices.

7.6 Record-Keeping Responsibilities

- 7.6.1 Contractor shall maintain client intake/needs assessment form(s) for Weatherization, together with appropriate supporting documentation and shall maintain separate client files containing supporting documents related to disqualifications, denials, and appeals for each applicant who is not certified as being eligible to receive assistance.
- 7.6.2 Contractor shall make a reasonable effort to collect the completed Client/Customer Consent Form and Authorization to collect energy usage data when the client applying for services is not the person listed as the account holder of the utility bill. Client services shall not be denied if the client or bill account holder refuses to sign the consent form.
- 7.6.3 All Client Files – Requirements

Contractor shall maintain a separate hard copy or electronic file for each applicant. These files shall include, the following documentation, when applicable:

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- 7.6.3.1 For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits (CSD 600), and supporting documents;
- 7.6.3.2 Energy Intake Form (CSD 43) or approved Contractor's equivalent;
- 7.6.3.3 Multi-Family Property Intake Form (CSD 43-MFP) or approved Contractor's equivalent;
- 7.6.3.4 Utility/energy bill(s) for all sources of energy used by qualified households;
- 7.6.3.5 Documentation supporting eligibility in accordance with the Eligibility and Verification Guide;
- 7.6.3.6 Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided services;
- 7.6.3.7 Client denial or approval notification;
- 7.6.3.8 Certification of Income and Expenses (CSD 43B);
- 7.6.3.9 Client/Customer Consent Form and Authorization (CSD 081) – Only requested when the client is not the account holder of the utility bill;
- 7.6.3.10 CSD Dwelling Assessment Forms (CSD 540 series which includes: 540 Dwelling Assessment, 540A Weatherization Mold/Moisture Assessment and Release, 540C Mechanical Ventilation Calculator, 540D Mechanical Ventilation Assessment, 540E Refrigerator Calculator, and 540G DOE Health and Safety Form) or approved Contractor's equivalent when allowed;
- 7.6.3.11 Combustion Appliance Safety Inspection Form (CASIF) series (CSD 700, CSD 700B (Interim CASIF), or CSD 700C (Appliance Repair & Replacement CASIF);
- 7.6.3.12 Shell Leakage Data Sheet (CSD 704);
- 7.6.3.13 Duct Test Data Sheet (CSD 706);
- 7.6.3.14 CSD Weatherization Deferral Form (CSD 542) and other source documentation supporting deferrals and appeals;
- 7.6.3.15 Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent;

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- 7.6.3.16 Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent;
- 7.6.3.17 Energy Service Agreement for Occupants (CSD 515A) or approved Contractor's equivalent;
- 7.6.3.18 Energy Service Agreement for Rental Property Owners (CSD 515B) or approved Contractor's equivalent;
- 7.6.3.19 Lead-Based Paint Regulatory Compliance Report (CSD 708);
- 7.6.3.20 DOE Energy Audit/Priority List (CSD 710);
- 7.6.3.21 Contractor Post-Weatherization Inspection Report (CSD 611);
- 7.6.3.22 Multi-Family Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent;
- 7.6.3.23 Client confirmation of work completed;
- 7.6.3.24 Required building permits or building's permit applications, or documentation of permit cost, and evidence of final permit inspection;
- 7.6.3.25 Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1978 HUD units;
- 7.6.3.26 Waivers from CSD to exceed maximum costs and quantity limits of weatherization measures and work outside of the scope of CSD weatherization policies and standards;
- 7.6.3.27 Documented approvals from CSD to make a fuel change for an installed appliance;
- 7.6.3.28 Documentation that substantiates all actual labor hours including a time and activity log associated with each job;
- 7.6.3.29 Documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;
- 7.6.3.30 Documentation that substantiates the criteria and basis for replacement of all gas and electric appliances including results of all required diagnostic tests results and the non-feasibility of all mandatory measures not performed or installed;

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- 7.6.3.31 Documentation indicating the manufacturer, manufacture date, make, serial number and model and metering information for all refrigerator replacements;
- 7.6.3.32 Documentation and records substantiating mileage claims by individual weatherized Single-Family Dwelling (SFD) and Multi Unit Dwelling (MUD) Unit;
- 7.6.3.33 Documentation of HERS/ECC Rater's inspection report and a copy of the invoice from the HERS/ECC Rater, in addition to the Residential Compliance Forms (CF-1R, CF-4R and CR-6R);
- 7.6.3.34 Documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster;
- 7.6.3.35 Documentation providing evidence of participation in a federal, state, or local government rehabilitation program if being used to qualify ineligible multi-family dwelling units for weatherization services;
- 7.6.3.36 Documentation of notification to the owner-occupant, tenant and/or the owner of a rental unit or owner's agent of significant structural changes to the dwelling due to weatherization services;
- 7.6.3.37 All Historic Preservation Online review documentation, including the copies of the printed Project Description Sheet (PSD) and HPO site e-mails;
- 7.6.3.38 Improvement Analysis Report from CSD-approved energy audit software indicating measure that meet the SIR requirement for installation;
- 7.6.3.39 Documentation of attempts to schedule post-weatherization inspection appointments if inspection could not be performed;
- 7.6.3.40 Justification images, when required;
- 7.6.3.41 Notice of Survey by Electrical Contractor (CSD 543);
- 7.6.3.42 REM Energy Audit Entry Form (CSD 544);
- 7.6.3.43 Insulation Certificate (CSD 610);
- 7.6.3.44 Multi-Family Input Form (CSD 808);

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7.6.3.45 If Contractor administers Weatherization Readiness Funds, refer to WPN 24-9: Weatherization Readiness Funds – Implementation, [CPA-E-23-04](#), [CPN-E-23-04M1](#), [CPN-E-23-04M2](#), [CPN-E-23-04M3](#), WRF Fact Sheet, and WRF Client Consent Form for guidance.

7.6.3.46 If Contract administers (WRF) then the following must be included in client file of each unit that received WRF:

- Photographic documentation of the conditions requiring the WRF work;
- A copy of the contractor's and/or subcontractor(s) license(s) to perform particular WRF measure(s);
- Repair(s) Proof that home would have been deferred if WRF condition(s) not addressed;
- Steps Contractor went through to ensure home billed as a DOE Unit;
- Any additional supporting documentation to validate the use of WRF funds as collected by the Contractor.

7.6.3.47 All other documentation as further defined by CSD.

7.6.4 Translation of Forms

Contractor shall use a certified translator deemed qualified by the Contractor when translating CSD forms that require a client/customer signature into a foreign language.

7.6.5 Other Recordkeeping Responsibilities

7.6.5.1 Labor and Materials

7.6.5.1.1 Contractor shall maintain documentation in such a manner that include job references and total labor hours so that actual costs and actual labor hours billed to the weatherization programs can be substantiated.

7.6.5.1.2 Contractor shall document all costs expended under this Contract with purchase orders, inventory records, and payroll records identifying the funding source.

7.6.5.1.3 Contractor shall maintain documentation in such a manner to prove that materials used under this program conform to the requirements contained within the CSD TRM and/or state, county, or local regulations.

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7.6.5.2 Training

Contractors who perform weatherization services are required to input, update, and maintain employee data in the CSD Training Portal (CTP). The CTP is maintained and accessed through CSD's Local Agencies Portal website and serves as a repository for Contractors and their subcontractors to track and monitor employees as they progress through CSD's training curriculum. The CTP documents all weatherization training received for each employee and includes information on each training session, course, training source, location, course content, and completion date.

7.6.5.2.1 CSD shall maintain all weatherization training records in the CTP documenting trainings completed through the CSD Online Weatherization Training Center, CSD-approved Training Centers, and field or classroom training provided by CSD or its agents.

7.6.5.2.2 Contractors shall maintain all training records in the CTP for trainings provided by third parties for Occupational Safety and Health Administration (OSHA) 10, OSHA 30, and EPA Renovator certifications as designated by CSD.

7.6.5.2.3 Contractors shall be responsible for maintaining the required training records in the same manner for their subcontractors.

7.6.5.2.4 Contractors and subcontractors shall update the CTP with employee training information on or before the first (1st) day of each subsequent month.

7.6.5.3 Equipment

7.6.5.3.1 Contractors and subcontractors who perform combustion appliance safety tests shall maintain the Carbon Monoxide Analyzer Calibration Log (CSD 785) documenting the calibration of all analyzers as required.

7.6.5.3.2 Contractors and subcontractors who perform shell leakage and duct leakage diagnostic tests shall maintain the Manometer Calibration Log (CSD 786) documenting the calibration of all manometers as required.

7.6.5.4 Energy Audits

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7.6.5.4.1 Contractor shall maintain electronic records generated from CSD's approved energy audit software for a required period of 3 years from submission of final report or until resolution of all related audit or monitoring findings, enforcement action, including cost disallowance, legal proceedings or other pending matters, whichever is later in accordance with Section 4.3.

7.6.5.4.2 Contractor shall make all records generated from the energy audit software accessible to the State, or a third-party inspector acting on the State's behalf, for the purpose of a third-party inspections or monitoring.

7.6.5.4.3 Contractor shall submit all energy audits through the CSD Energy Audit Submittal System to include the initial audit submittal and resubmittals to address changes to the audit based on CSD feedback. A final audit shall also be submitted to address one or more of the following:

7.6.5.4.3.1 Changes in measure cost; input of final duct or shell leakage readings, in lieu of estimated leakage used for initial improvement analysis;

7.6.5.4.3.2 Changes to the final scope of work; any decisions related to full or partial measure leveraging.

7.6.6 Automation

7.6.6.1 Contractor shall use a software database system to support all required data collection and reporting requirements under the administration of this grant.

7.6.6.2 Contractor shall use an automated application system capable of supporting DOE WAP data collection, reporting requirements, and client data transmission to CSD. No database transfer will be accepted prior to the completion of successful data file transfer testing to CSD. Contractor shall submit the data in accordance with CSD's Weatherization DTR layout found at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>. Contractor shall exercise best practices and perform a daily backup of all client data/application systems that capture DOE WAP service detail. Contractor shall assure that adequate files are maintained as required in Article 7.6.

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ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 Weatherization Activity Guidelines

8.1.1 Applicant Eligibility

8.1.1.1 Assistance shall be available only to households with incomes that do not exceed an amount equal to 200% of the Federal Poverty level.

8.1.1.2 Income verification must be for one month. For acceptable types of documentation, refer to the current [Eligibility and Verification Guide](#).

8.1.1.3 Contractor shall certify a household's income eligibility prior to the delivery of energy program services.

8.1.1.4 The income certification shall remain in effect for a period of 12 months from the date applicant is deemed eligible for services.

8.1.1.5 Weatherization assessment and service delivery shall commence within the 12-month certification period. Commencement of weatherization service delivery is defined as the performance of any health and safety and energy efficiency installation.

8.1.1.6 In the event the Contractor is unable to commence the assessment and weatherization service delivery during the 12-month income certification period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility.

8.1.1.7 If a dwelling has been previously weatherized under the DOE WAP and meets one of the exceptions for services in subparagraph 8.1.2.6 the dwelling and household's income eligibility must be recertified.

8.1.1.8 Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for wood, propane, and oil to determine the household's energy burden.

8.1.2 Dwelling Eligibility

8.1.2.1 Contractor shall complete the post-combustion appliance safety test within 60 days from the date of the pre-combustion appliance safety test. In the event the Contractor is unable to perform the work associated with the combustion appliance safety testing and the post-combustion appliance safety test within the 60-day period, Contractor shall perform another pre-test for the dwelling prior to commencing the delivery of any form of weatherization assistance services.

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8.1.2.2 Permission to Provide Services

8.1.2.2.1 Contractor shall obtain general written permission of the owner-occupied dwelling from the tenant and the owner (or owner's agent) to perform an assessment and weatherization work prior to performing any such services. Such permission shall be recorded on the Energy Service Agreement for Occupant (CSD 515A) or approved Contractor's equivalent and the Energy Service Agreement for Rental Property Owner (CSD 515B) or approved Contractor's equivalent.

8.1.2.2.2 If during the course of performing weatherization and/or heating and cooling appliance repair or replacement services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall notify the owner-occupant dwelling or the owner of a rental unit prior to continuing with the scheduled work.

8.1.2.3 Rent Increase Restrictions

8.1.2.3.1 For a period of two years after weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed.

8.1.2.3.2 Tenants shall be given a written summary of these conditions with the current telephone number of the Contractor with instructions on how to file a complaint should these conditions not be met. Contractor shall investigate all complaints filed and shall forward a copy of all written complaints to CSD or, if a verbal complaint has been made, contact CSD with the details of the complaint-including date complaint was made, date investigations began, and results.

8.1.2.3.3 CSD will evaluate the merits of the complaint and all supporting documentation. If CSD determines a complaint is valid, CSD may pursue collection activities against the landlord in the amount equal to the weatherization work performed on that unit and/or building.

8.1.2.4 Multi-Unit Dwellings

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8.1.2.4.1 In accordance with 10 CFR § 440.22(b) (2), Contractor is strongly recommended to weatherize a whole multi-unit building containing rental dwelling units when not less than 66% (50% for duplexes and four-unit buildings) of the dwelling units in the building:

8.1.2.4.1.1 Are eligible dwelling units, or

8.1.2.4.1.2 The dwelling units will become eligible (occupied by eligible low-income tenants) within 180 days under a federal, state, or local government program for rehabilitating the building or making similar improvement to the building.

8.1.2.4.2 Contractor may weatherize individual units in a multi-unit building in lieu of the whole building, *provided* Contractor first endeavors in good faith to weatherize the whole building in accordance with the provisions stated herein.

8.1.2.4.3 Upon Contractor's determination that the whole building cannot be weatherized because the building does not qualify in accordance with the CSD TRM Contractor shall submit the request to CSD for DOE Project Officer approval prior to weatherizing individual units in the multi-unit building. The request shall specify that the Individual Unit criteria are met (with photographs, where required) and provide reason(s) why the whole building cannot be weatherized. Contractor shall retain supporting documentation justifying the determination in the event of an audit or monitoring visit.

8.1.2.4.4 The weatherization of individual units in multi-unit buildings is subject to unique criteria and allowable measures, distinct from those applicable to single family and multi-family buildings. Contractor may install only those measures allowed for individual units in multi-family buildings in accordance with the CSD TRM.

8.1.2.4.5 If dwelling units are qualified for services through a federal, state, or local government rehabilitation program, documentation to verify participation in the rehabilitation program is required in the master job file.

8.1.2.4.6 Contractor shall complete a Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent for

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each building and shall maintain a copy in each individual client file.

8.1.2.4.7 Contractor shall certify unit eligibility by completing Energy Intake Form (CSD 43) or approved Contractor's equivalent for each dwelling unit in each building. Certification of eligibility by the owner/manager of the occupants of the building is not acceptable.

8.1.2.4.8 No undue or excessive enhancement shall occur to the value of the dwelling units.

8.1.2.5 Previously Weatherized Dwellings

Weatherization services for a dwelling unit previously weatherized within the past 15 years from the date of completion using Annual DOE WAP, BIL WAP, LIHEAP, HUD, USDA, DOE ARRA or other Federal funds are ineligible for weatherization services unless the dwelling meets one of the exceptions in accordance with [CPN-E-21-04 Previously Weatherization DOE WAP Dwelling Requirements](#).

8.1.2.6 Call-back

Services provided in a previously weatherized dwelling to correct a previously installed measure or as a result of a CSD or DOE inspection finding is a call-back and is allowable and must be reported to CSD and DOE. Refer to [CPN-E-12-05](#). Demographics for a callback are not included for reporting purposes.

8.1.2.7 Ineligible Dwellings

8.1.2.7.1 Contractor shall not weatherize a dwelling unit that is designated for acquisition or clearance by a federal, state, or local program within 12 months from the date of completion of the proposed weatherization.

8.1.2.7.2 Contractor shall not weatherize any dwelling under this Contract unless the property owner agrees to all the terms and conditions of the CSD Dwelling Assessment Form (CSD 540) and signs the Energy Service Agreement for Occupant (515A) or Contractor's equivalent or Energy Services Agreement for Rental Property Owner (515B) or Contractor's equivalent.

8.1.2.7.3 No institutional or commercial building including, but not limited to, universities, schools, nursing homes, or hospital, etc., may be weatherized under this Contract.

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8.1.2.8 Temporary Shelters/Homeless Individuals

Eligibility of the occupants may be assumed if the owner/operator will certify in writing that occupancy is temporary and that admittance criterion complies with CSD contract eligibility guidelines, whether or not rent is paid has no effect on eligibility.

8.1.2.9 Group Homes

If the building does not qualify as a multi-family structure, income eligibility is based on all occupants as a group, and the building must be weatherized as a single dwelling unit.

8.1.3 Requirements for Weatherization Services

8.1.3.1 Contractor must install all feasible weatherization measures in accordance with the CSD TRM.

8.1.3.2 All feasible Health and Safety measures must be installed and shall not be skipped. Similarly, feasible Health and Safety measures cannot be removed from a work scope (for client refusal or other reason), or the dwelling shall be deferred.

8.1.3.3 When building a dwelling work scope for the Annual DOE WAP, there are two approved approaches to determine the energy conservation measures (ECMs): the Priority List Path or the Audit Path. A single approach must be identified for each dwelling served. A hybrid approach is not allowed.

8.1.3.3.1 The Contractor path decision shall be directed by a set of criteria for each dwelling and cannot be based on a “preferred” approach. Contractor must use the CSD 710 Energy Audit/Priority List Checklist to document dwelling conditions and the Audit path/Priority List path decision.

8.1.3.3.2 While the CSD 710 may prompt the Contractor auditor to use the PL path, Contractor may decide to conduct a site-specific energy audit for any dwelling.

8.1.3.4 Priority List (PL) Path.

The PL path is allowable for single-family, mobile homes, and low-rise multi-family (LRMF) as defined in the CSD TRM Appendix H. When using the PL path, a prescribed set of measures must be installed, following a specific order as defined on the PL. Feasible ECMs must not

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be skipped as defined by the CSD TRM Appendix D Energy Audit/Priority List Protocol.

8.1.3.4.1 All feasible Mandatory measures must be installed before any Optional measures are installed.

8.1.3.4.2 All PL measures shall be installed according to the order defined in the building type-specific Priority List in accordance with the TRM Appendix D.

8.1.3.5 Audit Path.

The Audit path is required when specific conditions exist in the dwelling or certain measures that are not on the DOE PL may be feasible and will be billed to the Annual DOE WAP. Final feasibility of ECMs shall be determined by CSD's approved energy audit software. Cost-justified ECMs, with a Savings-to-Investment Ratio (SIR) greater than or equal to 1.0 shall not be skipped or installed after a measure with a lower SIR. When expenditures would cause substantial overage to the contractor ACPU, feasible non-major measures may be removed from the work scope as long as the cost management procedure prescribed in the TRM Appendix D *Energy Audit/Priority List Protocol* is followed.

8.1.3.5.1 When applying the Audit Path and all feasible measures classified under Health & Safety have been assessed, Contractor must assess for Energy Conservation Measures (ECMs) by conducting a an energy audit in accordance with the TRM Appendix D *Energy Audit/Priority List Protocol* located at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.3.5.2 Contractor shall utilize the specified CSD-approved energy audit software to assess single-family dwellings, mobile homes, and multi-unit buildings containing 24 or fewer dwelling units where each unit is independently heated and/or cooled. Small multi-family audits must be approved by CSD before any installation work is performed by Contractor.

8.1.3.5.3 Contractor shall utilize the specified CSD-approved energy audit software to assess large, more complex multi-unit buildings that are unable to be assessed using the approved energy audit software for small multifamily buildings containing 24 or fewer dwelling units, where each unit is independently heated and/or cooled. Contractor shall submit all audits to CSD for review and

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approval by the DOE Project Officer before any installation work is performed.

8.1.3.6 Installation of a common (shared) heat source, cooling source, or water heater shall qualify as a mandatory measure for each unit served by the same appliance.

8.1.3.7 Weatherization measures may be leveraged or cost-shared with alternative funding sources as defined in Section 5.5.5. All leveraged measures used to fulfill the completion of the Audit Path or Priority List Path shall be billed in accordance with the policies defined by the CSD TRM Appendix D.

8.1.4 Dwelling Assessments

8.1.4.1 Contractor shall assess eligible dwellings to identify the specific energy-efficiency and health and safety services to be offered under the allowable scope of services outlined in this contract.

8.1.4.2 Contractor shall determine whether the dwelling meets the criteria for a Historic Preservation Review pursuant to subparagraph 8.1.4.7.2, below.

8.1.4.3 Contractor shall ensure that all dwelling assessments are performed by trained individuals possessing all the required skill and training as specified in Article 9.1, Training Requirements.

8.1.4.4 Contractor shall ensure job separation between staff performing dwelling assessments and the crew personnel responsible for performing the actual installation of weatherization measures. Assessors may not install weatherization measures in the same dwelling where the assessor performed the assessment for weatherization services.

8.1.4.5 If Contractor elects to subcontract with entities outside of CSD's network of local service providers for the full installation of weatherization measures, the subcontractor performing the installation of weatherization measures shall not perform the dwelling assessment. Contractor shall ensure job separation by using Contractor's staff or another subcontractor to perform the dwelling assessments.

8.1.4.6 Contractor shall provide written documentation or notification to the owner-occupant and the owner of a rental unit or owner's agent and inform the tenant of any significant structural and engineering changes required to complete the weatherization work before the specified work commences.

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8.1.4.7 Dwelling Assessment Performance

8.1.4.7.1 Dwelling assessments shall include the following required activities:

- 8.1.4.7.1.1 The visual assessment of the eligible dwelling to identify safety and structural hazards conditions present within the dwelling that may limit ability to perform any or all of the required weatherization services in accordance with CSD weatherization guidelines and terms of this Contract. Assessor shall disclose all noted safety and structural hazard conditions to the property owner and tenant, where applicable.
- 8.1.4.7.1.2 The visual inspection and pre-CAS diagnostic testing of all combustion appliances as to identify the presence of combustion appliance safety conditions within the occupied living space and requiring immediate attention and the offering of prescribed list of health and safety measures needed to remedy noted conditions.
- 8.1.4.7.1.3 The visual inspection of dwelling to identify any structural deficiencies and/or barriers inhibiting the ability for required pressurized diagnostics to occur. Assessor shall also inform client of the various types of diagnostic testing to be performed within the dwelling, including the general nature and benefits of each form of required diagnostic testing.
- 8.1.4.7.1.4 Completing the DOE Health and Safety form (540G), assessment shall include an occupant health screening to document whether any household members have a pre-existing or potential health conditions that should be taken into consideration before or during weatherization of the residence; hazard identification notification to document hazardous materials or conditions that may affect occupants; radon informed consent that identifies potential risk of increased radon levels when building air tightness levels are improved; and client education about the use of common weatherization materials that may create health effects for occupants.

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8.1.4.7.1.5 In conformance with the TRM Appendix D and the CSD 710 Energy Audit/Priority List Checklist, determination of whether the Audit Path or Priority List Path must be followed. When the Audit Path is prescribed, assessment shall include completion of the energy audit by an assessor holding a valid certificate of completion for audits as defined by the TPPM. When the Priority List Path is followed, the assessor must confirm that the unit meets the minimum dwelling criteria based upon the building type.

8.1.4.7.2 Historic Preservation Review of Dwellings

8.1.4.7.2.1 To ensure compliance with Section 106 of the National Historic Preservation Act (54 USCS §§ 300101 et seq., former 16 USCS §§ 470 et seq.), CSD will establish appropriate procedures for historic property review standards as outlined by a Programmatic Agreement with the State Historic Preservation Office. The established review standards will be utilized for weatherization activities conducted under the DOE WAP on dwellings that are 45 years or older. For purposes of this Contract, the historic review shall be known as the Historic Preservation Review.

8.1.4.7.2.2 Contractor shall ensure that a Historic Preservation Review is completed on a dwelling that is either: (1) 45 years or older, (2) located within a historic district, or (3) considered to be of exceptional importance under the National Register Criteria for Evaluation pursuant to 36 CFR § 60.4.

8.1.4.7.2.3 When a dwelling assessment is performed and the dwelling is determined to meet any of the criteria specified in subparagraph 8.1.4.7.2.2, Contractor shall initiate the Historic Preservation Review process pursuant to DOE WAP ARRA No. 010.

8.1.4.7.2.4 The National Environmental Policy Act (NEPA) is a federal law requiring all federally funded projects to consider environmental impacts of work to be performed. For activities not listed under Article 8-Program Implementation, including ground disturbing activities (grading adjacent to the perimeter of the

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foundation more than 3 feet from the foundation), tree trimming, and tree removal, Contractors must contact CSD as these activities are subject to additional NEPA review.

8.1.4.7.3 Combustion Appliance Safety (CAS) Diagnostic Testing

8.1.4.7.3.1 The completion of the entire combustion appliance safety (CAS) test is required on all dwellings with combustion appliances.

8.1.4.7.3.2 If it is determined during the CAS test that the dwelling unit contains a condition that is hazardous to the occupants, proper steps must be taken to alleviate the hazard. In these cases, no measures may be installed until the hazard has been corrected.

8.1.4.7.4 If the dwelling unit is not eligible because of the need for extensive repair, the unit shall not be serviced and the applicant should be referred to the local Housing and Community Development Department, U.S. Farmers Home Administration Housing Loan Program, or other similar organizations or programs.

8.1.4.7.4.1 Documentation of such ineligibility due to the need for extensive repairs shall be recorded on the CSD Weatherization Deferral (CSD 542).

8.1.4.7.4.2 If the applicant can obtain the necessary repairs to make the dwelling unit eligible for weatherization services, weatherization activities may be accomplished following the repair work.

8.1.4.8 Contractor shall ensure the health and safety of weatherization personnel in carrying out activities funded under this Contract. In the event the weatherization of a dwelling threatens the general health and safety of weatherization field personnel, Contractor shall take measures to ensure the safety of the personnel and thoroughly document the incident(s) utilizing the CSD Weatherization Deferral (CSD 542). The deferral form does not need to be signed by the client where weatherization personnel construe the client or occupants of the dwelling to be threatening and hostile. If unable to get a signature, a certified letter shall be sent to the owner, along with the tenant if the residence is a rental.

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8.1.5 Duct and Shell Diagnostic Testing

8.1.5.1 Contractor shall perform shell leakage diagnostic testing only for shell sealing purposes on all single-family and multi-unit building types weatherized under this Contract in accordance with CSD shell leakage testing standards and policies and procedures.

8.1.5.2 Following a determination that no combustion byproduct hazards exist, Contractor shall perform pressure diagnostic guided infiltration reduction using a pre-weatherization shell leakage test.

8.1.5.3 Duct Blaster diagnostic testing shall be required on all dwellings with forced-air systems.

8.1.5.4 Contractor shall ensure that all dwelling diagnostic tests are performed by trained individuals possessing all the required skill and training as specified in Article 9.1, Training Requirements.

8.1.6 Health and Safety Measures

8.1.6.1 Contractor is authorized to mitigate health and safety hazards in accordance with the CSD TRM.

8.1.6.2 Feasible Health and Safety measures shall not be skipped and feasible Health and Safety measures cannot be removed from the work scope (for client refusal or other reason), or the dwelling shall be deferred.

8.1.6.3 If a health or safety hazard is found to exist that requires replacing or repairing a combustion appliance, the dwelling shall be served under the Audit Path only or the Health and Safety measure must be fully leveraged with an alternate funding source.

8.1.6.3.1 When the measure will be repaired or replaced with DOE WAP funds, it is required to conduct an energy audit to determine if the heating, cooling, or water heating appliance would qualify for replacement of a higher efficiency unit as an Energy Efficiency Upgrade (EEU). If the EEU is cost justified with an SIR of 1.0 or greater, the appliance must be replaced as an EEU.

8.1.6.3.2 Only when the EEU replacement is not cost justified and the appliance meets the criteria established in the CSD TRM Appendix E Health and Safety Requirements, shall the appliance be repaired or replaced with DOE WAP Health and Safety funds.

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8.1.6.3.3 In addition to meeting the requirements for Health and Safety repairs/replacements above, any cooling appliance repair or replacement shall be allowed only when one or more of the occupants in the dwelling meets the CSD definition of “at-risk” as defined in the CSD TRM Appendix E.

8.1.6.4 Primary Heating and Cooling Appliance Repair and, Replacement, and Installation Services

8.1.6.4.1 Prior to the performance of any heating/cooling service, a qualified technician must perform a diagnostic inspection of the primary heating/cooling appliance to assess operational performance.

8.1.6.4.2 The following guidelines are restricted to occupied SFD and/or MUD units:

8.1.6.4.2.1 Residential heating source that qualifies for repair and replacement services must be a single, pre-existing heating appliance, serving as the dwelling’s primary heating source.

8.1.6.4.2.2 A residential cooling source that qualifies for cooling services must be a single, pre-existing cooling appliance, serving as the dwelling’s primary cooling source, limited to mechanical air conditioners, central and window/wall air conditioners, and evaporative coolers.

8.1.6.4.4 Any and all health and safety heating/cooling appliance services shall be performed in accordance with the following guidelines:

8.1.6.4.4.1 All repair and replacement services are limited to dwellings with pre-existing heating and cooling appliances. An exception to this rule exists, however, for those dwellings without a heating and cooling appliance and there are no means to provide adequate heating and/or cooling during a climatic season that would cause imminent harm to the health and wellbeing of individuals or the household. When no existing primary heating appliance exists, an energy audit is required. When the SIR < 1.0, the appliance shall be installed with Health and Safety funds.

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8.1.6.4.4.2 The age of a heating/cooling appliance shall not be used as a basis for replacement.

8.1.6.4.4.3 When repair, replacement, or installation of a primary heating appliance is required in accordance with the policies above but cannot be completed for any reason, the entire dwelling shall be deferred.

8.1.6.4.4.4 Upgrades to heating and cooling appliances for energy efficiency purposes are subject to the energy audit unless required by Title 24.

8.1.6.4.5 Contractor shall repair a defective primary heating appliance when the cost to assess and repair is estimated at less than 50% of the cost of installing a new replacement unit.

8.1.6.4.6 If during the course of repairing the defective unit additional problems are found that would increase the cost of repairs to more than the allowable limit for repair costs, the unit may be replaced.

8.1.6.4.7 When replacement of a defective primary heating/cooling appliance is performed, Contractor shall perform necessary duct repair and/or replacement services in order to conform to Title 24 requirements.

8.1.6.4.7.1 Fuel switching or replacement of an alternate appliance type of any heating/cooling appliance shall only be allowed when justified by energy audit as described in TRM Appendix D *Energy Audit/Priority List Protocol*.

8.1.6.5 Secondary Heating Appliance Repair or Removal

8.1.6.5.1 Unsafe secondary heat sources as defined by TRM Section 4 *Heating and Cooling* must be repaired, or removed and disposed of, or dwelling deferral is required.

8.1.6.5.2 Unsafe secondary heating sources that cannot be repaired must be removed. Appliance abandonment is not allowed.

8.1.6.5.3 Unsafe portable space heaters cannot be repaired and must be removed.

8.1.7 Waiver for Fuel Switching or Alternate Appliance Type

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Contractor shall not switch fuel when replacing furnaces or any other allowable appliance or replace an alternate appliance type unless an energy audit is conducted or a waiver request is submitted to CSD and approved. Contractor shall submit the waiver request through the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>. Contractor shall keep a copy of such waiver in the client's file.

8.1.8 Priority Lists of Energy Conservation Measures

Contractor shall install energy conservation measures in single-family dwellings, mobile homes and small multi-unit dwellings in accordance with the CSD Priority List Protocol (CSD TRM, Appendix D) which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.9 Energy Audit Requirements

8.1.9.1 If all feasible measures classified under Health & Safety and other Mandatory Measures have been assessed, Contractor may assess additional measures utilizing the DOE Priority List Protocol and conducting an energy audit in accordance with CSD Single-Family/Small Multi-Family Energy Audit Protocol, CSD Multi-Family Energy Audit Protocol and CSD Priority List Protocol.

8.1.9.2 Energy audits shall be conducted as specified in the CSD Single-Family/Small Multi-Family Energy Audit Protocol and CSD Multi-Family Energy Audit Protocol (CSD TRM, Appendix D) incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.9.3 Contractor must utilize the CSD-approved energy audit software tool appropriate to the building type as identified in CSD's Energy Audit / Priority List Protocol (CSD TRM, Appendix D)

8.1.10 Occupant Notification

If, in accordance with the provisions of this article, any notice to an occupant is required, notice shall be in writing and a copy of such notice shall be given to the owner of the unit, when the unit is occupied by a non-owner occupant, or when the unit is vacant.

8.1.11 Natural Disasters

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8.1.11.1 When a dwelling that has been damaged by a natural disaster such as fire, flood, earthquake, hurricane, etc., a scope of work shall be submitted to CSD for approval prior to beginning work related to a natural disaster pursuant to the DOE Disaster Relief Plan, which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

8.1.11.2 The occupant shall be certified as currently eligible and a dwelling assessment shall be performed.

8.1.11.3 Contractor may have damages repaired that are within the scope of the weatherization program if the same services will not be paid for or reimbursed by any other source.

8.1.12 Workers Safety

8.1.12.1 Contractors are responsible for ensuring the safety of its weatherization field personnel performing weatherization activities under this Contract and in accordance with the CSD Health and Safety policies and internal policies of the contract intended to protect the safety of weatherization field personnel.

8.1.12.2 Agencies must ensure that its weatherization field personnel are trained on how to handle situations where weatherization clients and other occupants within a weatherization project display behavior that is construed to be abusive and threatening to weatherization field personnel and their personal safety. Such situations constitute reasons for deferring weatherization services to the dwelling itself and weatherization field personnel must be trained to recognize, deal with, and document threatening situations they encounter in the course of performing weatherization measure installations.

8.1.12.3 Contractors must document such incidents in the CSD Weatherization Deferral Form (CSD 542) and maintain a copy of the completed form in the client file at all times.

8.2 Quality Assurance

8.2.1 Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization work performed under this Contract. Such assurance will be documented on the CSD Dwelling Assessment Form (CSD 540) and CSD Post

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Inspection Form (CSD 611) or approved Contractor's equivalent and shall be signed and dated by a certifying Contractor representative.

8.2.2 Post-Weatherization Inspections

8.2.2.1 Contractor shall perform Post-Weatherization Inspections on 100% of the dwellings weatherized under this Contract. Completed jobs shall not be billed to CSD until a post-inspection has been completed and any inspection fails are resolved.

8.2.2.2 Post-Weatherization inspections shall be conducted for the purpose of assessing the quality and completeness of performed weatherization services and compliance with CSD weatherization guidelines. The post-inspection shall:

8.2.2.2.1 Verify that all measures were completely installed in accordance with said terms and conditions of this Contract;

8.2.2.2.2 In addition, installed measures shall be reviewed to determine the absence of any feasible Mandatory Measure not installed and the installation of a measure (non-feasible measure) that may not be in compliance with said standards and the terms and conditions of this Contract;

8.2.2.2.3 Verification that the unit received shell leakage, and duct leakage testing, as applicable;

8.2.2.2.4 Verification that required CAS testing of eligible combustion appliances was performed and inspection of combustion appliances to verify the safe operating condition of combustion appliances within the dwelling residence;

8.2.2.2.5 Verification that energy audit was performed when required and in compliance with Energy Audit/Priority List Protocol and DOE Energy Audit Priority Checklist Form (CSD 710) was completed and in client file;

8.2.2.2.6 Inspector shall confirm that any ECMs installed as part of an energy audit met energy audit improvement results including but not limited to: confirmation that pre and post blower door and duct testing results, insulation R-values, and heating/cooling and water heating are accurate efficiencies; and that the costs billed do not exceed the improvement costs identified in the Improvement Audit Report.

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8.2.2.2.7 Inspector shall retest all diagnostic testing performed in subparagraph 8.2.2.2.3 and 8.2.2.2.4; and

8.2.2.2.8 Inspection of the unit dwelling to ensure that all identified health and safety hazards, whether pre-existing or resulting from the performance of weatherization services, have been successfully remedied.

8.2.2.3 Contractor shall ensure that post-weatherization inspections are performed by a Certified QCI, as provided in Section 9.2 of this Contract. If Contractor subcontracts Quality Control Inspection services, then Contractor must aggregate weatherization jobs to mitigate the cost associated with performing inspections. The maximum allowable cost of each post-inspection by a subcontractor is as follows:

8.2.2.3.1 Subcontractors awarded a contract through a competitive procurement process shall not exceed the measure maximum per inspection. The inspection rate includes all expenses related to the Certified Quality Control Inspection such as the cost of the inspection, administration and travel costs of subcontractor.

8.2.2.3.2 Subcontractors, that are part of CSD's network of DOE contractors, with a contract, Memorandum of Understanding or similar contract with Contractor, not obtained through the procurement process, shall bill actual costs for the Certified Quality Control Inspection and related expenses such as inspector wages, overhead, administration and travel costs of subcontractor. The total cost of all related expenses shall not exceed the measure maximum per inspection.

8.2.2.4 Subcontractors who provide basic weatherization services shall not conduct assessments or inspect dwellings.

8.2.2.5 Contractor shall ensure job separation between staff performing post-weatherization inspection activities and weatherization crew personnel performing the physical installation and performance of weatherization measure services funded under this Contract.

8.2.2.6 If Contractor elects to subcontract with entities outside of CSD's network of local service providers for the full installation of weatherization measures, the subcontractor performing the installation of weatherization measures shall not perform the post-weatherization inspection activities. Contractor shall ensure job separation by using Contractor's staff or another subcontractor to perform the dwelling post-weatherization inspection.

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8.2.2.7 The Certified QCI shall certify the performance of Post Weatherization Inspections of dwelling units by completing and signing Contractor Post-Weatherization Inspection Report (CSD 611). Contractor shall retain a copy of the completed and signed form in the client file.

8.2.3 Third-Party Inspections

8.2.3.1 The State may use a third-party inspector to review and verify that the weatherization activities performed under this Contract conform to applicable standards and practices.

8.2.3.2 Contractor or a ride-along (designated representative) shall accompany the inspector on client inspection visits and shall provide transportation and equipment to the inspector. When possible, Contractor shall make corrections during the client inspections visits.

8.2.3.3 Contractor agrees to remedy all Nonhazardous Conditions (nonhazardous work deficiencies) noted by the State or its designee within 20 business days of written notification.

8.2.3.4 Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation in accordance with the CSD TRM. Any Hazard Fails that are not remedied within the required timeline of 18 hours will require completion of the Hazardous Correction Work Plan to be completed by the Contractor which includes the reason the hazardous correction cannot be resolved within 18 hours and action that will be taken to resolve the hazard.

8.2.3.5 Contractor must remedy all inspection corrections identified on the Comprehensive Inspection Report including confirmation of correction to CSD within 20 business days.

8.2.4 Noncompliance

8.2.4.1 Contractor shall be subject to the withholding of any or all reimbursements for failure to completely resolve a Hazardous Condition in accordance with the CSD TRM. The reimbursement sanction will apply to the next fiscal reimbursement request associated with the program of the weatherized unit in question. The reimbursement sanction will remain in effect until Contractor successfully resolves the Hazardous Condition and confirms the resolution with CSD and the designated Inspection Contractor. The sanction will apply to all subsequent fiscal reimbursement requests of the primary funding source in question so long as the Hazardous Condition remains unresolved.

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- 8.2.4.2 If it is determined that the Contractor has failed to resolve an identified Hazardous Condition in accordance with the Hazardous Correction Work Plan, CSD may utilize the services of the designated Inspection Contractor to successfully resolve the delinquent Hazardous Condition. Contractor will assume responsibility for costs associated with the use of Inspection Contractor's services. The costs will include labor, materials, and travel equal to the Inspection Contractor's training and technical assistance hourly rate and the total amount will be withheld from the Contractor's next request for fiscal reimbursement.
- 8.2.4.3 If it is determined that the Contractor has incorrectly billed CSD because a measure was not installed, or the quantity installed is less than the quantity billed, Contractor shall install the billed measure or quantity, if feasible. In cases when a physical remedy is not possible, repayment of the labor and material costs for the non-installed measure or quantity will be withheld from subsequent reimbursements.
- 8.2.4.4 Contractor will be subject to Special Conditions, in accordance with Article 10.4, if it is determined that one or more of the following conditions exist:
- 8.2.4.4.1 Contractor has a history of unsatisfactory performance.
 - 8.2.4.4.2 Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.
 - 8.2.4.4.3 Failure to remedy an identified Hazardous Condition in a timely manner.
 - 8.2.4.4.4 Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

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ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS

9.1 Training Requirements

- 9.1.1 CSD's statewide training program is detailed in the CSD Training Policies and Procedures Manual (TPPM). Contractor shall ensure weatherization service activities covered by this Agreement are performed by properly licensed contractors and/or properly trained individuals in accordance with training requirements specified in the TPPM.
- 9.1.2 Contractor shall maintain and make available for reference to Contractor's employees and subcontractors who perform weatherization services, the following foundation documents:
 - 9.1.2.1 CSD Technical Reference Manual (TRM);
 - 9.1.2.2 CSD Training Policies and Procedures Manual (TPPM);
 - 9.1.2.3 Other applicable policies and procedures;
 - 9.1.2.4 Official State and Federal Program Notices;
 - 9.1.2.5 Current CSD Field Forms; and
 - 9.1.2.6 Required training materials.

9.2 Quality Control Inspectors Certification

- 9.2.1 Quality Control Inspectors (QCI) working for, or contracted by, Contractor must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis for QCIs. This applies to all individuals who perform final inspections under the DOE WAP.
- 9.2.2 Staff that have successfully passed the BPI QCI Certification exam and received a certificate will be eligible to conduct final inspections. As a micro-credential, prior successful completion of the BPI Energy Auditor certification also will be required.
- 9.2.3 Certified QCIs can be employed by third party organizations or weatherization Contractors that possess the required BPI Quality Control Inspector Certification.
- 9.2.4 The Quality Control Certification identification number of the QCI providing the post-inspection shall be identified on the Agency Post Inspection Report (CSD 611).

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9.3 Contractor Licensing

Contractors, unless otherwise exempt, or their subcontractors who perform basic weatherization services under this Contract shall comply with the TRM and following licensing requirements:

- 9.3.1 Possess and maintain an active Class “B” General Building Contractor license, issued by the Contractors State License Board (CSLB) in the name of the Contractor/qualifying individual;
- 9.3.2 Fulfill the requirements of, and receive certification pursuant to the Toxic Substances Control Act, Section 402 (15 USC § 2601 et seq.; 40 CFR § 745.226 & 227);
- 9.3.3 Contractor, unless otherwise exempt from the licensing requirement, shall upload and maintain a copy of the current Class “B” CSLB license into the CSD Training Portal.
- 9.3.4 Contractor is responsible for ensuring that all subcontractors have an active license and are in good standing with CSLB for the duration of the subcontract; and
- 9.3.5 Contractor shall immediately notify CSD when any changes in licensing occur.

9.4 Special Licensing - Weatherization

- 9.4.1 Special licensing may be required for the installation and/or repair of Evaporative Cooler, Cook Top and 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.
- 9.4.2 Specialty subcontractor shall possess all applicable licenses as required by the CSLB to carry out installation and/or repairs. Specialty licensing is required for specific measures and includes: C-10 Electrical Contractor (including electrical wiring upgrade/replacement and knob and tube wiring certification); C-20 Warm-Air Heating, Ventilation and Air-Conditioning Contractor; C-36 Plumbing Contractor; C-46 Solar Contractor; C-47 Mobile Home Contractor; and D-65 Weatherization Energy Conservation.

9.5 Environmental Protection Agency (EPA) Certifications

- 9.5.1 All contractors providing services utilizing in-house crews shall be certified as an EPA Certified Firm in accordance with EPA’s Renovation, Repair and Painting Program requirements (40 CFR Part 745). Contractors who subcontract all of their

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weatherization services are required to be certified and shall have at least one EPA Certified Renovator on staff for subcontractor oversight purposes.

9.5.2 Contractor shall ensure that all subcontractors whose work potentially disturbs lead paint are EPA Certified Firms and have EPA Certified Renovators on staff.

9.5.3 Any contractor without the required certification will not be allowed to perform weatherization services.

9.6 Additional Mandatory Training

Contractor must participate in mandatory training such as eligibility start-up training, TRM-specific trainings, contract review webinars, monitoring trainings, and other trainings CSD deems mandatory. CSD will notice Contractor with a minimum of 10 business days prior to these training opportunities.

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ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES

10.1 Right to Monitor, Audit, and Investigate

- 10.1.1 Any duly authorized representative of the federal or state government, which includes but is not limited to the federal offices of inspectors general, the State Auditor, CSD staff, and any entity selected by CSD to perform inspections and/or investigations, shall have the right to monitor and audit Contractor and all subcontractors providing services under this Contract through on-site visits, audits, and any other appropriate means CSD deems necessary.
- 10.1.2 Contractor shall, upon reasonable notice, make available all information and materials reasonably necessary for CSD to substantiate to its satisfaction that expenditures incurred under this Contract are allowable and allocable, including, but not limited to files, books, documents, papers, and records. Contractor agrees to make such information and materials available to the federal government, the State, or any of their duly authorized agents or representatives, for purpose of examination, copying, or mechanical reproduction, on or off the premises of the subject entity.
- 10.1.3 Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance 42 USCS § 6866 and 10 CFR § 440.23, as amended.
- 10.1.4 All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Contract shall contain a clause allowing CSD or any duly authorized agent or representative of the federal or state government timely access to the working papers of the audit firm(s).

10.2 Auditing Standards and Reports

10.2.1 Auditing Standards

- 10.2.1.1 *Applicability.* The standards set forth 2 CFR 200 Subpart F, Audit Requirements, are hereby incorporated by reference.
- 10.2.1.2 *Supplemental Audit Guide.* In addition to the audit requirements specified above, Contractor must follow the most current CSD Supplemental Audit Guide, incorporated into this Contract by reference in the Table of forms and Documents Incorporated by Reference. The Supplemental Audit Guide may be accessed at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

10.2.2 Audit Reports

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10.2.2.1 Funds provided under this Contract shall be included in an audit conducted in accordance with the provisions of 2 CFR Part 200 Subpart F – Audit Requirements (§§ 200.500-521), standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in the U.S. Government Accountability Office’s “Government Auditing Standards, July 2018 Revision”, as amended April 2021.

February 2024 revision of Government Auditing Standards is effective for financial audits, attestation engagements, and reviews of financial statements for periods beginning on or after December 15, 2025, and for performance audits beginning on or after December 15, 2025.

10.2.2.2 Organizations below audit threshold. Contractors falling below the federal funding threshold, set in 2 CFR § 200.501, that mandates a single audit may be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30 calendar days written notice.

10.2.2.3 The financial and compliance audit report shall contain the following supplementary financial information: a Schedule of Expenditures of Federal Awards (SEFA) in accordance with 2 CFR § 200.510(b). All DOE contracts shall be reported separately on the SEFA. In addition, a Supplemental Statement of Revenues and Expenditures (SSRE) for each contract that presents, by budget line item and Contractor’s fiscal year, revenue and expenditures for the audit period. The SSRE shall cover the entire contract term as required in CSD’s Supplemental Audit Guide.

10.2.3 Submission of Audit Reports. Contractor shall submit to CSD one electronic copy of the required audit report(s) and any management letter(s) issued by the accountant, within the earlier of 30 calendar days after receipt of the auditor’s report(s), or nine months after the end of the Contractor’s fiscal year.

10.2.4 Failure to File IRS Form 990 for Tax-Exempt Organizations. If Contractor fails to file Form 990 timely, Contractor must provide:

10.2.4.1 Evidence of an extension request with an estimated timeframe for submission; or

10.2.4.2 An explanation of why Contractor does not plan to file Form 990.

10.2.5 The audit report(s) and all supplemental financial information must be submitted to the following addresses:

Electronic copy:

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audits@csd.ca.gov.

Upon receipt of the audit report, CSD's Audit Services Unit (ASU) will send a confirmation email within five to ten business days. Contractor should verify receipt of ASU's confirmation email to ensure its single audit was received.

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, you may submit your reporting package to the SCO via the SCO's Data Exchange Portal (DEP), or by U.S. Postal Service or private carrier. Reports submitted via DEP must be uploaded as unsecured PDFs.

10.2.6 Failure to Comply with Audit Reporting Requirements

If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Contract, CSD may impose additional conditions, as described in 2 CFR § 200.208 and [CPN A-24-01](#). If CSD determines that noncompliance cannot be remedied by imposing additional conditions, CSD may take one or more of the following actions, as appropriate in the circumstances, as provided in 2 CFR § 200.339 – § 343, Remedies for Noncompliance:

10.2.6.1 Temporarily withhold payments until the recipient or subrecipient takes corrective action;

10.2.6.2 Disallow costs for all or part of the activity associated with the noncompliance of the recipient or subrecipient;

10.2.6.3 Suspend or terminate the Federal award in part or in its entirety;

10.2.6.4 Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180, and the Federal awarding agency's regulations, or for pass-through entities, recommend suspension or debarment proceedings be initiated by the Federal agency;

10.2.6.5 Withhold further Federal funds (new awards or continuation funding) for the project or program; or

10.2.6.6 Pursue other legally available remedies.

10.2.7 Collection of Disallowed Costs based on an Audit Transmittal Report (TR)

10.2.7.1 If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs CSD shall, after consideration of Contractor's submission, issue a final TR, no later than 30 calendar days

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after receipt of Contractor's information or documentation. If questioned costs are determined to be owing, ASU shall notify CSD's Fiscal Accounting Services Unit (FASU) to send an invoice. Contractor will tender payment to FASU or respond with a repayment plan acceptable to FASU.

10.2.7.2 All statements, notices, responses and demands issued in accordance with Article 10.2.7 shall be in writing.

10.2.7.3 CSD may, at its discretion, reasonably extend the time periods allowed for responses specified in this Section 10.2.7.

10.3 Compliance Monitoring

10.3.1 As the recipient of federal DOE WAP grant funds under this Contract, Contractor must substantiate that all costs claimed pursuant to this Contract are allowable and allocable under all applicable federal and state laws. To be entitled to reimbursement, Contractor must trace all allowable costs to the level of expenditure, to include providing supporting documentation reasonably necessary to substantiate the validity of such claim.

10.3.2 As the administrator of the DOE WAP grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal law, and for allowable and allocable costs under the applicable rules of the Code of Federal Regulations.

10.3.3 CSD is required to conduct on-site or in-house and follow-up monitoring of Contractor to ensure that Contractor meets the expenditure and unit production targets, administrative standards, financial management requirements, and other requirements of the federal program.

10.3.4 CSD shall provide Contractor reasonable advance notice in writing of on-site and/or in-house review monitoring reviews of Contractor's program or fiscal performance.

10.3.5 Over the course of the DOE Contract term, CSD will perform in-house desk reviews to verify compliance with financial and administrative requirements, and follow-up on prior year monitoring reporting findings and observations. Desk reviews will consist of a questionnaire that contractors will be required to complete and return to CSD within 30 calendar days from receiving the questionnaire. CSD anticipates conducting a minimum of one desk review during the term of the Contract period and may elect to increase the number and frequency of desk reviews based on the severity of non-compliance issues identified during the desk review process.

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- 10.3.6 For contractors that did not receive 2022 or 2023 DOE funding, CSD will conduct quarterly client file reviews to meet the minimum annual client file review requirement, which is 10% of total client files or 10 total files, whichever is greater. If Contractor received 2022 or 2023 DOE funding and had no performance issues, CSD will conduct quarterly client file reviews to meet the minimum annual client file review requirement, which is 5% of total client files or 5 total files, whichever is greater. Files will be reviewed to verify compliance with DOE mandates to include, but not limited to, client eligibility, adherence to the priority protocol and energy audit protocols, completion of post-inspections, and assessment for mechanical ventilation. CSD shall notify Contractor of the client files requested, and Contractor shall submit the client files within five business days.
- 10.3.7 CSD may increase the percentage of client files reviewed and frequency of client file reviews based on the severity of non-compliance issues identified during the client file review process.
- 10.3.8 CSD will conduct monthly review of expenditure status to ensure contractors are meeting their expenditure and unit production targets, in accordance with Article 10.5. CSD will follow up with Contractor if contractual targets are not being met.
- 10.3.9 In accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200.337), 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 Contract. To the extent Contractor maintains records and documents in an electronic format, Contractor must make such records and documents readily available to CSD program and audit staff and other representatives: 1) for review on an appropriate electronic device provided by Contractor; and/or 2) for reproduction in electronic and/or hard copy format, as is necessary to affect the purposes of this paragraph. In order to realize the objectives of this subparagraph and to ensure that the integrity of the program, the proper expenditure of grant funds, and to prevent fraud, waste, abuse, and unjust enrichment, whether by design or inadvertence, Contractor shall cooperate with CSD as follows:
- 10.3.9.1 Upon request, provide a list of clients, jobs or properties to or for which DOE WAP services have been provided by Contractor, and to or for which Contractor has provided related services under other federal, State or non-governmental programs such as, but not limited to, public and private utility company programs, collectively “Associated Programs.”
- 10.3.9.2 With respect to such list of clients, jobs, or properties, provide CSD and/or the investigative entities or persons referenced in Article 10.1, access

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to client files or similar records and documents of the Associated Programs for the purpose of determining whether related services have been provided that result in duplicate billings or any violation of federal or State law, this Contract, or applicable federal and/or State DOE WAP guidelines.

10.3.9.3 For purposes of this Section 10.3.9:

10.3.9.3.1 “Duplicate billing” is defined as receiving reimbursement from more than one funding source for the same expenditures or costs, whether in whole or in part, that Contractor incurs in connection with rendering a service to or for a client, job, or property, resulting in a total reimbursement to Contractor, from all sources, in excess of actual expenditures or costs incurred.

10.3.9.3.2 To the extent necessary to realize the objectives of this article, the term “Contractor” includes any subcontractor or agent of Contractor in possession of the files, records, or documents or other information bearing on related services under any relevant Associated Program.

10.3.9.4 It is understood that Contractor has no obligation to provide access to the client files, records, and documents of an Associated Program when no DOE WAP services have been provided and the client, job, or property is not required to be on the list furnished to CSD by Contractor, as provided herein.

10.3.9.5 In the event Contractor is unable to comply with the provisions of subparagraphs 10.3.9.1 or 10.3.9.2 because of restrictions placed on Contractor by law in connection with an Associated Program, or restrictions imposed on Contractor pursuant to a binding written contract between Contractor and the funding source of such Associated Program, then Contractor shall so inform CSD by written declaration and provide supporting documentation for such declaration. Contractor shall, together with any declaration made, certify to CSD in writing that:

10.3.9.5.1 Contractor has not submitted duplicate billings to both DOE WAP and Associated Program.

10.3.9.5.2 Contractor has not otherwise engaged in similar actions in violation of federal or state law.

10.3.10 CSD will host a File Transfer Protocol (FTP) Server and provide Contractor with specifications, documentation and sample of FTP file configurations screens, as

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necessary, to enable Contractor to use the FTP Server to upload client files, records and documents. Contractor shall submit client files, records and documents via the FTP to allow CSD to complete an in-house review.

10.3.11 In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Contract, 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.

10.3.12 Collection of Disallowed Costs

10.3.12.1 In the event questioned costs are identified in a final decision on cost disallowance issued by CSD, Contractor shall comply with any demand for repayment, as specified in such final report.

10.3.12.2 *Time for response.* Contractor shall have no less than 30 calendar days from receipt of the final decision to tender payment to CSD or, alternatively, to provide CSD with complete and accurate information or documentary evidence in support of the allowability of questioned costs.

10.3.12.3 *Notice after review of further supporting evidence.* If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided above in subparagraph 10.3.12.2, CSD shall, after consideration of Contractor's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than 30 calendar days after receipt of Contractor's information or documentation. Contractor shall have 15 calendar days from receipt of such Notice to tender payment or a repayment plan acceptable to CSD. In the alternative, Contractor may request a hearing in accordance with Article 10.4, subparagraph 10.4.5.5 of this Contract, for CSD's final determination of disallowed costs.

10.3.12.4 All statements, notices, responses and demands issued in accordance with this paragraph shall be in writing.

10.3.12.5 CSD may, at its discretion, reasonably extend the time periods allowed for responses specified in this paragraph.

10.4 Enforcement Process - Noncompliance with Requirement of this Contract

10.4.1 Tax-Exempt Status Requirement

Nonprofit charitable organizations must maintain their 501(c)(3) tax-exempt

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status as a requirement for continued DOE grant reimbursements and participation under the Contract. All 501(c)(3) contractors shall notify CSD within one (1) business day upon revocation of their tax-exempt status and cease all work performed under this Contract. CSD will halt all payments to Contractor while its nonprofit, tax-exempt status is revoked. Work performed prior to the revocation, but billed after such notice is received, shall be timely reimbursed to the Contractor. In addition, CSD may take additional enforcement steps consistent with federal and state law and this Contract.

10.4.2 General

The authority for CSD Enforcement Actions, as defined in paragraph 10.4.3, for cost disallowances/ recovery of misused funds, and for de-designation of eligible entity status (collectively “Enforcement Process”) is found in the Code of Federal Regulations, and in state regulations, with particular reference to 22 CCR §100875. In order to facilitate compliance with the cited authorities, the parties to this Contract agree that: the present article 1) shall guide, inform and clarify the Enforcement Process; 2) shall establish the procedures to be followed; and 3) establish the rights and obligations of the parties with respect to the Enforcement Process, for purposes of implementing the principles set out in the applicable legal authorities.

10.4.3 Enforcement Action, “High Risk” – Determination and Notice

10.4.3.1 If CSD determines that Contractor is not financially stable and that Contractor’s financial condition is so tenuous that its ability to implement this Contract is seriously compromised, or if CSD determines that Contractor has not complied with the requirements of this Contract and that Contractor’s noncompliance constitutes a material breach of the Contract, CSD may initiate an Enforcement Action. For purposes of this article, “Enforcement Action” means the imposition of any of the following: a) special conditions and/or sanctions; b) a determination of cost disallowance; c) contract suspension; d) contract termination; or e) termination of Contractor’s service provider status.

10.4.3.2 To initiate an Enforcement Action, CSD must provide Contractor with written notice of “high risk” designation, setting forth: 1) the factual and legal basis for the determination of noncompliance, upon which the “high risk” designation is based; 2) the corrective action(s) required; and 3) the date by which they the corrective action(s) must be taken and completed.

10.4.3.3 For purposes of this article, “material breach” means any act or omission by Contractor that is in contravention or disregard of Contractor’s duties

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and obligations under the terms of this Contract and under applicable State and federal law, which act or omission:

- 10.4.3.3.1 Constitutes fraud or gross negligence by Contractor or its agent(s);
- 10.4.3.3.2 Is likely to result in significant waste and/or abuse of federal funds;
- 10.4.3.3.3 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;
- 10.4.3.3.4 Violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;
- 10.4.3.3.5 May have serious adverse effects and consequences on the Contractor's customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; or
- 10.4.3.3.6 May otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.

10.4.4 Special Conditions and Sanctions

- 10.4.4.1 "High risk" designation may include the imposition of 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 acute financial instability or a material breach of contract, as defined in paragraph 10.4.3, above.
- 10.4.4.2 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:
 - 10.4.4.2.1 The nature of the Special Condition(s) and/or Sanction(s) being imposed;
 - 10.4.4.2.2 The reason(s) for imposing Special Condition(s) and/or Sanction(s); and

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10.4.4.2.3 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).

10.4.4.3 Special Conditions may include, but are not limited to:

10.4.4.3.1 Obtaining training and/or technical assistance;

10.4.4.3.2 The imposition of special or additional reporting requirements;

10.4.4.3.3 Special or conditional cost reimbursement requirements and procedures;

10.4.4.3.4 The provision of documentation by Contractor; and/or

10.4.4.3.5 The requirement to amend or modify systems, procedures, and/or policies.

10.4.4.4 Sanctions may include, but are not limited to:

10.4.4.4.1 The suspension of advances and/or reimbursements; and/ or

10.4.4.4.2 The issuance of stop work orders.

10.4.4.5 Sanctions may not be imposed without a hearing being first held in accordance with applicable regulations, *unless* CSD reasonably determines on the basis of credible information that:

10.4.4.5.1 Substantial sums to be paid to Contractor have been or will be used in violation of law or the provisions of this Contract, or

10.4.4.5.2 The associated costs are otherwise very likely to be disallowed; and

10.4.4.5.3 If Sanctions are not immediately imposed, taxpayer dollars are at significant risk and are unlikely to be recovered.

10.4.4.6 Review of Special Conditions and/or Sanctions.

10.4.4.6.1 If Contractor elects to contest the action to impose Special Conditions and/or Sanctions, Contractor shall have five business days following receipt of Notice of Enforcement

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Action in which to show cause, in writing, why the Special Conditions or Sanctions should not be enforced;

- 10.4.4.6.2 CSD shall have five business 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.
- 10.4.4.6.3 Contractor may, within five business days of receipt of Notice of Enforcement Action, request an informal meeting for the parties to consider the merit of the Notice and to discuss alternative courses of action, which meeting CSD may agree to if, in its sole judgment, it determines the meeting would be helpful to the process, can be held expeditiously, and will not unduly cause delay or otherwise increase the risk of loss of taxpayer dollars.
- 10.4.4.6.4 Contractor may, at any time, request in writing that CSD initiate the contract suspension or contract termination processes, to include the requisite hearings, as set out in 22 CCR § 100875.
- 10.4.4.6.5 Should Contractor fail to show cause why the Enforcement Action should not go forward, or should Contractor fail to request that CSD initiate either the contract suspension or termination processes, CSD may initiate such action upon its own motion.
- 10.4.4.6.6 Special conditions and sanctions shall remain in effect until the hearing procedure is completed, provided, with respect to sanctions, CSD reasonably determines that subparagraph 10.4.4.5 applies.

10.4.5 Cost Disallowance

- 10.4.5.1 If Contractor's non-compliance with the terms of this Contract results in an enforcement action, and if CSD determines that Contractor's non-compliance has resulted in questioned costs, CSD shall provide Contractor with a Statement of Questioned Costs along with the Notice of Enforcement Action, or at such later time in the Enforcement Process as questioned costs have been identified.
- 10.4.5.2 The Statement of Questioned Costs shall include:
 - 10.4.5.2.1 A description of the costs questioned and the specified

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amount by type or category of costs;

10.4.5.2.2 The reason the costs are questioned, and the information and/or documentation required to justify payment of the costs; and

10.4.5.2.3 The timeframe and procedures for Contractor's submission of the required information or documentation to CSD.

10.4.5.3 If CSD determines that more information is required before a Statement of Questioned Costs can be issued or before a final determination of cost disallowance can be made, CSD may conduct an investigative audit of Contractor's records, files and books of account, or retain an audit firm for such purpose. Contractor agrees to cooperate fully in any audit conducted and to ensure that Contractor's agents, accountants and subcontractors cooperate in the performance of such audit. A report of any audit conducted shall be shared with Contractor, who shall be given ample opportunity to respond to findings and to submit information and documentation in support of the response. If Contractor fails to cooperate in the conduct of an audit, initiated pursuant to this subparagraph, CSD may either impose sanctions, as provided in subparagraph 10.4.4.4 or, if feasible, issue a Notice of Disallowed Costs.

10.4.5.4 After CSD has considered any information and/or documentation submitted by Contractor in response to a statement of questioned costs or in response to an investigative audit report, CSD shall issue a Notice of Disallowed Costs, which notice shall include:

10.4.5.4.1 The amount of disallowed costs to be repaid, if any; and

10.4.5.4.2 The date by which repayment must be made or, in the alternative,

10.4.5.4.3 The date by which Contractor must submit a proposed repayment plan for consideration by CSD.

10.4.5.5 Before the expiry of five business days after receipt of a Notice of Disallowed Costs, Contractor may challenge the Notice of Disallowed Costs by requesting a hearing, conducted in accordance with the procedures set out in 22 CCR § 100875, for the purpose of adjudicating the matter of cost disallowance, provided however that either Contractor or CSD may opt to adjudicate other pending Enforcement Action matters, as provided in subparagraph 10.4.4.6.4 of this section, in a combined proceeding.

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10.4.5.6 If Contractor fails to request a hearing to adjudicate cost disallowance, as provided in subparagraph 10.4.5.5, the Notice of Disallowed Costs shall be deemed final and Contractor shall comply with the provisions of the present Paragraph 10.4.5.

10.4.5.7 Contractor will not be deemed to have complied with a Notice of Disallowed Costs until repayment is made or CSD has approved a repayment plan. In determining the acceptability Contractor's repayment plan, CSD shall take into consideration such factors as, but not limited to:

10.4.5.7.1 Federal requirements or conditions applicable to the grant(s) under which the disallowed costs were funded;

10.4.5.7.2 The exigencies of the grant program and CSD's ability to reallocate the funds repaid or otherwise dispose of the funds in accordance with applicable law;

10.4.5.7.3 The risk of being unable to recover funding and the options for securing Contractor's repayment obligation; and

10.4.5.7.4 Contractor's financial condition and ability to pay.

10.4.6 Contractor shall remain on "high risk" until CSD reasonably determines that Contractor has complied with the requirements of the Notice of "High Risk" Designation, including verification by CSD that corrective measures have been implemented, that all conditions have been met and that disallowed costs have been repaid or, alternatively, that CSD has deemed Contractor's repayment plan to be acceptable and Contractor has demonstrated it is in compliance with the plan. Upon determination that Contractor has complied with the requirements of the Notice of "High Risk" Designation, CSD shall give Contractor written notice of such determination.

10.4.7 In the event Contractor's non-compliance with the terms and conditions of this Contract are not remedied through imposition of special conditions, and/or sanctions, thereby enabling CSD to remove "high risk" designation, CSD may initiate further Enforcement Actions involving Contract Suspension, Contract Termination and Termination of service provider status, which shall be initiated and conducted in accordance with the applicable provisions found in 22 CCR § 100875 and other applicable State and federal statutes and regulations.

10.4.8 Lien rights

The State retains lien rights on all funds advanced.

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10.5 Service Delivery and Expenditure Requirements

10.5.1 Service Delivery and Expenditure of Funds

10.5.1.1 Contractor shall be afforded maximum flexibility and control, within the parameters of federal law, in the planning, administration, and delivery of DOE WAP services. Regardless of the modalities and techniques utilized, Contractor shall: a) Ensure that the maximum numbers of persons are served consistent with the effective and efficient service delivery under program requirements and applicable law; and b) Expend at least 25% of program funds within the Contract term.

10.5.1.2 A substantial failure to expend funds and provide services to readily available qualified applicants, except for compelling reasons beyond Contractor's control and within CSD's determination, shall be deemed prima facie evidence of breach of contract and may constitute grounds for "high risk" designation and the applicable remedies as provided in Article 10.4, "Enforcement Process – Noncompliance with the Requirements of this Contract." Such failure of performance may, in accordance with the provisions of this Article, result in a reduction in Contractor's grant allocation and the redistribution of unexpended funds.

10.5.2 Contractor Performance Benchmark and Reporting Requirements

10.5.2.1 Contractor shall achieve 25% expenditure of the contract by June 30, 2026.

10.5.2.2 CSD will monitor Contractor's expenditures to evaluate compliance with meeting performance benchmark requirements of no less than 25% by June 30, 2026 of the total allocation.

10.5.2.3 Contractor shall submit timely expenditure reports, that allow CSD to evaluate Contractor's compliance with required performance benchmark levels. Based upon these reports, CSD may determine that Contractor has not met its 25% expenditure requirement and is out of compliance with this Contract. CSD may reduce or eliminate Contractor's grant allocation for the following contract year if Contractor is out of compliance and has not met the expenditure requirements.

10.5.2.4 Should the Contractor's actual expenditure trend indicate the Contractor is unlikely to meet the performance benchmark requirement of 25%, CSD may, at its sole option, notify Contractor in writing that Contractor's total remaining allocation, including capped budget items, and the proportionate balance of Admin and T&TA budget items, shall be de-obligated and reallocated. Notice of such action shall be issued

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within 30 calendar days after Contractor's performance benchmark period as noted in Section 10.5.2.2.

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ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS

11.1 Certifications

11.1.1 Contractor's signature affixed to the Contract 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:

11.1.1.1 Drug-Free Workplace Requirements, Contractor Certification Clauses 04/2017 (CCC -04/2017)

11.1.1.2 National Labor Relations Board Certification (CCC -04/2017)

11.1.1.3 Expatriate Corporations (CCC -04/2017)

11.1.1.4 Domestic Partners (CCC -04/2017)

11.1.1.5 Labor Code/Workers' Compensation (CCC-04/2017)

11.1.1.6 Americans with Disabilities Act (CCC-04/2017)

11.1.1.7 Contractor Name Change (CCC -04/2017)

11.1.1.8 Resolution (CCC -04/2017)

11.1.1.9 Air or Water Pollution Violation (CCC -04/2017)

11.1.1.10 Safeguarding Access to State Data (Department of Finance, Budget Letter 04-35)

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

11.1.2 The above documents are hereby incorporated by reference into this Contract. To access these documents, please visit the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx> or <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language> (CCC-04/2017).

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11.2 Provisions for Federally Funded Grants

11.2.1 Contractor certifies that it possesses legal authority to apply to the State for DOE WAP funds and assures compliance with the purposes as set forth in 42 USC §§ 6861 et seq., as amended.

11.2.2 Eligibility to Receive Federally Funded Public Benefits

Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (Public Law (Pub. L.) 104-193), as amended, and Executive Order W-13596, 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. (8 USC §§ 1611, 1612, & 1642.) Contractor shall verify client eligibility in accordance with CSD Applicant Verification of Eligibility Procedures and Regulations, forms, and other written guidance provided by CSD.

11.2.3 Under the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Section 508 (Pub. L. 104-208), and NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS, Section 432 (d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 USC § 1642 et seq.) as amended, Nonprofit charitable organizations are exempt from the requirement 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 8 USC § 1611(c)) or any State or local public benefit (as defined in 8 USC § 1621(c)) (8 USC § 1642(d)).

11.2.4 Federal Funding Accounting Accountability and Transparency Act Reporting Requirement (FFATA) (Pub. L. 109-282).

Pursuant to the FFATA, CSD is required to report information regarding Contractors (sub-awardees) receiving DOE WAP funds. Contractor must complete CSD Form 279 and return with the Contract to enable CSD to comply with FFATA reporting requirements.

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

11.3 Federal Certifications Regarding Debarment, Suspension, and Related Matters

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

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- 11.3.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- 11.3.2 Have not within a three (3) year period preceding this Contract 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, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 11.3.3 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 Section 11.3.2 above of this certification; and
- 11.3.4 Have not within a three (3) year period preceding this Contract had one or more public (federal, state, or local) transactions terminated for cause or default.
- 11.3.5 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 Part I of the Contract. Based on the description, CSD in its discretion may decline to execute this Contract or set further conditions of this Contract. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Contract, and CSD may terminate this Contract for cause immediately pursuant to the termination provisions of State and federal law governing the DOE WAP.
- 11.3.6 As provided in this article, 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.

11.4 Affirmative Action Compliance

- 11.4.1 Each Contractor or subcontractor with 50 or more employees and contract of \$50,000 or more shall be required to develop a written Affirmative Action Compliance Program.
- 11.4.2 The written program shall follow the guidelines Equal Employment Opportunity clause obligations set forth in 41 of the Code of Federal Regulations, Subtitle B, Part 601.40, Part 602.10 through 602.32, and Part 60741.1 through 60741.47.
- 11.4.3 Each Contractor or subcontractor with less than 50 employees shall comply with Executive Order 11246, Part II, Section 202, as amended by Executive

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Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full, with the requirements thereof.

11.5 Nondiscrimination Compliance

11.5.1 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.

11.5.2 Contractor hereby certifies compliance with the following:

11.5.2.1 Title VI and Title VII of the Civil Rights Act of 1964, as amended (42 USC §§ 2000d et seq. and 2000e et seq.);

11.5.2.2 The Rehabilitation Act of 1973, as amended (29 USC §§ 701 et seq.);

11.5.2.3 Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 USC § 4212 et seq.; 41 CFR Subtitle B, Part 60-300);

11.5.2.4 Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (regulations implementing Executive Orders 11246 and 11375) (41 CFR Subtitle B, Chapter 60, as amended); and

11.5.2.5 Americans with Disabilities Act of 1990 (Pub. L. 101-336, 42 USC § 12101 et seq.).

11.6 Contractor Fair Hearing - Civil Rights Act Violation

11.6.1 In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, (42 USC § 2000d et seq.), 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.

11.6.2 The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations, Part 81.

11.7 Specific Assurances

11.7.1 Pro-Children Act of 1994

11.7.1.1 This Contract incorporates by reference all the nonsmoking policy provisions set forth in the Pro-Children Act of 1994 (20 USC § 6083).

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11.7.1.2 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.

11.7.2 American-Made Equipment/Products

Contractor shall assure, pursuant to the Buy American Act of 1933 (41 USC § 8301 et seq.), to the extent practicable, that all equipment and products purchased with funds made available under this Contract shall be American made.

11.7.3 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 (federal and Cal/OSHA); the California Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code §§ 25249.5 et seq.); Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program) (60 FR 25492, codified at 40 CFR Part 273); and California Workers' Compensation laws (Labor Code §§ 3200 et seq.).

11.7.4 Political Activities

11.7.4.1 Contractor shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Contract.

11.7.4.2 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 Contract.

11.7.5 Lobbying Activities

11.7.5.1 Contractor shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject of this Contract or any other fund, programs, projects, or activities that flow from this Contract.

11.7.5.2 If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, as required by federal law under 2 CFR § 200.450.

11.7.6 Performance of Work in United States

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All work performed under this Award must be performed in the United States. If the Contractor fails to comply with the Performance of Work in the United States requirements, the Contractor will not be reimbursed for work performed.

11.7.7 Use of Program Income

If the Recipient earns program income during the project period as a result of this Award, the Recipient may add the program income to the funds committed to the Award and use to further eligible project objectives.

11.8 Publications

11.8.1 Contractor is encouraged to publish or otherwise make publicly available the results of the work conducted under the award, subject to compliance with Section 11.8.2 below.

11.8.2 An acknowledgment of DOE support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project, as follows:

Acknowledgment:

“This material is based upon work supported by the Department of Energy [National Nuclear Security Administration] [add name(s) of other agencies, if applicable] under Award Number(s) [enter the award number(s)].”

Disclaimer:

“This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.”

11.9 Decontamination and/or Decommissioning (D&D) Costs

Notwithstanding any other provisions of this Contract, neither the State nor Federal Government shall not be responsible for or have any obligation to the recipient for: (i) Decontamination and/or Decommissioning (D&D) of any of the recipient's facilities, or (ii) any costs which may be incurred by the recipient in connection with the D&D of any

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of its facilities due to the performance of the work under this Contract, whether said work was performed prior to or subsequent to the effective date of this Contract.

11.10 Executive Order N-6-22 Russia Sanctions

On March 4, 2022, Governor Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering into any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

11.11 Prohibition on Certain Telecommunications and Video Surveillance Equipment or Services

11.11.1 As set forth in 2 CFR 200.216, Contractor is prohibited from obligating or expending project funds (federal and non-federal funds) to:

11.11.1.1 Procure or obtain covered telecommunications equipment or services;

11.11.1.2 Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or

11.11.1.3 Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

11.11.2 As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:

11.11.2.1 Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

11.11.2.2 For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

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11.11.2.3 Telecommunications or video surveillance services provided by such entities or using such equipment; and

11.11.2.4 Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

11.11.3 For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. For additional information, see section 889 of Public Law 115-232 and § 200.471.

11.12 Trafficking in Persons

11.12.1 Non-Profit contractors and non-profit contractor’s employees must not engage in:

11.12.1.1 Severe forms of trafficking in persons;

11.12.1.2 The procurement of a commercial sex act during the period of time that this award or any subaward is in effect;

11.12.1.3 The use of forced labor in the performance of this award or any subaward; or

11.12.1.4 Acts that directly support or advance trafficking in persons, including the following acts:

11.12.1.4.1 Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee’s identity or immigration documents;

11.12.1.4.2 Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:

11.12.1.4.2.1 Exempted from the requirement to provide or pay for such return transportation by the federal department or agency providing or

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entering into the grant or cooperative agreement; or

11.12.1.4.2.2 The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action.

11.12.1.4.3 Soliciting a person for the purpose of employment, or offering employment, by means materially false or fraudulent pretenses, representations, or promises regarding that employment;

11.12.1.4.4 Charging recruited employees a placement recruitment fee; and

11.12.1.4.5 Providing or arranging housing that fails to meet the host country's housing and safety standards.

11.12.2 Employee means either:

11.12.2.1 An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this award; or

11.12.2.2 Another person engaged in the performance of this project or program under this award and not compensated by the recipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing requirements.

11.12.3 The terms "severe forms of trafficking in persons," "commercial sex act," "sex trafficking," "Abuse or threatened abuse of law or legal process," "coercion," "debt bondage," and "involuntary servitude," have the meanings given at Section 103 of the TVPA, as amended (22 U.S.C. 7102).

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STATE CONTRACTING REQUIREMENTS GTC 02/2025

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 02/2025

Contractor may find the required California General Terms and Conditions (GTC 02/2025) at the following web address:

[Standard Contract Language](#)

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ARTICLE 13 - DEFINITIONS

All terms used in this Contract shall be those as defined in applicable federal and state law (see 42 USC §§ 6861 et seq.) and regulation (see 2 CFR Part 200 and 10 CFR Part 440), or as more specifically defined as:

Administrative Costs: Actual costs for auxiliary functions such as salaries, wages, workers compensation, and fringe benefits for administrative staff, facilities, utilities, office and computer 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. Includes incurred costs associated with participation and attendance to policy advisory committee meetings and workgroups.

Amendment: A formal change to the Contract of a material nature including but not limited to the term, scope of work, or name change of one of the Parties, or a change of the maximum amount of this Contract.

Ancillary Supplies: Ancillary supplies are additional low-cost materials or supplies (e.g., nuts, bolts, screws, and washers) necessary to install a weatherization measure and not easily identifiable to a specific measure or dwelling. Costs of ancillary supplies that benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for ancillary supplies is not allowable for subcontractors.

Authorized Agent: The duly authorized representative of the Board of Directors of Contractor and duly elected or appointed, qualified, and acting officer of CSD. In the case of Contractor, CSD shall be in receipt of board resolution affirming an agent's representative capacity to bind Contractor to the terms of this Contract.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Public Health, as a lead-related construction Inspector/Risk Assessor.

California Energy Commission (CEC) Climate Zone: The CEC established 16 climate zones that represent a geographic area and that have a particular weather pattern. These climate zones are based on energy use, temperature, weather, and other factors that determine the types of building standards that are subject to the Title 24 Energy Efficiency Standards and that dictate the energy conservation measures that must be installed in a weatherized dwelling, as required by law.

Call-Back: A call-back occurs when a measure fails (either during inspection, or later within the warranty period) and must be corrected by an agency. The required warranty

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periods are defined in CSD TRM. Warranty corrections are required under both LIHEAP and DOE WAP, however, under DOE WAP, Contractor is required to notify CSD for billing instructions and DOE is required to be notified of all call-backs.

Certification Date: The date the applicant is deemed eligible and the agency commits to provide services. The certification date should not be before the intake date.

Certified Lead-Free: Residential property that has been determined by a California Certified Inspector/Risk Assessor Contractor to be absent from the presence of lead-based paint.

Certified Lead-Safe: Residential property in which lead-painted surfaces are intact and/or have been treated with measures to stabilize and eliminate lead-paint hazards and that, as such, poses no immediate threat to the occupants as determined by a California Certified Inspector/Risk Assessor Contractor.

Certified Translator: A translator that has been certified to translate a specific language and are often members of a professional translation association such as American Translators Association and American Literary Translators Association, etc.

Children: Members of a household who are 19 years of age or younger.

Client Education/Counseling: Includes, but is not limited to, providing client with written information describing energy-saving behavioral adjustments that will decrease the energy consumption of the household; providing client with resource information, referral, and budget counseling in order to assist clients in achieving self-sufficiency; providing client with mold and lead-safe education and advising client of the benefits of weatherization in their homes.

Client Needs Assessment: The act of acquiring additional and appropriate information from an eligible client to determine the needs that can be served by Contractor and other available programs AFTER eligibility has been established.

Contract: The complete contents of this contract entered into by and between CSD and Contractor, including all rights, duties, and obligations, whether expressed or implied, required toward the legal performance of the terms hereof.

Contractor: The entity (partnership, corporation, agency, or association) designated on the face sheet (STD 213) of this Contract.

Contractor Average Cost Per Unit (ACPU): Represents the maximum allowable average cost per dwelling unit for weatherization services, defined as the aggregate of Total Program Operations divided by number of units completed. Under this contract, the Contractor maximum allowable ACPU for Annual DOE WAP Program Year

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2025 (January 1, 2026 through June 30, 2026) is set at \$8,547. This average also applies to units completed in a multifamily building of 5 units or greater.

The formula for determining the Contractor ACPU is:

Total Program Operations divided by Total Completed Units

Total Program Operations consists of the following:

-
- Outreach and Its Related Costs
- Direct Program Activities
- Major Vehicles and Equipment Purchases (more than \$10,000)
- Minor Vehicle & Field Equipment (less than \$10,000)
- General Operating Costs
- Other Program Costs (refer to list below)
- Automation Costs

Other Program Costs consist of the following:

- Wages – Field Staff
- Wages – Program Management & Support
- Workers' Compensation
- Travel and Per Diem
- Disposal Fees
- Ancillary Supplies
- Waste Breakage
- Vehicle & Equipment Repair, Maintenance, Fuel
- Historic Preservation Review Costs

CSD: The Department of Community Services and Development, State of California.

CSD Program Advisory (CPA): The purpose of the CPA is to provide information, correct problems, contradictions and uncertainty. A CPA serves as short-term guidance or transitional in nature, to inform or direct immediate action to correct a problem or provide relief from an obligation.

CSD Program Notice (CPN): The purpose of the CPN is to supplement contractual requirements and facilitate program implementation. A CPN serves as long term guidance to summarize or interpret regulations or contract requirements.

Database Transfer: A method wherein contractors utilize a local database platform to provide CSD with downloaded client and other program data.

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Diagnostic Testing: Series of testing protocols performed under the weatherization program involving the use of specialized tools to assess: the operating condition of combustion appliances for general safety and carbon monoxide emission levels, and pressurized diagnostic testing procedures to assess the integrity of building envelopes and duct systems for leakage and outside air infiltration. Diagnostic tests shall only be performed by qualified individuals possessing the required skill and training needed to perform diagnostic testing activities.

Direct Program Activities: Activities associated with the installation of measures in dwellings to include labor, materials, subcontractors, and lead-safe weatherization materials, and other program costs.

Disposal Fees: A fee or expense charged by a third-party waste removal entity and/or the direct cost incurred by a contractor for the action of removing or getting rid of refuse, unwanted, and/or hazardous materials left over from the weatherization process.

DOE: The United States (U.S.) Department of Energy that provides funds for the Weatherization Assistance Program for Low-Income Persons. This program is authorized by Title IV of the Energy Conservation and Production Act (Pub. L. 94385). The federal regulations for this program are in 10 CFR Part 440 and DOE Financial Assistance Rules at 2 CFR 200.

Dwelling Assessment: The process used to evaluate the service needs of an eligible dwelling for weatherization services offered under the DOE and LIHEAP weatherization programs. An assessment shall be performed by qualified individuals possessing the required skill and training needed to perform assessment activities.

Dwelling Unit: A house, including a stationary mobile or manufactured home, an apartment, a group of rooms, or a single room occupied as separate living quarters.

Electronic File: A contract or other record created, generated, sent, communicated, received, or stored by electronic means.

Elderly: An individual 60 years of age or older.

Energy Audit: An energy audit is an analysis tool intended to be used by the weatherization agencies for the purpose of determining a list of cost-effective measures for a specific dwelling.

Energy Burden: The expenditures of the household for home energy divided by the income of the household.

Environmental Testing: Environmental testing is limited to asbestos testing when a major energy savings measure might be sacrificed as a result of Presumed Asbestos Containing Material (e.g., for vermiculite insulation) and shall be in accordance

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with all CSD policies and procedures and in compliance with all Federal and State regulations. Allowable costs include actual labor costs while on the jobsite and testing fees.

Estimated Budget Allocation: The estimated dollar amount of DOE annual funding, based on the Final Allocation from the 2025 DOE WAP Contract, used to facilitate the completion of budgets, fiscal and local planning efforts in the event this Contract is executed prior to federal authorization of the full annual allocation of DOE funding and funded under Continuing Resolution appropriations.

Final Allocation: The actual amount of funds available to Contractor under this Contract after CSD receives the notice of grant award for the full annual allocation based on the appropriation by Congress for Federal Fiscal Year 2025, and DOE's approval of the Weatherization Grant Application, as publicly announced by CSD's Director or designee, subsequent to the execution of this Contract.

General Heat Waste Measures: A subcategory of weatherization measures designed specifically to improve energy efficiency by reducing general heat and cooling waste within the dwelling. General Heat Waste Measures include: air conditioning/furnace filter replacements, hot water flow restrictors and low-flow showerheads, water heater blankets, and water heater pipe wrap.

General Operating Costs: Costs that are directly allocable to those costs defined as related facilities, office and computer equipment, office supplies, telephone, travel and materials, and activities to prevent exposure to COVID-19 as allowable program costs.

Hazardous Condition: Any condition posing an immediate health and safety threat to the client and/or persons working in the dwelling unit. Hazardous conditions include, but are not limited to: Combustion Appliance Safety (CAS) hazards, appliance-related hazards, and electrical hazards as defined in the CSD TRM.

Health and Safety Activities: A subcategory of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. The measures include CO alarms, smoke alarms, heating/cooling, mechanical ventilation, water heater repairs and replacements, thermostats, lead-safe weatherization and kitchen exhaust repair and replacements. When heating or cooling (and their associated thermostat) and water heaters will be repaired or replaced under DOE WAP, these measures will require an energy audit. Costs associated with Health and Safety measures are limited to the allowable maximum amount specified in the DOE WAP Budget and are excluded from the calculations for the Contractor Average Cost Per Unit.

SUBVENTION CONTRACT

Health and Safety Allowable Max Percentage: A category of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. Health and Safety Activities may include installation of measures such as CO alarms, smoke alarms, heating/cooling, mechanical ventilation, water heater repairs and replacements, thermostats, lead-safe weatherization and kitchen exhaust repair and replacements among others. The classification of measures is not included in the Contractor ACPU calculation but is subject to a separate Health and Safety allowable maximum percentage.

Health and Safety Formula: The formula to calculate the allowable maximum for Health and Safety expenditures is:

Program Operations (refer to Program Operations – Article 13 Definitions)
multiplied by the current Health and Safety Allowable Maximum Percentage.

Heating/Air Conditioning Appliance Repairs/Replacements: The complete unit replacement adjustments of gas pressure and/or air/fuel mixture, replacement of thermocouples, adjustment of refrigerant charge, filter replacements, or other component repairs or replacements necessary for safe and efficient operation.

High Residential Energy User: A low-income household whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the State.

Home Energy Rating System (HERS) Provider, also referred to as HERS Rater: An entity or individual recognized by the California Energy Commission as a HERS Provider and certified in performing the necessary field and diagnostic testing verifications for demonstrating compliance with the 2016 Building Energy Efficiency Standards. HERS will be renamed as Energy Code Compliance (ECC) Program beginning January 1, 2026.

HUD Unit: A housing unit participating in a U.S. Department of Housing and Urban Development (HUD) Assisted Housing Program.

Infiltration Reduction Measures: A subcategory of weatherization measures installed in or applied to dwellings to reduce or stop the uncontrolled flow of conditioned air out of the dwelling or the uncontrolled flow of outside air into conditioned areas in the dwelling. Infiltration reduction is best accomplished with shell leakage technology.

Intake Date: The date the agency receives or accepts the application.

Intellectual Property: Patents, trademarks, copyright, mask works, protected data, and other forms of comparable property protected by Federal law and foreign counterparts.

SUBVENTION CONTRACT

Knob and Tube Wiring: Costs to obtain knob-and-tube wiring “Notice of Survey by Electrical Contractor” and installation of simple overcurrent protection (breakers or S-type fuses) shall be billed to “Mandatory Assessments and Diagnostics - Permits.”

Liability Insurance: Insurance coverage to protect against claims alleging one’s negligence or inappropriate action resulting in bodily injury or property damage. Related costs shall mean those actual costs allocated for insurance bonds, general liability insurance, and pollution occurrence insurance. Pollution occurrence insurance is optional.

Limited Home Repair: Limited Home Repair (LHR): Those repairs that have a direct association with weatherization measures being installed and are necessary for the effective performance or preservation of weatherization materials or are related to activities that eliminate a health and safety hazard that would otherwise prevent weatherization or protects/preserves the installation of a health and safety measure.

LHR shall NOT include:

- a. Any other measure or associated incidental repair that has a chargeable line item, including Minor Envelope Repair items.
- b. Repairs to the dwelling that are outside of the program scope, including but not limited to, handicap ramps, major roof repairs, or correction to structural issues that are a mandatory deferral condition.

Major Vehicle and Field Equipment Costs: Actual Costs associated with the purchase of the vehicle, office equipment and / or field equipment costing \$10,000 or more and used for the delivery of direct services. Pre-approval from the DOE is required. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing DOE pertaining to procurement standards.

Materials: Materials are those allowable items that are installed in or on the dwelling to promote energy conservation. All materials shall be in conformance with the CSD TRM and 10 CFR Part 440, Appendix A – Standards for Weatherization Materials.

Maximum Amount: The dollar amount reflected on line 3 of the face sheet (STD 213) of this Contract, as amended to reflect the Final Allocation for the term of this Contract.

Migrant Farm Worker: A seasonal farm worker who performs or has performed farm work during the eligibility determination period (any consecutive 12-month period within the 24-month period preceding application for program benefits and/or services) that requires travel such that the worker is unable to return to his/her

SUBVENTION CONTRACT

domicile (permanent place of residence) within the same day. Migrant farm worker is not a term used in the contract but is captured for reporting purposes in CSD's Weatherization Database and Intake Form (CSD 43).

Minor Envelope Repairs: Those repairs that have a direct association with weatherization measures being installed, and are necessary to stop infiltration and general heat waste. Minor Envelope Repairs shall be limited to the following:

- a. Identified infiltration repairs, including the patching of holes in the building envelope (ceiling, floor, or walls) to the exterior that are too big to caulk;
- b. Sealing of thermal bypasses when no insulation will be installed;
- c. Replacement of missing or broken attic/crawl space access covers; installation of an access where one does not exist, or enlargement of an existing access; and
- d. Fireplace chimney damper repair or installation, or installation of glass fireplace doors when a damper is not feasible.

Minor Envelope Repairs shall NOT include:

- a. Any other measure or associated incidental repair that has a chargeable line item, including Limited Home Repair (LHR) items;
- b. Kitchen cabinet repairs and retrofits; and
- c. Repairs to the dwelling that are outside of the program scope, including but not limited to, handicap ramps, major roof repairs, or correction to structural issues that are a mandatory deferral condition.

Minor Vehicle and Field Equipment Costs: Actual costs associated with the purchase of vehicle, office equipment and field equipment with per unit fair market value of \$10,000 or less used for the purpose of delivery of direct services. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing DOE pertaining to procurement standards.

Mobile or Manufactured Home: A manufactured home regulated by the California Department of Housing and Community Development (HCD) that is built on a trailer chassis and designed for highway delivery to a permanent location, and it can be a single-, double-, or triple-wide home. To receive weatherization services under a CSD program, a mobile home must be a permanent, full-time residential dwelling with a floor area of at least 330 square feet.

SUBVENTION CONTRACT

Modified Dwelling Assessment: The process used to evaluate the limited service needs of an eligible dwelling that has been previously weatherized under the DOE or LIHEAP weatherization programs. The assessment is limited in scope and does not encompass a re-assessment of the entire dwelling unless measures have exceeded their useful life under DOE. Assessments limited to ECIP EHCS work on dwellings not receiving weatherization services are to be included in the cost of the ECIP measure. An assessment shall be performed by qualified individuals possessing the required skill and training needed to perform assessment activities.

Modification: An immaterial change to this Contract that does not require an Amendment.

Multi-Unit Dwellings (MUDs) also known as Multi-Family Buildings (MFBs): Defined as residential dwelling structures containing multiple residential units within a single building, to include: duplexes, triplexes, fourplexes, and multi-unit apartments.

Natural Disaster: A weather event (relating to cold or hot weather), flood, earthquake, tornado, hurricane, or ice storm, or an event meeting such other criteria of the Department of Energy, in the discretion of DOE, may determine to be appropriate. For the purpose of the DOE WAP Disaster Relief Plan, emergency services may be provided to low-income individuals and families affected by a natural disaster when the event is declared by a Presidential or Gubernatorial Order as a Federal or State Emergency.

Nonprofit Charitable Organization: is defined by the Internal Revenue Code, Section 501(c)(3) (26 USC § 501(c)(3)). Section 501(c)(3) is a tax law provision granting exemption from the federal income tax to non-profit organizations. 501(c)(3) exemptions may apply to corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals.

Outreach and Its Related Costs: Outreach activities are designed to ensure that eligible households, especially households with elderly and/or disabled individuals with high home energy burdens, are made aware of the assistance available. Costs relating to these activities may include: developing outreach materials (flyer/brochure information packets), advertising costs, printing costs, outreach mailers to targeted households, travel to outreach sites and related facilities, site costs, and the referral of eligible households to assistance providers in the community. Intake and assisting with the completion of an intake form are not considered outreach or a related cost.

Parties: CSD on behalf of the State of California and the Contractor.

Primary Heating and Cooling Source: When a home has more than one heating and/or cooling source, one of the following shall be considered the primary unit:

SUBVENTION CONTRACT

- a. The appliance that provides conditioned air for the dwelling's primary common living area (i.e., occupied during waking hours); or
- b. The unit providing conditioned air to the largest volume of living space; or
- c. The unit with the largest heating/cooling capacity/output (Btu or tons). In a two-story home that has a separate heating and/or cooling source on each floor, the unit on the ground floor is considered the primary heating and/or cooling source, with the following exception;
- d. If the larger capacity/output unit is upstairs, it may be considered the primary unit.

Only the primary heating and/or cooling source (one unit per dwelling) shall be repaired or replaced. It may be one that provides:

- a. Heating only; or
- b. Cooling only; or
- c. Heating and cooling.

Priority List: The list of energy conservation measures determined to be cost effective by a measure evaluation process. These measures may be installed in the specified type of dwelling in the specified climate zone without performing an energy audit. Allowable measures are contained in CSD's DOE Priority List Protocol.

Program: Weatherization services provided under 42 USC §§ 6861 et seq., as amended.

Program Income: Program income means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in § 200.307(c). Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees, and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. See § 200.407. See also 35 U.S.C. 200-212 "Disposition of Rights in Educational Awards," which applies to inventions made under Federal awards.

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Program Operations: Program Operations is a mandated DOE budget category and is defined as the direct costs necessary to affect the weatherization of an eligible dwelling unit. Program Operations is comprised of the following CSD budget line items:

- a. Outreach
- b. Direct Program Activities
- c. Major Vehicle and Field Equipment (\$10,000 or greater)
- d. Minor Vehicle and Field Equipment (less than \$10,000)
- e. General Operating Costs
- f. Other Program Costs (refer to Other Program Costs – Article 13 Definitions)Automation Costs

Re-weatherization: Providing weatherization services to a dwelling that was previously weatherized under DOE WAP, DOE ARRA, HUD, USDA, LIHEAP, or other Federal Funds within the past 15 years from the date of post inspection.

Ride-along: A representative of the Contractor who accompanies a designated third-party inspector while performing on-site inspections. CSD requires that, when possible, a ride-along be sufficiently trained to make necessary corrections during inspections, thereby minimizing or eliminating the need for return trips that may inconvenience the client and/or require re-inspection in accordance with the CSD TRM.

Seasonal Farm Worker: A person who during the eligibility determination period (any 12-month period within the 24-month period preceding application for program benefits and/or services) was employed at least 25 calendar days in farm work or earned at least \$400 in farm work and who has been primarily employed in farm work on a seasonal basis, without a constant year-round salary. *Seasonal farm worker is not a term used in the Contract but is captured for reporting purposes in CSD's Weatherization Database and Intake Form (CSD 43).*

Separate Living Quarters: Living quarters in which the occupant(s) do not live and eat with any other person(s) in the structure and which have either: (1) direct access from the outside of the building or through a common hall; or (2) complete kitchen facilities for the exclusive use of the occupant(s). The occupant(s) may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Shelter: A dwelling unit or units whose principal purpose is to house on a temporary basis for individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit.

State: The State of California, Department of Community Services and Development.

SUBVENTION CONTRACT

Subcontract: A separate contract or agreement entered into by and between Contractor and Subcontractor to fulfill direct program or administrative tasks in support of this Contract.

Subcontractor: An entity (partnership, corporation, association, agency, or individual) that enters into a separate contract or agreement with Contractor to fulfill direct program or administrative tasks in support of this Contract.

Training and Technical Assistance: Training and Technical Assistance activities are activities designed to aid in the development and skill of weatherization crewmembers and program staff in supporting the DOE program.

Vehicle Insurance: Insurance purchased for cars, trucks, and other vehicles related for the delivery of direct programs services.

Vendor: An individual, sole proprietorship, firm, partnership, corporation, or any other business venture from which materials and goods are supplied and purchased.

Vulnerable Populations: Young children (ages 19 years or under), disabled, and elderly persons (ages 60 or older).

Weatherization Training and Its Related Costs: Costs associated with the training of personnel or subcontractors as specified in Article 9.1 of this Contract. Training may also include internal contractor training, safety training, and attendance at weatherization-related training to include EPD system training or other forms of weatherization training sponsored by DOE, CSD and/or other organizations. Related costs may include salary/wages, materials, fees, and travel. Excludes incurred costs associated with participating and attendance at policy advisory committee meetings and workgroups.

Workers' Compensation: Insurance that covers medical and rehabilitation costs and lost wages for employees injured at work. Workers' Compensation shall mean those actual costs associated with workers' compensation coverage for program staff whose salaries and wages are chargeable under program costs.

SUBVENTION CONTRACT**ARTICLE 14 - TABLE OF FORMS AND DOCUMENTS INCORPORATED BY REFERENCE**

The following forms and documents are available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Pages/Home.aspx>.

14.1 Forms to be returned with signed contract:

- 14.1.1 2025 DOE Weatherization Budget (CSD 570);
- 14.1.2 DOE Weatherization Priority Plan Narrative (CSD 793)
- 14.1.3 Certification Regarding Lobby/Disclosure of Lobbying Activities;
- 14.1.4 Executive Director and Board Roster (CSD 188); and
- 14.1.5 Federal Funding Accountability and Transparency Act Report (CSD 279).

14.2 The following documents are hereby incorporated by this reference:

- 14.2.1 [2025 DOE Numbers, Contractors, and Service Territories \(see most recent\)](#);
- 14.2.2 [Reimbursement Rates for Weatherization Activities \(see most recent\)](#);
- 14.2.3 Training Policies and Procedures (TPPM) Training Tables;
- 14.2.4 [Supplemental Audit Guide \(under “Contract Resources\)](#); and
- 14.2.5 Contractor’s Annual DOE WAP – Participation Requirements and Application.

14.3 The following CPAs and CPNs are incorporated by reference:

- 14.3.1 [CPA-A-12-01](#) Procedure Guidance with NCB Procurement Worksheet
- 14.3.2 [CPN-A-17-01](#) Equipment Use and Disposition Requirements
- 14.3.3 [CPN-A-18-01](#) Program Income
- 14.3.4 [CPA-E-18-005](#) Expenditure Reconciliation Policy and Procedure
- 14.3.5 [CPN-E-19-001](#) Working Capital Advance
- 14.3.6 [CPN-E-19-002](#) Energy Reimbursement Policies and Procedures
- 14.3.7 [CPN-E-20-01E](#) Guidance and Program Relief for Local service Providers Directly

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Impacted by the Novel Coronavirus (COVID-19)

- 14.3.8 [CPA-E-20-03](#) Removal of previously issued CSD Energy Division Program Advisories and Program Notices
- 14.3.9 [CPN-E-20-05](#) Transferring funds
- 14.3.10 [CPA-E-21-02E](#) Revised Weatherization Forms Implementation
- 14.3.11 [CPA-E-21-04](#) Previously Weatherized DOE WAP Dwelling Requirements
- 14.3.12 [CPN-E-23-01](#) Title 24 Updates
- 14.3.13 [CPN-E-23-03](#) Training Policies and Procedures Manual Release
- 14.3.14 [CPN-E-23-03M1](#) Training Policies and Procedures Manual Modification
- 14.3.15 [CPA-E-23-04](#) Establishment of Confirmation ID Codes to Facilitate the Validation and Reporting of Eligible DOE Dwellings
- 14.3.16 [CPN-E-23-08](#) Previously Weatherized Dwelling Verification
- 14.3.17 [CPN-E-23-08M1](#) Previously Weatherized Dwelling Verification
- 14.3.18 [CPN-A-24-01](#) Single Audit Requirements



JASON WIMBLEY Director
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
(916) 576-7109
www.csd.ca.gov

Dear Executive Director:

The purpose of this letter is to provide you with information regarding your agency's 2025 Annual Department of Energy (DOE) Weatherization Assistance Program (WAP) contract for Federal Fiscal Year 2025. California's 2025 DOE WAP grant award remains unchanged at \$8,065,814 with an additional \$875,246 in Weatherization Readiness Funds, for a total of \$8,941,060.

The Department of Community Services and Development (CSD) is offering a three month extension to all DOE WAP providers to account for a delay in the federal DOE's initiation of the 2026 DOE WAP annual grant cycle and related uncertainty around when the state application process for this grant period will occur. This amendment will enable DOE service providers to retain access to 2025 DOE WAP funds and avoid a significant gap in annual DOE services as the state awaits guidance and the administrative process for 2026 DOE WAP to unfold.

This contract amendment will include an extension for time through September 30, 2026, and slight modifications to the Assessment / Inspections / Diagnostics (Section 5.4.3.5) and Article 13 definition for Contractor Average Cost Per Unit (ACPU) to reflect a contract oversight identified and elevated by the Technical Steering Committee.

Because these amendment changes are viewed as favorable to Local Service Providers (LSPs) and are limited to the term extension and language change noted above, CSD has elected to forego a network review in hopes to avail as much time to LSPs to review, sign, and return the amendment as required below.

Contracts for agencies that opt to decline this amendment, or that do not return the amendment within prescribed timeframes, will end on June 30, 2026, and must complete the contract close out process in accordance with existing contract provisions.

IMPORTANT: Contract packets must be completed and returned to CSD no later than June 19, 2026 so that CSD can ensure that your agency will continue to have access to this funding. Failure to execute the contract will result in your agency's contract ending on June 30, 2026.

CSD looks forward to working in partnership with you to strengthen our capacity to effectively administer programs that improve the economic security of those we serve, and ultimately the lives of all Californians.

Sincerely,

Jason Wimbley

JASON WIMBLEY
Director

Attachments

2025 DOE WAP Amendment Effective May 1, 2026

Contract Checklist

General Comments and Requirements:

Please contact your assigned Field Operations Representative immediately for assistance if this Agreement requires corrections. Agencies are required to utilize DocuSign to sign this Agreement. Please fill out and submit CSD 489 (DocuSign Contact Update Form) if you have not yet initialized DocuSign® with the California Department of Community Services and Development (CSD).

Contract Packet:

The following completed documents/forms must be returned to CSD in the Agreement packet within 30 days (45 days for public agencies). Please use the checkboxes below to indicate the documents/forms are included:

- ☐ Contract Face Sheet (STD 213) signed by individual authorized on Board Resolution
- ☐ Insurance or Self-Insurance. Please attach current evidence of insurance if not already on file with CSD
- ☐ Board resolution. (Not applicable if a general board resolution has already been submitted and is not specific to the program, program year, or contract number, and does not contain any changes.)

Programmatic Contract Requirements (as applicable):

- ☐ Executive Director and Board Roster (CSD 188) Not applicable if no changes have occurred.

Please return completed contract packet within 30 days (45 days for public agencies) via the DocuSign link that will be sent by CSD.

STATE OF CALIFORNIA-DEPARTMENT OF GENERAL SERVICE
STANDARD AGREEMENT - AMENDMENT
STD 213A (Rev. 04/2020)

AGREEMENT NUMBER	AMENDMENT NUMBER	Purchasing Authority Number
25C-8015	A-001	DCSD-4700

1. This Agreement is entered into Contracting Agency and the Contractor Named Below:

CONTRACTING AGENCY NAME Department of Community Service And Development
CONTRACTOR'S NAME Community Action Partnership of Riverside County

2. The term of this Agreement is:

START DATE 01/01/2026
THROUGH END DATE 09/30/2026

3. The maximum amount of this Agreement after this Amendment is:

\$203,621.00

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 term of this Agreement has changed from January 1, 2026 through June 30, 2026 to January 1, 2026 through September 30, 2026.

B. Section 5.4.3.5 and Article 13 are deleted in their entirety and replaced with the attached Section 5.4.3.5 and Article 13.

C. Section 2.4.5 is added to the language.

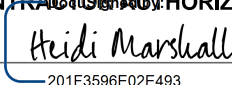
All other terms and conditions shall remain the same.

DS
EP

DS
AO

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Community Action Partnership of Riverside County			
CONTRACTOR BUSINESS ADDRESS 1325 Spruce Street Suite 400	CITY RIVERSIDE	STATE CA	ZIP 92507
PRINTED NAME OF PERSON SIGNING Heidi Marshall	TITLE Director		
CONTRACTOR AUTHORIZED SIGNATURE 	DATE SIGNED 6/3/2026		

201F3596E02E493...

STATE OF CALIFORNIA-DEPARTMENT OF GENERAL SERVICE
STANDARD AGREEMENT - AMENDMENT
STD 213A (Rev. 04/2020)

AGREEMENT NUMBER 25C-8015	AMENDMENT NUMBER A-001	Purchasing Authority Number DCSD-4700
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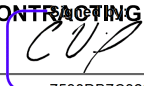
STATE OF CALIFORNIA

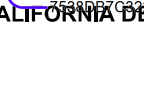
CONTRACTING AGENCY NAME

Department of Community Service And Development

CONTRACTING AGENCY ADDRESS 2389 Gateway Oaks Drive, Suite 100	CITY Sacramento	STATE CA	ZIP 95833
--	--------------------	-------------	--------------

PRINTED NAME OF PERSON SIGNING Chris Vail	TITLE Chief Financial Officer
--	----------------------------------

CONTRACTING AGENCY AUTHORIZED SIGNATURE 	DATE SIGNED 6/8/2026
---	-------------------------

CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL 	EXEMPTION (IF Applicable) I hereby certify that all conditions for exemption have been complied with, and the document is exempt from the Department of General Services approval. 
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SUBVENTION CONTRACT

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(2025 DOE WAP Amendment Effective May 1, 2026)

SUBVENTION CONTRACT

PREAMBLE

This subvention contract, for the implementation of the Department of Energy Weatherization Assistance Program (DOE WAP) in program year 2025 (“Contract”), is entered into between the Department of Community Services and Development (“CSD” or “Department”) and the contractor named on Form STD 213, the face sheet of this document (“Contractor”), and shall be enforceable on the date last signed.

NOW THEREFORE, in consideration of the promises and of the mutual agreements and covenants hereinafter set forth, CSD and Contractor hereby agree as follows:

ARTICLE 1 – SCOPE OF WORK

1.1 General

- 1.1.1 Contractor agrees to provide Weatherization assistance to eligible participants residing in the service area described in Section 1.2, pursuant to all applicable federal and state statutes and regulations, including the Energy Conservation and Production Act (42 USC §§ 6861 et seq., as amended) (the Act) and Title 10 of the Code of Federal Regulations (CFR), Part 440, as amended, the Department of Energy Weatherization Assistance Program (DOE WAP) for low-income persons. Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest income and highest energy costs or needs in relation to income.
- 1.1.2 The DOE WAP Federal Assistance Listing is 81.042. The award is funded through the United States Department of Energy (DOE).

1.2 Service Area

- 1.2.1 The services shall be performed in the Service Territory comprised of the following service area(s):

The 2025 DOE Numbers, Contractors, and Service Areas document may be accessed at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx>.
- 1.2.2 Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Code Listing for San Diego Contractors or the ZIP Code Listing for Los Angeles County Contractors located at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx> to determine the zip codes for their respective service area.

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1.3 Term and Amount of Contract

- 1.3.1 The term of this Contract shall be for the period represented on the face sheet (Form STD 213).
- 1.3.2 The Maximum Amount of this Contract shall be as specified on Form STD 213.
- 1.3.3 The amount allocated under this Contract as specified in Section 1.3.1 is expressly contingent upon Contractor's compliance with DOE WAP Performance requirements specified in Article 10, Section 10.5, "Service Delivery and Expenditure Requirements," of this Contract.

1.4 Program Authorities – Requirements, Standards and Guidance

- 1.4.1 All services and activities are to be provided in accordance with 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, the following:
 - 1.4.1.1 The Energy Conservation and Production Act of 1976, 42 USC §§ 6861 et seq., and 10 CFR Part 440;
 - 1.4.1.2 The Federal Procurement requirements for federal awards, including 2 CFR § 200.317 et seq.;
 - 1.4.1.3 The Single Audit Act of 1984, 31 USC §§ 7501 et seq.; and
 - 1.4.1.4 Applicable Intellectual Property provisions for federal awards, as specified in 2 CFR § 200.448.
- 1.4.2 Conflict of Laws. Contractor shall comply with all of the requirements, standards, and guidelines contained in the authorities listed below, as they may be amended from time to time, regarding procurement, administrative, and other costs claimed under this Contract, including those costs incurred pursuant to subcontracts executed by Contractor, 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 in this Contract directly conflict with any State law or regulation, or any provision of this Contract, then federal law or regulation or provision shall take precedence, and then state law; unless, under specified circumstances, a provision of federal law applicable to grants allows for the application of state law.
 - 1.4.2.1 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR Part 200); and

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1.4.2.2 Contractor further agrees to abide by all requirements in California Contractor Certification Clauses 04/2017 (CCC-04/2017).

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

1.4.3.1 That such guidance shall be issued by CSD in writing in the form of "CSD Program Notice (CPN) No. XX-XX" posted at <https://agencies.csd.ca.gov/home/Pages/CPNCPA.aspx>;

1.4.3.2 That such guidance shall be issue by CSD in writing in the form of "CSD Program Advisory (CPA) No. XX-XX" posted at <https://agencies.csd.ca.gov/home/Pages/CPNCPA.aspx>;

1.4.3.3 That such guidance shall be issued by CSD in the most timely and expeditious manner practicable;

1.4.3.4 That such guidance shall be reasonably necessary to realize the purposes of DOE WAP;

1.4.3.5 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 Contract;

1.4.3.6 Contractor shall notify CSD within 10 business days of issuance of a CPN or CPA, if Contractor is unable to fulfill its obligations under the new guidance;

1.4.3.7 That the parties' failure to execute a mutually acceptable amendment or CPN, as contemplated in subparagraph 1.4.3.5 and 1.4.3.6, in a reasonable period of time, shall result in this Contract being without force and effect subject only to such provisions contained herein as are intended to survive the Contract in accordance with the express and implied provisions of applicable federal and state law; and

1.4.3.8 That upon CSD's good faith determination, delivered to the Contractor by written notice that an agreement between the parties to any necessary amendment or CPN or CPA as contemplated in subparagraph 1.4.3.5 and 1.4.3.6 cannot be achieved, then this Contract shall be "closed-out", and the funds disposed in accordance with established CSD procedure and policy and as required under federal and state law.

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- 1.4.4 CSD provided Contractor with specific participation requirements that are incorporated into this Contract as referenced in the DOE WAP - Participation Requirements and Application. The Participation Requirements and information represented in Contractor's Application are requirements of Contractor's participation in DOE WAP.
- 1.4.5 The federal and state laws, regulations and other authorities referenced in this section are hereby incorporated by reference into this Contract. Copies may be accessed for reference at:
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.
- 1.4.6 As a recipient of Federal grant dollars, CSD is required to check SAM.gov using the Unique Entity ID (UEI) to ensure subrecipients and subcontractors are not debarred, suspended, or ineligible. The UEI is a 12-character alphanumeric ID assigned by SAM.gov. Entities doing business with the Federal government, including subrecipients and subcontractors must register for a Unique Entity ID (UEI).
- 1.4.7 Required Documents
- 1.4.7.1 Contractor's DOE Weatherization Priority Plan Narrative and forms listed below are integral to this Contract:
- 1.4.7.1.1 DOE Weatherization Priority Plan Narrative (CSD 793) (referenced in Article 5.1);
- 1.4.7.1.2 DOE Weatherization Budget (CSD 570) (referenced in Article 5.1);
- 1.4.7.1.3 Certification Regarding Lobbying/Disclosure of Lobbying Activities;
- 1.4.7.1.4 Contractor Certification Clauses (CCC-04/2017);
- 1.4.7.1.5 Current Insurance or Self-Insurance Authority Certification;
- 1.4.7.1.6 Agency Staff and Board Roster (CSD 188);
- 1.4.7.1.7 Federal Funding Accountability and Transparency Act Report (CSD 279); and
- 1.4.7.1.8 Contractor's 2025 DOE WAP - Participation Requirements and Application.

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1.4.7.2 The forms must be completed by Contractor before CSD will execute the Contract and Contractor is authorized to commence work. CSD may execute this Contract pending its review and final approval of Contractor's submission, provided Contractor acts in good faith to rectify any outstanding issues associated with the documents submitted pursuant to Section 1.4.7.1 forms. All documents submitted pursuant to Section 1.4.7.1 shall become part of this Contract.

1.4.8 Contractor's signature shall constitute a certification that to the best of Contractor's ability and knowledge it will, unless exempted, comply with the provisions set forth in Article 11, Section 11.1, "Certifications" of this Contract.

1.5 Special Contract Contingency – Quality Control Inspector Certification

In addition to the Quality Control Inspectors (QCI) Certification requirement specified in Section 9.2 and the reimbursement restrictions and inspection requirements provided in Section 5.5.4.1.1, this Contract is subject to, and expressly contingent upon, the following provisions:

1.5.1 This Contract shall have no force and effect until fully executed by CSD and notice of CSD's execution of the Contract has been communicated to Contractor. CSD will not execute this Contract until Contractor has provided CSD with documentation reasonably acceptable to CSD that shows Contractor has employed or contracted with a Certified QCI who satisfies the certification requirements of Section 9.2.

1.5.2 If at any time during the term of this Contract Contractor is unable to meet the requirements of Section 5.5.4.1.1 because Contractor loses access to a Certified QCI, Contractor shall immediately notify CSD of the loss and may not report any weatherized dwelling or request reimbursement for weatherization work and associated expenditures until such time as Contractor has employed or contracted with another Certified QCI who satisfies the certification requirements of Section 9.2.

1.5.3 If CSD determines that Contractor is unable to fully expend Contractor's allocation and provide services as required herein because of a lack of access to a Certified QCI, CSD may, at its sole option, suspend or terminate this Contract and/or transfer Contractor's allocation, in whole or in part, to another contractor for expenditure, after giving Contractor written notice of its intended action.

SUBVENTION CONTRACT**ARTICLE 2 - CONTRACT ADMINISTRATION AND PROCEDURE****2.1 State Contracting Requirements – “General Terms and Conditions, GTC 02/2025”**

In accordance with State contracting requirements, specified contracting terms and conditions are made a part of this Contract. The provisions in their entirety are found in Article 12 of this Contract and are fully binding on the parties in accordance with state law.

2.2 Contractor’s Option of Termination

2.2.1 Notwithstanding the provisions of Section 1.4.3, Contractor may, at Contractor’s sole option, elect to terminate this Contract rather than adhere to the procedures set out in Section 1.4.3, should Contractor determine that any subsequent program guidance or proposed amendment to the Contract is unjustifiably onerous or otherwise counter to Contractor’s legitimate business interests and ability to implement the Contract in an effective and reasonable manner, PROVIDED:

2.2.1.1 The notice of termination is in writing, delivered by U.S. Certified Mail, Return Receipt Requested and will be effective 30 calendar days after receipt by CSD; and

2.2.1.2 The notice contains a statement of the reasons for termination with reference to the specific provision(s) in the program guidance or proposed amendment in question.

2.2.2 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 program guidance and Contract provisions in effect at the time the cost was incurred. Contractor is responsible for adhering to the Contractor Average Cost Per Unit (Contractor ACPU) and related provisions. If Contractor exercises its Option of Termination, Contractor is responsible for disposing or transferring equipment and other capital expenditures to a qualifying program pursuant to federal regulations, including 2 CFR § 200.313 and § 200.439, and in accordance with applicable CSD guidance and disposition policies.

2.2.3 Contractor shall, within 60 calendar days of termination, close-out the Contract in accordance with contractual close-out procedures.

2.2.4 CSD may at its option procure a temporary replacement provider, and may at its option, designate a permanent replacement provider for Contractor’s service area in accordance with federal and state law.

2.3 Budget Contingencies

2.3.1 Federal Budget Contingency

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2.3.1.1 Because of uncertainty in the federal budget process, this Contract may be executed before the availability and amounts of federal funding can be ascertained, in order to minimize delays in the provision of services and the distribution of funds. The obligations of the parties under this Contract are expressly contingent on adequate funding being made available to the State by the United States Government.

2.3.1.2 If federal funding for any fiscal year is reduced to such degree that CSD reasonably determines that the program cannot be implemented effectively, CSD shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer an amendment addressing the reduced funding. If the parties fail to reach an agreement on such amendment, CSD may at its option give written notice of termination without further obligation by either party except for contract close-out obligations, and final settlement.

2.3.1.3 If federal funding authorities condition funding on any obligations, restrictions, limitations, or conditions not in existence when this Contract was executed, this Contract shall be amended by mutual agreement for compliance with such obligations, restrictions, limitations or conditions. Failure of the parties to reach an agreement on such amendment shall render this Contract without force and effect.

2.3.1.4 Subject to the provisions of subparagraph 2.3.2.2, CSD shall authorize expenditures of funds under this Contract based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.3.2 State Budget Contingency

2.3.2.1 If funds are not appropriated for implementation of DOE WAP through the State budget process or otherwise, whether in the current year and/or any subsequent year covered by this Contract, this Contract shall be of no further force and effect. Upon written notice to Contractor by CSD that no funds are available for contract implementation, the Contract shall be terminated, and the State shall have no obligation to pay Contractor or to furnish other consideration under this Contract and Contractor shall not be obligated for performance.

2.3.2.2 If program funding for any fiscal year is reduced to such degree that CSD reasonably determines that the program cannot be implemented effectively, the State shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer and negotiate an amendment addressing the reduced funding. If the parties fail to reach agreement on such amendment, CSD may at its option give written notice of termination without further

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obligation by either party except for contract close-out obligations and final settlement.

2.4 Miscellaneous Provisions

- 2.4.1 Assignment. Neither this Contract nor any of the rights, interests, or obligations under this Contract shall be assigned by any party without the prior written consent of the other parties, except in the case where responsibility for program implementation and oversight may be transferred by the State to another State agency. In the event of such transfer, this Contract is binding on the agency to which the program is assigned.
- 2.4.2 Merger/Entire Contract. This Contract (including the attachments, documents and instruments referred to in this Contract) constitutes the entire contract and understanding of the parties with respect to the subject matter of this Contract and supersedes all prior understandings and contracts, whether written or oral, among the parties with respect to such subject matter.
- 2.4.3 Severability. If any provision of this Contract is found to be invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Contract will not be in any way impaired and shall remain in full force and effect.
- 2.4.4 Notices. Unless otherwise provided herein, notice given by the parties shall be in writing, delivered personally, by United States mail, or by overnight delivery service (with confirmation). Certain reporting and other communications may be delivered electronically as specified by CSD or as is customary between the parties. Notice shall be delivered as follows:
- 2.4.4.1 To Contractor's address of record; and
- 2.4.4.2 To CSD at:
- Department of Community Services and Development
Field Operations
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833
- 2.4.5 Change of Address of Record. Contractor shall promptly notify CSD of any address change, or anticipated address change, by submitting required forms to their field representatives. Private agencies must complete and submit the STD 204: Payee Data Record and, if applicable, the STD 205: Payee Data Record Supplement; both forms must match, including the name of the signee, the date of the signature, and the Tax ID number of the tax liable party. Governmental agencies must complete and submit a Government Agency Taxpayer Form (GATI). All forms are available on the Local Agency Portal. Failure to notify the

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Department and complete forms in a timely manner may result in delayed payments under this contract. Any such delays are not the fault or responsibility of the Department.

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ARTICLE 3 – CONTRACT CHANGES

3.1 Amendment

- 3.1.1 Changes to this Contract shall be made by formal amendment with exceptions specified in Section 3.2 with respect to minor modifications.
- 3.1.2 Contractor shall notify CSD in writing when any proposed amendment or change will significantly impact Contractor's Program Budget and/or Operations. CSD will afford Contractor a reasonable opportunity and sufficient time in which to phase-in the mandated change.

3.2 Minor Modifications

- 3.2.1 Contractor may request modifications to make minor adjustments during the Contract term. Minor Modifications shall not affect the Maximum Amount payable under this Contract.
- 3.2.2 Minor Modifications shall not affect the maximum limits set for specific line items under this Contract, e.g., administrative costs, health and safety, training and technical assistance.
- 3.2.3 Allowable modifications to this Contract include the minor budget modifications and expenditure requirements, specified in Article 5.

SUBVENTION CONTRACT**ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES****4.1 Board Roster, Bylaws, Resolution, and Minutes**

- 4.1.1 Contractor shall submit to CSD an Agency Staff and Board Roster form (CSD 188) listing the current Agency Staff and roster of its governing board members, including contact information for each board member at a location other than the Contractor's offices, and the most recent version of the organizational bylaws. Contractor shall notify CSD of any changes to the Executive Director, Program Manager, Chief Financial Officer and board roster within 30 calendar days of such occurrence.
- 4.1.2 Contractor's governing board must authorize the execution of this Contract. Contractor has the option of demonstrating such authority by the signature of a Board Chair, affixed to the signature page of this Contract, or by any lawful delegation of such authority that is consistent with Contractor's bylaws.
- 4.1.3 Where Contractor elects to delegate the signing authority to the chief executive officer or designated officials, CSD will accept either a resolution specific to this Contract or a resolution passed by the governing board that applies to any contract entered into by Contractor. 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 Contract to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Contract by CSD.
- 4.1.4 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 Contract are heard, including but not limited to discussions about or decisions affecting the WAP. Such minutes shall be submitted to CSD no later than 30 calendar days after the related meeting.

4.2 Internal Controls Requirements

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 Contract and shall include:

- 4.2.1 Segregation of duties appropriate to safeguard state assets;

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- 4.2.2 Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;
- 4.2.3 Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;
- 4.2.4 Established practices to be followed in the performance of duties and functions;
- 4.2.5 Personnel of a quality commensurate with their responsibilities; and
- 4.2.6 Effective internal reviews.

4.3 Record Retention Requirements

- 4.3.1 All records maintained by Contractor shall meet the Record Retention and Access requirements under the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR §§ 200.334-200.338).
- 4.3.2 Contractor shall maintain all records pertaining to this Contract for a minimum period of three years after submission of the final report or until resolution of all related audit or monitoring findings, enforcement actions, including cost disallowance, legal proceedings or other pending matters, whichever is later (10 CFR Part 600.153).
- 4.3.3 Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Federal Privacy Act of 1974 (5 USC § 552a), as amended, and Information Practices Act of 1977 (Civ. Code §§ 1798 et seq.), as amended.
- 4.3.4 To the extent Contractor maintains records in an electronic format, Contractor shall ensure that all records are “backed-up” or copied, utilizing appropriate, secure technology and operational procedures in order to avoid unauthorized access, permanent loss or destruction, occasioned by theft, accident, willful acts or negligence, or by fire, flood, earthquake or other natural disaster.

4.4 Insurance and Fidelity Bond

- 4.4.1 General Requirements
 - 4.4.1.1 Contractor agrees that the required insurance policies and bonds, specified below, shall be in effect at all times during the term of this Contract.
 - 4.4.1.2 Contractor shall provide CSD 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 Contract and, prior to any lapse or reduction in

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coverage, provide CSD with documentation, as specified in subparagraph 4.4.1.3, showing substitute coverage has been obtained or alternative measures have been taken to ensure compliance with the requirements of this Contract.

4.4.1.3 In the event insurance coverage expires during the term of this Contract. Contractor agrees to provide, within 30 calendar days of the expiration date, a new Certificate of Insurance (ACORD 25) for not less than the remainder of the term of this Contract. The new Certificate of Insurance (ACORD 25) shall evidence no lapse in coverage. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.

4.4.1.4 New Certificates of Insurance are subject to review for content and form by CSD. Certificates of Insurance must be submitted electronically via email to: PSU@csd.ca.gov

4.4.1.5 In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, CSD may, in addition to any other remedies it may have, suspend this Contract.

4.4.1.6 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 Contract.

4.4.1.7 The issuance of other CSD contracts, as well as reimbursement payments, to the Contractor may be suspended until evidence of the required current insurance coverage has been submitted to CSD.

4.4.1.8 Should Contractor utilize a subcontractor(s) to provide services under this Contract, Contractor shall indemnify and hold the State harmless against any liability incurred by that subcontractor(s).

4.4.2 Self-Insurance

4.4.2.1 When Contractor is a self-insured governmental entity, the State, upon receipt of satisfactory proof of the entity's self-insurance authority, may waive the insurance requirements. A duly authorized county or city risk manager shall provide signed certification of the governmental entity's ability to cover any potential losses under this Contract.

4.4.2.2 Governmental contractors shall specify in writing a list of which coverage(s) will be self-insured under this Contract and shall list all applicable policy numbers, expiration dates, and coverage amounts for coverage which is not self-insured.

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4.4.2.3 If a governmental 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 previous year. This letter is due at the time of contract execution or within 30 calendar days thereafter.

4.4.3 Workers' Compensation Insurance

4.4.3.1 During the term of this Contract, Contractor shall maintain legally sufficient workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.

4.4.3.2 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD either a Certificate of Insurance (ACORD 25) or a Certificate of Consent to Self-Insure, issued by the Director of the Department of Industrial Relations, as evidence of compliance with the workers' compensation insurance requirement.

4.4.4 Commercial or Government Crime Coverage (Fidelity Bond)

4.4.4.1 Contractor shall maintain commercial crime coverage. If Contractor is a public entity that elects to self-insure, Contractor shall make provision for adequate coverage to insure against crime risks. The commercial crime policy or government crime self-insurance coverage (hereinafter "fidelity bond") shall include the following coverage or the substantial equivalent: Employee Dishonesty/Theft, Forgery or Alteration, and Computer Fraud.

4.4.4.2 Contractor's fidelity bond coverage limits shall not be less than a minimum amount of 4% of the total contract amount set forth under this Contract.

4.4.4.3 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance (ACORD 25) as evidence of compliance with the fidelity bond requirement.

4.4.5 General Liability Insurance

4.4.5.1 Contractor shall maintain for the term of this Contract general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.

4.4.5.2 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance

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(ACORD 25), designating CSD as an additional insured as evidence of compliance with general liability insurance requirements.

4.4.6 Vehicle Insurance

4.4.6.1 Contractor shall maintain for the term of this Contract 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.

4.4.6.2 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 Contract 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 shall not be considered to be within the scope of employment.)

4.4.6.3 Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to CSD as evidence of compliance with the stated vehicle insurance requirements.

4.5 System Security Requirements

Contractor shall, in cooperation with CSD, institute measures, procedures, and protocols designed to ensure the security of data and to protect information in accordance with the Information Practices Act of 1977 (Civ. Code §§ 1798, et seq.), and such other State and Federal laws and regulations as may apply. In the event there are different system security standards that may be applied to this Article, Contractor shall endeavor to use the strictest security standard that complies with state and federal requirements. The parties hereto agree to the following requirements, obligations, and standards in accordance with regulations set in the State Administrative Manual (SAM) 5100, 5300.5, and 5340.:

4.5.1 Data Protection

4.5.1.1 Data exchanged between CSD and Contractor must be limited to the data fields included on Data Transfer Rules (DTR) documents posted at <https://agencies.csd.ca.gov/home/Reporting/Pages/WXReporting.aspx>. No personal financial information, e.g., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.

4.5.1.2 Access to the above-mentioned data included in the DTR must only be given to authorized personnel to complete essential duties. Authorized personnel are to log into these systems using their own assigned

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credentials (i.e., no login account sharing). Upon departure of personnel with assigned credentials, the Contractor will remove the employee's access to the systems as soon as possible.

4.5.1.3 To the extent Contractor utilizes tablet or other internet-based or mobile devices for client intake and application purposes ("Electronic Intake") in lieu of paper forms and documents, Contractor shall comply with all federal and state information security requirements and with such guidance and protocols as CSD may from time to time issue for the purpose of ensuring the integrity of Electronic Intake, including, but not limited to, the use of electronic signatures, data privacy, security, transfer and retention requirements.

4.5.1.4 Data exchanged between CSD and Contractor via email communication must have all personal identifiable information (PII) and other sensitive information redacted before the document is sent. Alternately, Contractor must encrypt any attachments that have sensitive data using encryption tools and configurations as required by CSD.

4.5.2 Contractor Systems Security

4.5.2.1 The physical location of the computing and data storage devices (e.g. servers) shall be within access-controlled facilities. Individual users may not have access to the data except through their systems that are specifically credentialed for Contractor business. All access will be controlled by authentication methods to validate the approved users.

4.5.2.2 Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption.

4.5.2.3 Both CSD and Contractor shall keep security patches and anti-virus and anti-malware software up to date on all systems on which data may be used.

4.5.2.4 Contractor shall securely destruct data by sanitizing media prior to disposal.

4.5.3 Trusted Behavior Expectations

CSD's application system and users shall protect Contractor's application system/data, and the Contractor's application system and users shall protect CSD's application system/data, in accordance with the Privacy Act of 1974 (5 USC § 552a), Trade Secrets Act (18 USC § 1905), and the Stored Communications Act (18 USC §§ 2701 et seq.). Technology and systems code

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and functionality are owned by the respective parties and may not be shared with anyone else or used without the consent of the owner.

4.5.3.1 Incident Reporting

Any party discovering a security incident shall report it in accordance with its incident reporting procedures. Contractor shall, within 24 hours of discovery, report to CSD's Information Security Office at ISO@csd.ca.gov any security incident contemplated herein. Examples include, but are not limited to, stolen or lost equipment, malware/ransomware detection, suspected hacking, etc. Contractor further agrees CSD shall have the right to participate in the investigation of a security incident involving CSD's data, and to cooperate fully with CSD and other relevant State entities during independent investigation of the security incident.

4.5.3.2 Audit Trail Responsibilities

Both parties are responsible for auditing application processes and user activities. Activities that will be recorded include event type, date and time of event, user identification, workstation identification, success or failure of access attempts, and security actions taken by system administrators.

4.5.4 Data Sharing Responsibilities

Contractor shall ensure that all primary and delegated secondary organizations that share, exchange, or use personal, sensitive, or confidential data, pursuant to this Contract and subcontracts issued by Contractor, shall adhere to these security requirements and applicable state and federal law, in addition to further data sharing guidance as may be issued by CSD during the term of this Contract. If data sharing is accomplished via interconnectivity of an application system, then data sharing must be certified to be secure by both parties.

4.6 Travel and per diem

4.6.1 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 are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200.475), or any amendments thereto, as applicable.

4.6.2 Contractor shall complete the Out-of-State Travel Form (CSD 536) and keep on file with back up documentation for compliance monitoring. Out-of-State travel is limited to two staff per agency per event, unless otherwise indicated on the Out-

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of-State-Travel Form CSD 536. Contractor must seek preapproval, prior to travel, for non-preapproved conferences when more than two staff are attending.

- 4.6.3 In the absence of a written travel reimbursement policy, Contractor shall receive reimbursement rates not to exceed federal per diem limits.

4.7 Conflict of Interest

- 4.7.1 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 sub-contracts. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.
- 4.7.2 Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agents, 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 2 CFR § 200.318.
- 4.7.3 Contractor shall ensure that its employees and the officers of its governing body do not engage in actual or potential conflicts of interest and that no officer or employee who has responsibility for any activity or function with respect to DOE WAP and the implementation of this Contract shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.
- 4.7.4 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.
- 4.7.5 Contractor shall not provide DOE WAP services or benefits in situations where an actual or perceived conflict of interest exists, unless the activity is explicitly allowed under Contractor's conflict of interest policies and procedures that are

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compliant with federal requirements. If Contractor provides program services to owner-occupied or rental dwellings that are owned or managed by the Contractor, its employees, or officers, Contractor shall submit the Property Certification form (CSD 678), in advance of providing weatherization services. Contractor shall ensure that other recipients or potential eligible recipients of services are not prejudiced or adversely affected by the receipt of services by Contractor.

- 4.7.6 Organizational conflicts of interest are those where, because of relationships with a parent company, affiliate, or subsidiary organization, the Contractor is unable or appears to be unable to be impartial in conducting procurement action involving a related organization (2 CFR 200.318(c)(2)). The Contractor must disclose in writing any potential or actual organizational conflict of interest to CSD. CSD may share the disclosure with DOE. The Contractor must provide the disclosure prior to engaging in a procurement or transaction using project funds with a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe. For a list of the information that must be included in the disclosure, see Section VI. of the DOE interim Conflict of Interest Policy for Financial Assistance at <https://www.energy.gov/management/departments-energy-interim-conflict-interest-policy-requirements-financial-assistance>. If the effects of the potential or actual organizational conflict of interest cannot be avoided, neutralized, or mitigated, the recipient must procure goods and services from other sources when using project funds.

4.8 Procurement Standards

Contract Administration

- 4.8.1 Maintenance of written procurement procedures. Contractor shall administer this Contract in accordance with all federal and state rules and regulations governing DOE WAP grants pertaining to procurement, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and amendments thereto, consistent with the general Code of Federal Regulations compliance requirement in Section 1.4, Article 1 of this Contract, and pursuant to CPA-A-12-01. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in 2 CFR § 200.317 through § 200.326 or any subsequent amendments to these standards, and the applicable provisions in this Contract, 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.
- 4.8.2 Eligible Bidders. 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

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requests for proposals shall be excluded from competing for such procurements. Contractor shall only award a 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 relevant to the procurement. Contractor's solicitations shall clearly set forth all requirements that the bidder or offeror must fulfill in order for the bid or offer to be adequately and fairly evaluated by the recipient.

4.8.3 All supplies, materials, equipment, or services purchased or leased with funds provided pursuant to this Contract shall be used solely for the activities allowed under this Contract, unless the fair market value for such use is charged to the benefiting program and treated as program income earned under this Contract.

4.8.4 CSD Lease/Purchase Pre-Approval Requirements. 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 15 calendar days prior to executing the subcontract for each of the following procurement transactions:

4.8.4.1 Any articles, supplies, equipment, or services having a per-unit cost in excess of \$10,000; or

4.8.4.2 Any articles, supplies, or equipment where the total contract amount exceeds \$100,000.

4.8.5 In all procurements, whether requiring CSD pre-approval or not, Contractor is solely responsible for maintaining adequate procurement records demonstrating compliance with Federal and State requirements.

4.8.6 Noncompliance with any of the provisions in this section may result in a disallowance of costs related to the procurement transaction.

4.9 Use and Disposition of Vehicles and Equipment

4.9.1 To ensure compliance with the requirements for vehicles and equipment, Contractor shall comply with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards governing the acquisition of equipment with federal funds set forth in 2 CFR § 200.313.

4.9.2 To ensure compliance with the requirements for equipment, vehicles, and the maintenance of equipment and vehicle records, Contractor shall adhere to [CPN-A-17-01](#) or as revised. Contractor shall include information relevant to any purchase/lease pre-approval documented in the CSD 558 submitted to, and approved by, CSD, including the date the request was sent to CSD, the item(s) requested, and date of CSD approval in Contractor's property records. Pursuant to

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DOE Guidance (including WPN 24-1, BIL WPN 1, and WPN 17-6), vehicle and equipment purchases made under this agreement are to be expensed as a Program Operations cost. Vehicles and Equipment are Program Operations costs and must be included in the Contractor Average Cost Per Unit (Contractor ACPU) for all projects completed on before May 15th of each year.

- 4.9.3 Contractor shall provide the information specified in [CPN-A-17-01](#), including any supporting documents, to CSD upon request.
- 4.9.4 Limitation on Use of Funds. Contractor shall assure that funds received under this Contract 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.

4.10 Subcontracts

- 4.10.1 Contractor may enter into subcontract(s) to provide services pursuant to this Contract in the service area(s) specified in Section 1.2 of Article 1, Subcontracts must require that parties comply with all applicable provisions of this Contract. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.
- 4.10.2 If Contractor elects to subcontract for services, the Contractor's Board authorization and approval must be obtained and communicated to CSD in writing together with notice of execution of the subcontract as provided in Section 4.10.3. Contractor's Board, through a resolution or other official documentation, may elect to delegate the signing authority for the approval of subcontractors to the Chief Executive Officer or designated authority unless such delegation is set forth in the bylaws of the agency and a copy of the provision is communicated to CSD.
- 4.10.3 Within 60 calendar days of the execution of any subcontract, Contractor shall provide written notification to CSD of the execution of the subcontract as well as identifying information, to include the name of the subcontractor entity, its address, telephone number, contact person, contract amount, and program description of each subcontractor activity to be performed by the subcontractor.
- 4.10.4 Notification of subcontract execution shall contain certification by Contractor 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 available at <https://www.sam.gov/>.

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- 4.10.5 If CSD determines that Contractor has executed a subcontract with an individual or entity listed as disbarred, suspended or otherwise ineligible on the Excluded Parties List System as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.
- 4.10.6 Contractor must ensure that funds expended pursuant to this Contract are allowable and allocable and Contractor must adopt fiscal control and accounting procedures sufficient to enable 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 Contract. Contractor shall ensure that any subcontracts under this Contract 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 the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (2 CFR § 200, Subpart E – Cost Principles).
- 4.10.7 Contractor shall notify subcontractor(s) in writing within five business days of such action in the event the State suspends, terminates, and/or makes changes to services to be performed that materially alter the obligation of the subcontractor under this Contract.
- 4.10.8 Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Contract, without recourse against the State over matters involving subcontracts entered into for the implementation of this Contract, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.
- 4.10.9 Nothing in this Contract creates or implies a contractual relationship between the State and any subcontractor or creates any obligation by the State to any subcontractor. Contractor is liable to the State for damages to the State for the acts and omissions of its subcontractors that occur in connection with the implementation of this Contract. Contractor's obligation to pay its subcontractors is independent of any obligation of the State to pay Contractor, and Contractor shall not represent to subcontractors any such obligation of the State to pay or ensure payments to subcontractors.
- 4.10.10 All subcontractors shall be subject to the training and record-keeping provisions in this Contract.

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4.11 Complaint Management Policies and Procedures

- 4.11.1 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 DOE WAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.
- 4.11.2 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.
- 4.11.3 If the Contractor’s efforts did not result in a resolution, the Contractor may refer the complainant to CSD. The Contractor shall contact CSD and explain the issue, actions taken to resolve the issue, and provide CSD with all supporting documentation that indicates the nature and extent of Contractor’s effort to resolve the issue.
- 4.11.4 The CSD Field Representative shall immediately be notified if the Contractor has reason to believe that the complainant will contact the media, a State or Federal oversight agency or the Governor’s Office regarding the complaint.

4.12 Fair Hearing Process for Applications for Denial of Benefits by Contractor:

- 4.12.1 Contractor shall establish a written appeal 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 22 CCR § 100805(b), plus:
 - 4.12.1.1 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. At the time the applicant applies for services, applicant shall be informed of appeal rights and appeal procedures, to include the right to appeal to both the Contractor and to CSD.
 - 4.12.1.2 Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.
 - 4.12.1.3 Provisions that ensure that Contractor shall notify the applicant in writing of the Contractor’s final decision within 15 business days after the appeal is requested. If the appeal is denied, the written notification

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shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall at the same time provide a copy of the final decision to the Manager of CSD's Energy Services Division.

4.12.1.4 Provisions to track information on denials and appeals.

4.12.2 Upon receipt of an applicant's appeal of a Contractor's denial of benefits or services, CSD may conduct a hearing in accordance with established procedures. CSD's decision following the appeal and hearing shall be final.

4.13 Fraud, Waste, and Abuse

4.13.1 Contractor shall submit written reports to CSD within 30 calendar days of discovery of incidents and activities, or suspected incidents and activities, involving fraud, waste, and abuse of DOE funds by Contractor's employees, subcontractors, clients, or other parties affiliated with Contractor. Incidents and activities subject to reporting under this section include, but are not limited to, criminal acts and other violations of law constituting a misuse of funds that could result in cost disallowance. Contractor shall inform CSD within 30 calendar days of any reports or complaints submitted to law enforcement officials by Contractor, Contractor's employees, subcontractors, clients or other parties affiliated with Contractor, concerning the misuse of DOE funds.

4.13.2 Contractor shall provide employees, subcontractors, clients, and other parties affiliated with the Contractor the information necessary to report fraud, waste, and abuse to the Department of Energy's Office of Inspector General fraud hotline and/or visit their [website](#).

4.13.3 As provided in 2 CFR 200.217, an employee of the Contractor must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing information that the employee reasonably believes is evidence of gross mismanagement of a federal contract or grant, a gross waste of federal funds, an abuse of authority relating to a federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a federal contract (including the competition for or negotiation of a contract) or grant. The Contractor must inform their employees in writing of employee whistleblower rights and protections.

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ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS

5.1 Budget Guidelines

5.1.1 Budget and Allocation Forms

5.1.1.1 Upon execution of this Contract, Contractor shall submit all budget and allocation forms, including the 2025 DOE WAP Weatherization Budget (CSD 570) based on the Maximum Amount of this Contract and in accordance with the accompanying instructions and other applicable provisions of this Contract.

5.1.1.2 In the event the DOE WAP annual grant award is yet to be determined and CSD funds this Contract based on Continuing Resolution appropriations, Contractor shall complete the budget and allocation forms using the Estimated Budget Allocation amount as defined in the [“Definitions”](#) section.

5.1.1.3 For purposes of allocating indirect costs, contractors may use current negotiated indirect cost rates that have been approved by a cognizant federal agency. Contractor shall submit a copy of the letter of approval from the cognizant agency which includes date of approval and amount of rate. In the absence of a negotiated indirect cost rate, Contractor may elect to use a 15 percent de minimis indirect cost rate as permitted under 2 CFR § 200.414(f).

5.1.2 Minor Modifications

If Contractor intends to request a minor modification to this Contract, Contractor shall submit a Request for Amendment/Modification Energy, Form CSD 509, an updated budget if applicable, and a justification supporting the funds transfer or change request. Contractor may submit the signed request for amendment/modification to CSD via email, fax, or hard copy with signature via Mail.

Minor modifications which Contractor may propose for approval by CSD include the following:

5.1.2.1 Transferring funds within or between Program Services and/or Support Costs program components as defined:

Modifications to the projected budget(s) that do not affect the maximum amount payable under this Contract or the work to be performed within the specific DOE WAP component.

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5.1.2.2 An increase to the out-of-State travel budget allocation prior to travel.

5.1.2.3 Changes to the DOE Weatherization Priority Plan Narrative.

5.2 Advance Payments

5.2.1 All advance payment approvals shall be at the discretion of DOE and CSD. All advance payments issued shall be subject to the requirements of 2 CFR §200.305.

5.2.2 Contractor advance payment requests shall be submitted in accordance with any instructions issued by CSD. Advanced funds may only be used for allowable expenses under this contract and in accordance with the purposes and costs listed in the Contractor's request.

5.2.3 If available, the Contractor must disburse funds available from program income (including repayments to a revolving fund), rebates, refunds, contract settlements, audit recoveries, and interest earned on Federal funds before requesting additional advances or reimbursements.

5.2.4 Contractor may, at CSD's discretion, be required to remit any advance payments not fully liquidated within an approved period of time. At DOE's discretion, Contractor may be required to remit any unliquidated advance payments at any point. At CSD's option, failure to remit funds under this subpart may result in withholding of additional advance or reimbursement payments.

5.2.5 Contractor's failure to liquidate advance payments as described in 5.2.4 or failure to consistently maintain appropriate recordkeeping or accounting practices may result in the denial or reduction of future advance requests or remittance of existing advanced funds.

5.2.6 All advance payments must be deposited and maintained in insured accounts whenever possible. If compliance with this subpart is not possible, Contractor must immediately inform CSD and provide a justification.

5.2.7 Contractor shall deposit all advances in an insured interest-bearing account. If Contractor believes they meet an exception under 2 CFR 200.305(b)(11), an explanation and request for exception must be submitted to CSD immediately.

5.2.7.1 Interest earned amounts up to \$500 per year may be retained by Contractor for administrative expense. The account shall be sufficiently segregated to enable the tracking and accounting of advanced funds by CSD.

5.2.7.2 Any additional interest earned on Federal advance payments deposited in interest-bearing accounts must be remitted quarterly to CSD.

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5.2.7.3 Contractor shall report interest accrued on advance funds to CSD quarterly. Contractor's report shall include the total interest earned and each remittance paid during the prior quarter, the contract year to date, and the entirety of the contract term to date.

5.3 Program Income

5.3.1 Contractor shall maintain records of the receipt and disposition of all "program income" defined in 2 CFR § 200.1 and pursuant to [CPN-A-18-01](#), as income that is generated or earned as a result of DOE WAP activities.

5.3.2 Determining Net Program Income

5.3.2.1 Except as provided below in paragraph 5.3.2.2, any costs Contractor incurs in generating program income may be deducted from gross program income to determine net program income.

5.3.2.2 Contractor shall not deduct from gross program income any allowable program expenses for which Contractor has been, or will be, reimbursed from the DOE WAP grant award.

5.3.3 Expenditure, Reporting, and Rollover of Program Income

5.3.3.1 Program income must be expended in accordance with the requirements for expenditure of regular DOE WAP funds, for allowable program purposes.

5.3.3.2 Contractor shall expend program income during the term of this Contract. Contractor shall report all such expenditures, along with remaining unexpended program income, at the close-out of this Contract or at such other time(s) as CSD reasonably requires.

5.3.3.2 Contractor's unexpended program income at the close-out of this Contract shall roll over to the 2026 Annual DOE WAP contract.

5.4 Allowable Costs

5.4.1 Cost Reporting

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

5.4.1.2 Pursuant to the federal grant and applicable regulations, Contractor may only claim reimbursements for actual, allowable, and allocable direct and indirect costs.

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5.4.1.3 Contractor shall report all expenditures at actual cost and shall maintain records and source documentation in such a manner as to substantiate all costs reported.

5.4.2 Administrative

5.4.2.1 General

5.4.2.1.1 Administrative costs shall not exceed the amounts as set forth in allocation spreadsheet. Contractor shall not use funds provided under this Contract to cover administrative costs incurred under another contract.

5.4.2.1.2 Administrative Costs shall mean actual costs for auxiliary functions such as salaries, wages, workers' compensation, and fringe benefits for administrative staff, as well as for 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.

5.4.2.2 Contractor shall use 2 CFR Part 200 Subpart E – Cost Principles as a guide for determining administrative costs.

5.4.2.3 Administrative Equipment More Than \$10,000—Acquisition Costs

5.4.2.3.1 Acquisition costs shall mean the actual costs associated with the purchase of equipment over \$10,000 per unit used for administrative purposes.

5.4.2.3.2 CSD pre-approval is required for the purchases or lease-purchase option of equipment with a total value greater than \$10,000 utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

5.4.2.4 Administrative Out-of-State Travel

Administrative out-of-state travel costs shall mean cost incurred for out-of-state meeting, conferences or training that is critical to administering and/or maintaining DOE WAP. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of Contractor for DOE WAP purposes.

5.4.3 Program Costs

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5.4.3.1 General

Program costs are all allowable costs other than Administrative Costs. Program costs include those costs that are directly attributable to the performance of this Contract and that are reasonable and necessary as determined by CSD for the purpose of delivering services. Allowable costs shall be as set forth in Uniform Administrative Requirements, Cost Principles, and Audit Requirements (2 CFR Part 200 Subpart E – Cost Principles).

5.4.3.2 Intake Costs

Intake Costs shall include salary, fringe, and travel costs, and subcontractor costs associated with assisting clients with completion of intake forms and conducting eligibility determinations.

5.4.3.3 Outreach

Outreach shall include those actual costs associated with outreach, development of outreach materials, and implementation of strategies to promote awareness of the availability of services funded by this Contract.

5.4.3.4 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 but not limited to diagnostic testing performed by crew staff, labor, materials, subcontractors, permits, California Home Energy Rating System ((HERS Raters) will be known as Energy Code Compliance (ECC) beginning January 1, 2026), and lead-safe weatherization materials.

5.4.3.5 Assessments / Inspections / Diagnostics

Assessments / Inspections / Diagnostics shall mean those costs associated with assessing a dwelling for services, conducting an energy audit, performing post-inspections and performing pre- and post-diagnostic testing. These activities shall be conducted by a qualified assessor or Quality Control Inspector. Costs are limited to labor, fringe benefits, travel, equipment, and supplies. Additionally, in-office Energy Modeling is allowable in the Energy Audit budget category provided that office staff complete the required energy audit modeling software training, in support of the assessor.

5.4.3.6 Liability Insurance

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

5.4.3.7 Training and Technical Assistance

5.4.3.7.1 Training and technical assistance shall not exceed the actual cost as set forth in the project funding page and shall be reimbursed at actual cost.

5.4.3.7.2 Associated training and technical assistance costs may include costs related to: travel, admission, materials, client education, and actual salaries/wages. Subcontractor training costs are limited to travel, client education, admission, and materials.

5.4.3.7.3 Training and technical assistance shall include costs associated with the completion of training of personnel or subcontractors to perform program activities related to outreach, intake, client education, and weatherization training as specified in the Training Requirements of Article 9.1 of this Contract. Training includes, but is not limited to, internal contractor training, safety training, attendance at weatherization-related training to include the software database collection system or other forms of training to aid 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), or CSD training. CSD training may include Local Service Provider's Meetings and Association of California Community and Energy Services Roundtable Meetings, and/or other organizations offering a component of weatherization training, and/or is necessary to carry out the direct delivery of services.

5.4.3.7.4 Training is limited to agency or subcontractor personnel who will be performing weatherization services directly funded by DOE WAP.

5.4.3.7.5 Training for job corps and workforce development trainees shall be limited to required CSD health and safety training sessions, unless otherwise approved by CSD.

5.4.3.7.6 Client Education/Counseling Services

Contractor shall include those actual costs associated with providing group client education, energy conservation

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information, resource and referral, budget counseling, mold education, and lead safe education.

5.4.3.7.7 Out-of-State Travel. Contractor staff out-of-state travel costs shall mean cost incurred for out-of-state meetings, conferences or trainings that are critical to carrying out the DOE program. Travel expenses are limited to transportation, subsistence, and related items incurred by traveling on official business on behalf of the Contractor for DOE WAP.

5.4.3.8 Acquisition Costs

5.4.3.8.1 Minor Vehicle and Field Equipment Costs Less Than \$10,000 – Acquisition Costs

Minor Vehicle and Field Equipment costs under \$10,000 per unit must follow all federal and state rules and regulations governing DOE WAP pertaining to procurement standards.

5.4.3.8.2 Major Vehicle and Field Equipment Costs \$10,000 or Greater– Acquisition Costs Must Be Pre-Approved

CSD and DOE pre-approval is required for the purchases or lease-purchase option of vehicles and field office equipment with a total value of \$10,000 or greater, utilizing the Request for Pre-Approval of Purchase/Lease (CSD 558).

5.4.3.9 General Operating Costs:

General Operating Costs may be charged to the program and are for directly allocable costs related to facilities, office and computer equipment, office supplies, telephone, travel and materials.

5.4.3.10 Other Program Costs:

5.4.3.10.1 Other Program Costs

Other Program Costs shall mean the actual costs associated with field staff wages, program management and support wages, ancillary supplies, disposal fees, and Historic Preservation review costs, lodging and per diem, vehicle and equipment repair, maintenance, and fuel, waste, breakage, and solar water heating maintenance/warranty.

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5.4.3.10.2 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.

5.4.3.11 Client Education/Counseling Services

Contractor shall include those actual costs associated with providing group client education, energy conservation information, resource and referral, budget counseling, mold education, and lead safe education.

5.4.3.12 Automation Costs

5.4.3.12.1 Contractor can expend funds to the Automation Costs (AC) in an amount not to exceed \$10,000, to be used to meet the contract program startup requirements such as the Contractor's IT automation needs to comply with CSD's updated or new financial reporting system and the Weatherization Database ("CSD System") requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. AC funds are not limited exclusively to CSD System -related IT expenditures but any IT expense related to CSD System costs incurred including necessary training on upgrades to Contractor's system.

5.4.3.12.2 If Contractor's cost requires an increase to the AC budgeted amount Contractor may request written approval from CSD to exceed the ten thousand (\$10,000) dollar maximum.

5.4.3.12.3 Contractor shall report all AC and IT expenditures related to compliance with the reporting requirements under this Contract in the Automation Costs line item. Such expenditures may include, but is not limited to, computer and IT equipment; approved front-end database acquisition and ongoing subscription costs; IT security implementation costs; and IT systems training. All costs reported in this line item must be directly related to program functions. IT costs related to administrative functions shall be reported as administrative costs pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards.

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5.4.3.12.4 Contractors with multiple DOE contracts for the same program year are limited to reimbursement up to \$10,000 per contract. Contractor shall allocate costs among contracts when permitted and may not charge the same costs to more than one contract.

5.4.3.12.5 CSD System related IT costs charged to the AC shall be submitted for reimbursement in accordance with CSD's normal reporting and accounting procedures.

5.4.3.12.6 Contractors that remain in contract with their front-end vendor are not required to conduct a procurement for ongoing maintenance, updates or process improvements performed by the front-end vendor.

5.4.3.13 Health & Safety Activities

5.4.3.13.1 Health & Safety Activities shall mean those costs associated with installation of measures classified as health and safety measures and to include labor, materials, lead safe weatherization renovator certification and subcontractors. These costs shall represent the cumulative total of expenditures from the separate Health & Safety Activities section of the DOE Monthly Expenditure Report.

5.4.3.13.2 Contractor shall apply no more than the allowable maximum amount toward mitigating health and safety hazards as described in the DOE Weatherization Budget (CSD 570). The allowable maximum shall be determined using the Health and Safety formula as defined in Article 13, ["Definitions"](#). Reimbursement shall be limited to the allowable maximum contingent upon expenditure of line items included in the Health and Safety formula.

5.4.3.13.3 Lead Safe Weatherization means those expenses associated with performing lead safe weatherization, lead renovator certification for ensuring lead paint safety on weatherized dwellings built prior to 1978, including materials, and the time spent by the EPA-Certified Renovator completing the EPA reporting requirements while on the job site.

5.5 Reimbursement Guidelines

5.5.1 Claims for Reimbursement

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5.5.1.1 Pursuant to the federal grant and applicable regulations, Contractor may only claim reimbursements for actual, allowable, and allocable direct and indirect costs. Contractor shall report actual costs incurred for actual expenditures up to any applicable maximum amounts set by this Contract.

5.5.1.2 Contractor shall not incur expenditures prior to execution of this Contract by both parties.

5.5.2 General

5.5.2.1 Contractor may claim reimbursement for allowable weatherization-related activities under the terms of this Contract as documented on the CSD Dwelling Assessment Form (CSD 540) or approved Contractor's equivalent for each eligible household not previously weatherized under the Annual DOE WAP, BIL WAP and funding granted under the American Recovery and Reinvestment of Act of 2009 (ARRA).

5.5.2.2 Contractor is prohibited from leveraging funds with any other DOE program that may be in effect in any dwelling.

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

5.5.2.4 Completed units as specified in section 5.5.4.1.1 shall be submitted for payment within 30 calendar days of completion or by the due date of the last reporting period of this Contract, whichever is less. A completed unit shall not be carried over into another contract period.

5.5.2.5 Contractor Average Cost Per Unit

5.5.2.5.1 Contractor shall be entitled to reimbursement of allowable costs, not to exceed the Contractor ACPU of \$8,547 for jobs completed between January 1, 2026 - September 30, 2026.

Contractor shall ensure the cost for individual weatherized units correspond with specified Contractor ACPU maximums. Job costs shall include conservation measures and activities described in the Reimbursement for Weatherization Activities located on the CSD LAP at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx>. The formula for determining the Contractor ACPU rate is specified in Article 13, "Definitions".

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5.5.2.5.2 The Contractor shall be entitled to reimbursement for allowable costs related to the weatherization of whole multi-family building projects.

If a multi-family building project meets the 66/50 rule in accordance with Article 8.1, Section 8.1.2.6, then total investment for the whole building multi-family project may not exceed the number of dwelling units multiplied by the specified Contractor ACPU. Calculation of total investment for buildings that meet the 66/50 rule includes income eligible, non-income eligible, and vacant units. Contractor must complete the Multi-Family Dwelling Certification form (CSD 75P) to substantiate that the 66/50 rule is being applied correctly.

Contractor shall ensure costs to weatherize whole multi-family building projects completed between December 1, 2025 – September 30, 2026, do not exceed the number of eligible dwelling units in the building multiplied by the \$8,547 Contractor ACPU.

If performing weatherization services on individual units when approved by CSD and DOE Project Officer, and not a whole multi-family building project, Contractor shall ensure costs do not exceed the Contractor ACPU.

5.5.2.6 Group Homes

The maximum reimbursement that can be paid for a group home shall be equal to the current maximum average allowed for single family and multi-unit dwellings.

5.5.2.7 Temporary Shelters/Homeless Individuals

Maximum reimbursement will be based on the unit otherwise qualifying as a multi-unit structure. For the purpose of determining how many dwelling units exist in a shelter, a grantee may count each 800 square feet of the shelter as a dwelling unit or it may count each floor of the shelter as a dwelling unit.

5.5.2.8 Measure Reimbursement

5.5.2.8.1 For those weatherization measures that have an established maximum rate, the reimbursement amount shall be equal to the actual costs of labor, materials and subcontracted services not to exceed the maximum reimbursement allowable.

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5.5.2.8.2 For those weatherization measures that have an established maximum quantity, the quantity shall not exceed the maximum quantity allowable.

5.5.2.8.3 Cost and quantities that are projected to exceed the maximum limits as described in Reimbursements Rates for Weatherization may be exceeded if a waiver request has been submitted to and approved by CSD. Contractor shall obtain prior written approval from CSD before work commences.

5.5.2.8.4 Work outside of the scope of the program may only be allowable under extenuating circumstances. Contractor shall obtain prior written approval from CSD before work commences.

5.5.2.8.5 Weatherization measure costs or quantities exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, or another CSD or non-CSD program. An exception to this rule exists, however, as identified within Section 5.5.5 Leveraged Funds.

5.5.2.8.6 When costs for a measure exceed the maximum cost reimbursement, labor hours and/or quantity limits allowed for a health and safety measure as described in Reimbursement Rates for Weatherization, Contractor shall obtain prior written approval from CSD prior to work commencing to exceed the maximum cost limitations for health and safety measures. However, in no case will Contractor be allowed to exceed the maximum allowable for Health and Safety as shown in DOE Weatherization Budget based on the formula specified in Article 13, [“Definitions”](#).

5.5.2.8.7 Assessments and Diagnostics

5.5.2.8.7.1 Contractor may claim reimbursement for one full dwelling assessment for each instance of weatherization services including initial weatherization and re-weatherization services. Contractor may claim reimbursement for performed dwelling assessments.

5.5.2.8.7.1.1 Re-weatherization is only permissible under this contract in cases of emergency or disaster situations that are pre-approved by CSD.

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5.5.2.8.7.2 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 testing that were performed.

5.5.2.8.7.3 Contractor may claim reimbursement for dwelling assessment and diagnostic testing only once when LIHEAP and DOE funds are used concurrently in the same unit.

5.5.2.8.7.4 Waivers from CSD shall be required for any assessments and diagnostic testing or health and safety and weatherization measure with a cost that will exceed the maximum reimbursements allowable.

5.5.2.8.7.5 HERS/ECC Rater and permit fees are acceptable expenses and may be charged only once per dwelling to ECIP EHCS or LIHEAP weatherization or DOE WAP per weatherized dwelling. HERS/ECC Rater fee and permit reimbursement include subcontractor cost, staff time on job site, and fees that will be reimbursed based on the actual cost.

5.5.2.8.8 Labor Reimbursement

5.5.2.8.8.1 Contractor shall bill the number of actual labor hours and actual labor cost incurred by weatherization crew members or other persons associated with the installation, assessment and inspection of weatherization measures, removal of debris and appliances, the procurement of permits and services performed by HERS/ECC Raters.

5.5.2.8.8.2 Contractor must be able to substantiate all actual labor hours and labor costs charged.

5.5.2.8.8.3 Actual labor hours and costs 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.

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5.5.2.8.8.4 When the installation of a measure is subcontracted and there are billable labor hours for weatherization crew members who participate in the installation of that subcontracted measure, Contractor may bill, in addition to the subcontracted expenditure, the actual labor hours and labor costs incurred by Contractor's crew members.

5.5.2.8.8.5 Labor expenses for weatherization service delivery shall exclude labor expenses associated with training, travel to weatherization job sites, staff time not associated with the direct installation and/or performance of weatherization services and activities on the job site, downtime and general operating expenses as provided below in subsection 5.5.3 "Other Program Costs".

5.5.2.8.8.6 Labor expenses associated with the manufacturing of installation materials such as cooler covers while not on the job site shall be charged as part of the cost of materials at actual labor hours and actual labor costs.

5.5.2.8.9 Heating and Cooling Appliance Repair and Replacement

For health and safety reasons:

5.5.2.8.9.1 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.

5.5.2.8.9.2 Dwellings in which a single appliance has been both repaired and replaced, or under a 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. Call-backs will require additional reporting; refer to [CPN-E-12-05](#).

5.5.2.8.9.3 For multi-unit dwellings with a common system (water heater, heating and/or cooling), Contractor

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shall prorate the cost among all dwelling units within that building envelope.

5.5.3 Other Program Costs

5.5.3.1 Wages – Field Staff

Contractor may request reimbursement for the actual labor costs including benefits related to weatherization supervisors, assessors, inspectors, and crew members that are allocable to the program but not associated with the direct installation and/or performance of weatherization services/activities on the job site and training, including, but not limited to: job scheduling, job preparation, travel time, disposal of appliances and materials building and prepping of weatherization materials away from the job site and downtime in accordance with any guidance issued by CSD.

5.5.3.2 Wages – Program Management and Support

5.5.3.2.1 Contractor may request reimbursement for the actual labor costs related to program management and support staff directly responsible for the direct management and oversight over the DOE Weatherization program activity or providing direct support to ensure the successful delivery of weatherization services.

5.5.3.2.2 Reported costs may include labor costs associated with performing direct support in coordinating the delivery and tracking of direct program services, including but not limited to: job scheduling, collating and aggregating of weatherization activities and materials, staff time associated with Historic Preservation Review activities, obtaining permits and coordination of subcontracted services.

5.5.3.3 Lodging and Per Diem

Contractor may claim reimbursement for lodging and per diem related to the installation of weatherization measures subject to travel and per diem as described in the Travel and Per Diem Section 4.6 of this Contract.

5.5.3.4 Disposal Fees

5.5.3.4.1 Contractor may claim reimbursement for disposal fees and associated expenses incurred by Contractor and their subcontractor. Disposal fee reimbursement is limited to the actual cost of the fee.

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5.5.3.4.2 Contractor may claim reimbursement for the removal of a secondary heating system that cannot be repaired to include associated labor and materials.

5.5.3.5 Vehicle, Equipment Repair, Maintenance and Fuel

5.5.3.5.1 Contractor may claim reimbursement for expenses related to upkeep and maintenance of vehicles and equipment used in the direct delivery of weatherization services. Allowable costs shall be limited to expenditures associated with the maintenance of the vehicles and equipment fuel and oil.

5.5.3.5.2 Contractor shall maintain records for fuel expenditures, vehicle maintenance and vehicle usage to substantiate allowable travel costs related to and allocable to DOE WAP.

5.5.3.6 Historic Preservation Reviews

Historic Preservation Reviews means those expenses that are subcontracted to a third party to perform the collection of and reporting of potential weatherization properties subject to Historic Preservation Review requirements.

5.5.3.7 Waste Breakage

Waste breakage are those expenses associated with weatherization materials that have been damaged and are part of Contractor's inventory or special-order materials that are allocated to CSD programs. The cost of weatherization materials that are damaged and benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for waste breakage is not allowable for subcontractors.

5.5.3.8 Ancillary Supplies

Ancillary supplies are additional low-cost materials or supplies (such as nuts, bolts, screws and washers) necessary to install a weatherization measure and not easily identifiable to a specific measure or dwelling. Costs of ancillary supplies that benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for ancillary supplies is not allowable for subcontractors.

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5.5.4 Dwelling Status

5.5.4.1 Completed Units

5.5.4.1.1 Except as otherwise provided in the CSD Technical Reference Manual (TRM), Contractor shall not report a weatherized dwelling as completed nor shall Contractor request reimbursement for a weatherized dwelling until all weatherization measures identified as feasible during the dwelling assessment have been installed and inspected by a Certified Quality Control Inspector, all inspection fails have been resolved, and Contractor has all available information to report the unit.

5.5.4.1.2 For dwellings where no Energy Conservation Measures (ECM) are feasible, health and safety work may be performed, but the home cannot be counted toward the dwelling completion count.

5.5.4.1.3 Contractor shall not bill for incomplete units or prematurely close a unit with outstanding, unfinished weatherization 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 if satisfactorily documented, the job shall be reported as completed in accordance with subparagraph 5.5.4.1.1.

5.5.4.1.4 Contractor shall reimburse CSD for all costs associated with the delivery of weatherization services covered under this Contract to dwellings occupied by households ineligible for weatherization assistance at the time such services were provided.

5.5.4.2 Building Permits

5.5.4.2.1 Contractor shall obtain all required permits in accordance with the TRM, prior to the commencement of all work performed, unless work is performed as a result of an emergency requiring immediate action where there is an imminent danger and requesting a permit would hinder the Contractor's ability to resolve the emergency. If an emergency is remedied, Contractor shall apply for a permit as soon as reasonably possible.

5.5.4.2.2 Penalties or fines imposed on Contractor or subcontractor by the local authority or building department are not allowable costs.

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5.5.5 Managing Alternative Funding

5.5.5.1 Contractor may perform services and install energy conservation measures in a qualified dwelling as provided herein and in accordance with requirements of any other CSD program and compatible non-CSD funded program, if in the best interest of the client, and as described in the TRM Appendix D Energy Audit/Priority List Protocol, provided:

5.5.5.1.1 Contractor may not leverage DOE WAP funded weatherization service or related activity with other DOE funding.

5.5.5.1.2 Contractor may divide DOE material expenditures associated with a single measure with any funding source other than other DOE WAP provided the combined expenditures reported to each contract does not exceed the maximum reimbursement for the individual measure. Contractor will be required to provide an accounting of labor, material, and quantities installed under each program.

5.5.5.1.3 Contractor shall not bill multiple funding sources for the same product or service unless costs are allocated in such a manner that billing is not duplicative and Contractor receives no more than the total cost of the products and services provided. The amount billed under both DOE WAP and alternative funding source cannot exceed the total cost of the installation of the measure.

5.5.5.1.4 In accordance with TRM Appendix D Energy Audit/Priority List Protocol, individual measure leveraging is allowable under the following conditions:

5.5.5.1.4.1 Full measure leveraging, or braiding of funds, is when the entire measure cost will be paid for by the funds of any non-DOE program. When the total reimbursement for a measure is paid with a non-DOE funding source, and the reimbursement is intended to cover the entire costs of the contracted service, all related costs associated with the installed measure shall be charged to the alternative funding source. Additional costs to facilitate or to offset cost deficits for the measure shall not be charged to another CSD energy program.

5.5.5.1.4.2 Partial measure leveraging, or co-funding, is where the cost of an Audit-Driven Measure (ADM) is

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divided between the DOE WAP and an alternative non-DOE funding source. The package of measures, including the full cost of the measure to be partially leveraged, must have a Dwelling SIR ≥ 1.0 for the Annual DOE WAP share of investment. Measures that are not included in this package do not qualify for partial measure leveraging. Leveraged ADMs must have a Measure SIR < 1.0 , but ≥ 0.5 , to qualify for partial measure leveraging.

5.5.5.1.4.3 Cost sharing is not considered leveraging, but it is a division of measure cost that applies only to Health & Safety, Priority List, and General Heat Waste (audit path only) measures. When cost-sharing, all labor must be billed to the DOE WAP. Material costs may be billed entirely to another program or shared between the DOE WAP and another program.

5.5.5.1.5 Measure buy-down is optional and will apply only to multi-family buildings. The property owner/landlord is allowed to contribute to the cost of an ADM in single-family (2-4 unit buildings only), small multi-family (5-24 units), or large multi-family rental properties (25 or more units). The buy-down must apply to all units served (except any unit occupied by the owner) when the Measure SIR is ≥ 1.0 using the reduced measure cost, and the Dwelling SIR is ≥ 1.0 using the total installed cost of the measures to be installed in the building.

5.5.5.1.6 Weatherization Readiness Funds – Only WRF measures may be billed under the “Weatherization Readiness Funds” line item.

5.5.6 Disaster Relief

5.5.6.1 Contractor may claim reimbursement for approved services for qualified disaster victims in accordance with the Disaster Relief Plan which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

5.5.6.2 Reimbursement shall be limited to a maximum allowable average reimbursement of \$8,547 per dwelling unit completed on or after January 1, 2026.

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ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

6.1.1 General

6.1.1.1 Contractor shall submit required client/job detailed data for Weatherization activities to CSD’s Enterprise Combined Outcome Reporting Engine (eCORE) on a monthly basis, for the period in which the service activity occurred.

Similarly, adjustments shall be submitted for the monthly period in which services occurred.

6.1.1.2 Contractor shall request reimbursement associated with all Contract activities by reporting expenditures to CSD’s financial reporting system, in accordance with [CPN-E-19-002](#): Energy Reimbursement Policies and Procedures, which is available online at:
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

6.1.1.2.1 Contractor shall submit report adjustments to CSD’s financial reporting system in accordance with [CPN-E-19-002](#).

6.1.1.2.2 Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly submission.

6.1.1.2.3 Contractor shall be up to date with all monthly reporting no later than May 15th of each contract year. If Contractor is not current with all monthly reporting for each program year, CSD will withhold reimbursement from all open contracts.

6.1.1.2.4 Contractor shall be at or below the required Contractor ACPU as identified in the contract as of May 15th of each contract year. If Contractor exceeds the Contractor ACPU, CSD will disallow costs to bring the Contractor into compliance with the Contractor ACPU requirement.

6.1.1.2.6 Contractor must report expenditures in CSD’s financial reporting system the month after the expenditures occur and completed units for reported service-related expenditures to eCORE.

6.1.1.2.7 Contractor must settle any negative balances no later than May 15th of the contract year.

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6.1.1.3 Contractor shall ensure that the data reported in the Weatherization Database and the request for reimbursement reported in CSD's financial reporting system, reconcile in accordance with [CPA-E-18-005](#).

6.1.1.4 Contractor shall submit requested client files, records and documents to the File Transfer Protocol (FTP) Server quarterly or as requested by CSD. CSD shall use Contractor-submitted documents to perform an in-house desk review to verify compliance with financial, administrative and programmatic requirements.

6.1.1.5 Reporting System Requirements

6.1.1.5.1 CSD will provide Contractor with specifications of minor IT reporting changes or other minor changes, and upon receipt of the specifications, Contractor shall implement system changes in their local system within 30 calendar days. Minor changes are those that are routine in nature to begin performance under the Contract such as but not limited to adjustments to the expenditure activity report layout, adding or deleting measures and adjusting eligibility guidelines.

6.1.1.5.2 Major reporting changes, upon receipt of the specifications, shall be implemented in Contractor's local system as negotiated by CSD. Major IT system changes are those changes made to the business rule validations as listed in the most current Weatherization DTR and/or new field lines as outlined in the DTR Document (Schema-Breakdown). The most current Weatherization DTR and Data Transfer Reference Document (Schema-Breakdown) are located on the CSD Local Agencies Portal website on the Resources website page.

6.1.2 CSD Review and Approval of Reports

6.1.2.1 CSD shall review and approve Contractor's monthly reimbursement/activity reports before offsets to advances or reimbursement payments are issued. CSD will conduct an ongoing evaluation of Contractor's performance related to program, fiscal operations, Contractor ACPU, and its demonstrated ability to effectively utilize all funds available under this Contract.

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

6.1.3 Close-out Report

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- 6.1.3.1 In accordance with Section 6.1.1,2.6. Contractor shall submit all expenditure and job reporting within 30 calendar days of the close of the contract.
- 6.1.3.2 Contractor shall submit, on the appropriate CSD forms, a close-out report verifying all actual, allowable, and allocable costs expended during the term of this Contract and return all excess reimbursement and unexpended funds to CSD within 60 calendar days of the expiration of this Contract. If Contractor fully expends funds prior to the end of the contract term, all appropriate CSD close-out forms shall be submitted within 60 calendar days of final expenditure.
 - 6.1.3.2.1 Administrative costs shall remain proportionate to the allowable program expenditures, not to exceed the amount set forth in the allocation spreadsheet.
 - 6.1.3.2.2 Training and Technical Assistance costs shall remain proportionate to the allowable program expenditures, not to exceed the amounts set forth in the allocation spreadsheet.
 - 6.1.3.2.3 Health and Safety shall not exceed 33% of the allowable Program Operations expenditures in accordance with the formula defined in Article 13, [“Definitions”](#).
 - 6.1.3.2.4 Any Administrative, Health and Safety, and Training and Technical assistance costs that exceed the maximum limits shall be disallowed.
 - 6.1.3.2.5 Subsequent payments, including advance payments, for DOE or other CSD contracts may be withheld, absent timely receipt of the close-out report of this Contract.
- 6.1.3.3 The issuance of other CSD contracts, and reimbursement and advance payments for existing contracts, may be withheld, absent receipt of the close-out report which is due no later than 60 calendar days after Contractor fully expends or the end of the Contract term.
- 6.1.3.4 The close-out report shall include the following forms and be available on the CSD Local Agencies Portal website:
 - 6.1.3.4.1 DOE Close-Out Checklist (CSD 720);
 - 6.1.3.4.2 DOE Close-Out Equipment Inventory Schedule (CSD 720D);
 - and

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6.1.3.4.3 DOE Close-Out Reconciliation Report (CSD 720E).

6.1.3.5 Unexpended Funds

6.1.3.5.1 Contractor shall use the DOE Close-Out Reconciliation Report (CSD 720E) to reconcile and report actual costs, interest earned, and reimbursements.

6.1.3.5.2 Any unexpended funds shall be returned to CSD at the time the close-out report is submitted.

6.1.3.6 Any weatherization materials purchased with these funds and remaining at the Contract expiration shall be credited against Contractor's weatherization materials expenditures under this Contract and charged to whatever other weatherization program Contractor may have in effect. If Contractor has no other weatherization program in effect, CSD shall determine how the materials will be disposed and what, if any, financial adjustments are required.

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ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 Program Standards and Regulatory Requirements

7.1.1 Program Standards

7.1.1.1 Contractor shall adhere to all CSD program standards pursuant to the following documents and manuals which have been incorporated by reference and made part of this Contract as if attached hereto:

7.1.1.1.1 CSD Technical Reference Manual (TRM);

7.1.1.1.2 Official State and Federal Program Notices and Guidance Documents;

7.1.1.1.3 DOE WAP Disaster Relief Plan;

7.1.1.1.4 Current Eligibility and Verification Guide;

7.1.1.1.5 Weatherization DTR;

7.1.1.1.6 Contractor's DOE WAP – Participation Requirements and Application;

7.1.1.1.7 Upon execution of the Agreement, Contractor will acknowledge receipt of all current and revised technical manuals, policies, and protocols in Article 7.1.1.1; and

7.1.1.1.8 The CSD Training Policies and Procedures Manual (TPPM).

7.1.1.2 In the event of disagreement between policies and field protocols contained within the TRM and/or the Weatherization Policies and Procedures and this Contract, Contractor shall abide by the terms of this Contract.

7.1.2 Regulations

7.1.2.1 Standards contained in the most current Uniform Building Code and local city and county codes shall take precedence over the CSD TRM if the code requirement is not included in the manual and/or is more stringent; otherwise, Contractor shall abide by the TRM.

7.1.2.2 All work performed by Contractor shall be in compliance with most current and applicable provisions of the California Energy Commission

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Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, HERS/ECC Program regulations.

7.1.2.3 Services provided to all covered pre-1978 dwellings shall be in compliance with the most current Environmental Protection Agency rules in 40 CFR Part 745 et seq., Lead-Based Paint Poisoning Prevention in Certain Residential Structures, and the Housing and Urban Development rules in 24 CFR Part 35 et seq., and Lead; Requirements for Hazard Education Before Renovation of Target Housing: Final Rule (63 FR 29908).

7.1.2.4 All materials procured for weatherization purposes shall be in conformance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

7.1.2.5 All materials used must be in compliance with Department of Energy rules in 10 CFR Part 440, Appendix A.

7.1.3 Title 24

7.1.3.1 Contractor shall, when required by its local jurisdiction, obtain a building permit when additions or alterations of existing residential buildings are performed or when a component, system, or equipment of an existing building breaks, cannot be repaired and must be replaced.

7.1.3.2 Title 24 requirements are applicable only to energy conservation measures and Health and Safety appliance replacements of heating, cooling, and water heating installed to dwellings located within Contractor's specific California Energy Commission (CEC) Climate Zone. For a listing of the CEC climate zones, refer to the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>. Contractor shall exercise caution not to utilize the DOE Climate Zone for compliance with California's Title 24 Energy Efficiency Standards for Residential and Nonresidential Requirements.

7.1.3.3 Contractor shall obtain the services of a qualified HERS/ECC Rater when required to perform required field verification and diagnostic testing on applicable weatherization measures and building alterations performed under this Contract.

7.1.3.4 The HERS/ECC Rater shall be an independent entity from the Contractor or subcontractor performing the building alteration and/or energy-efficiency improvement being tested and verified and shall have no financial interest in the work performed.

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7.1.4 Pre-1978 Dwellings

7.1.4.1 Lead-based paint is presumed to be present in all pre-1978 units unless the dwelling unit has previously been certified by a California Certified Inspector/Risk Assessor to be lead-free.

7.1.4.2 Dwellings that are not previously certified to be lead-free, were built prior to 1978, and are receiving weatherization services in which painted surfaces exceeding de minimis levels are disturbed, require the successful achievement of lead-safe standards after the completion of weatherization services. Contractor shall assure that an Environmental Protection Agency (EPA) Certified Renovator performs the post-weatherization verification after the completion of weatherization services and that the Assessor deems the weatherized meets EPA Renovation, Repair, and Painting Rule lead-safe standards.

7.1.4.3 HUD units not previously certified to be lead-free, built prior to 1978, and receiving weatherization services in which painted surfaces exceeding de minimis levels are disturbed, require the successful achievement of lead-safe standards after the completion of weatherization services. Contractor shall assure that a third-party California Certified Inspector/Risk Assessor performs the clearance inspection after the completion of weatherization services and that the Assessor deems the weatherized HUD unit as lead-safe.

7.1.4.4 Contractor shall document notification to tenants of multi-unit housing of weatherization and/or renovation activities in common areas using the Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent and Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent.

7.2 Service Priority Guidelines

7.2.1 When a waitlist exists, in accordance with 10 CFR 440.16 (b), Contractor shall give first priority for weatherization services to those households with elderly persons (ages 60 years or older), persons with disabilities, families with children 19 years of age or younger, and households with a high energy burden.

7.2.2 Contractor may give first priority for services to those households whose members have life-threatening emergencies.

7.2.3 Equitable Treatment. Contractor shall ensure that owners and renters receive equitable treatment under this program.

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- 7.2.4 Eligibility Income Data - If the Contractor displays income eligibility data on its website(s), Contractor must regularly update the information to align with the most recent income eligibility guidelines applicable to the services covered by this agreement. The displayed information must include specific reference to DOE WAP income eligibility guidelines.

7.3 Outreach and Intake Activity Guidelines

7.3.1 Outreach

Contractor shall perform appropriate outreach activities to ensure that households in the service area(s) are informed about all DOE WAP services and have an opportunity to apply for such services.

7.3.2 Intake

Contractor shall use intake program funds for determining eligibility of applicants seeking DOE WAP services. Services include the process of completing an intake application and reviewing applicant documentation. Contractor shall:

- 7.3.2.1 Establish reasonable hours whereby applicants will have access during regular business hours to seek program information with an assurance that the Contractor shall respond to the applicant's request within a reasonable amount of time.
- 7.3.2.2 Accept applications for assistance during regular business hours.
- 7.3.2.3 Accept applications at sites that are geographically accessible to all households in the area served by Contractor.
- 7.3.2.4 Provide low-income individuals who are physically infirm with the means to submit applications without leaving their residences.
- 7.3.2.5 All sites where intake is conducted must be accessible to the disabled.
- 7.3.2.6 If Contractor opts to "pre-screen" applicants for benefits by discussing eligibility criteria and by counseling potential clients in advance of their completing and submitting an Energy Intake Form (CSD 43) or approved Contractor's equivalent, Contractor must apply income guidelines and Contractor's DOE Weatherization Priority Plan Narrative (CSD 793) when prescreening applicants. If the applicant appears to be ineligible, Contractor must so inform the applicant but must nevertheless notify prescreened applicants of the right to apply for benefits upon changes in the prescreened applicant's circumstances and status. Energy Intake Form (CSD 43) or approved Contractor's equivalent must be provided to an

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applicant upon request, whether or not a prescreening process is employed.

7.4 Client Education and Counseling Activities

Client Education/Counseling Activities program funds shall be used for such services, including client needs assessment, client education and budget counseling, that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance.

7.4.1 Needs Assessment

Contractor shall conduct a needs assessment for each applicant, which shall include computing the energy burden of each applicant's household and prioritizing households as described in Article 7.2, Service Priority Guidelines.

7.4.2 Client Education / Budget Counseling

7.4.2.1 Contractor shall provide to all recipients of energy assistance under this Contract applicable energy conservation information and budget counseling in accordance with Contractor's approved DOE Weatherization Priority Plan Narrative (CSD 793). As a minimum Contractor shall include the following:

7.4.2.1.1 Information to the client regarding the importance of applying for energy assistance prior to being in an arrearage situation and to include information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State;

7.4.2.1.2 Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household;

7.4.2.1.3 Written information that identifies safety conditions assessed in the home and as self-declared by occupants, in accordance with the CSD TRM Appendix E Health and Safety Requirements, CSD TRM individual measure standards, and as required in the CSD 540G Health and Safety Form (A copy of the completed CSD 540G form shall be left with the client during the assessment visit);

7.4.2.1.4 Resource information, referral, family, and budget counseling in order to assist clients in achieving self-sufficiency;

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7.4.2.1.5 Referral to other community, state or federal programs to address conditions that may exist that cannot be mitigated due to the scope of the corrections which exceed DOE WAP or other CSD weatherization programs and cannot be achieved in a cost-effective manner.

7.4.2.1.6 The EPA pamphlet “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools”;

7.4.2.1.7 The EPA pamphlet “A Brief Guide to Mold, Moisture, and Your Home”;

7.4.2.1.8 A description of the benefits that the client can expect to receive as a result of the weatherization measures installed and diagnostic tests performed in the dwelling;

7.4.2.1.9 Disclosure of any identified health, safety, or structural hazard conditions or deficiencies to the property owner and occupying tenant; and

7.4.2.1.10 The EPA pamphlet “A Citizen’s Guide to Radon: The Guide to Protecting Yourself and Your Family from Radon.”

7.4.2.1.11 The California Department of Public Health fact sheet “About Asbestos in the Home and Workplace”.

7.4.2.2 Contractor shall place in the client’s file the Client Education Confirmation of Receipt (CSD 321) or Contractor’s equivalent, which substantiates that the client was provided with energy conservation, budget counseling, and mold and moisture, lead-based paint-safe, radon, and asbestos education.

7.4.2.3 In the event pre-existing health, safety, or structural conditions prevent the delivery of weatherization services or a particular measure, Contractor shall complete the CSD Weatherization Deferral Form (CSD 542) to document the reason(s) for the service deferral and provide a copy to the property owner and occupying tenant.

7.4.3 Coordination

Contractor shall refer all potentially eligible applicants to other energy or conservation programs including, but not limited to the LIHEAP Weatherization Program, ECIP EHCS, HEAP, California Alternative Rates for Energy Program (CARE), Reduced Rate Program (RRP), or Arrearage Management Payment (AMP) Plan. Contractor shall coordinate its activities with other federal, state, or

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local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.

7.5 Leveraging/Cost Sharing/Buy-Down Activities

- 7.5.1 Leveraging, cost sharing, and buy-downs with weatherization funds may be used to install feasible measures in accordance with the CSD TRM Appendix D Energy Audit/priority List Protocol. Decision making for measure cost management shall be documented in the client file accordingly.
- 7.5.2 When using alternative funding with Annual DOE WAP funds to pay for a measure, Contractor shall ensure that the measure installation conforms with Annual DOE WAP weatherization guidelines.
- 7.5.3 Contractor shall track the use of different funding sources with sufficient detail to confirm that funds are spent according to federal regulations and CSD policies. Contractor shall document within the Weatherization client file the activity performed, date of the activity performed, and the source of the leveraged funds.
- 7.5.4 CSD may use information about activities paid for with funds from alternate funding sources for the purpose of verifying the delivery of services. CSD may review and verify or use a third-party inspector to review and verify that the leveraged-funded activities conform to applicable DOE WAP standards and practices.

7.6 Record-Keeping Responsibilities

- 7.6.1 Contractor shall maintain client intake/needs assessment form(s) for Weatherization, together with appropriate supporting documentation and shall maintain separate client files containing supporting documents related to disqualifications, denials, and appeals for each applicant who is not certified as being eligible to receive assistance.
- 7.6.2 Contractor shall make a reasonable effort to collect the completed Client/Customer Consent Form and Authorization to collect energy usage data when the client applying for services is not the person listed as the account holder of the utility bill. Client services shall not be denied if the client or bill account holder refuses to sign the consent form.
- 7.6.3 All Client Files – Requirements

Contractor shall maintain a separate hard copy or electronic file for each applicant. These files shall include, the following documentation, when applicable:

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- 7.6.3.1 For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits (CSD 600), and supporting documents;
- 7.6.3.2 Energy Intake Form (CSD 43) or approved Contractor's equivalent;
- 7.6.3.3 Multi-Family Property Intake Form (CSD 43-MFP) or approved Contractor's equivalent;
- 7.6.3.4 Utility/energy bill(s) for all sources of energy used by qualified households;
- 7.6.3.5 Documentation supporting eligibility in accordance with the Eligibility and Verification Guide;
- 7.6.3.6 Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided services;
- 7.6.3.7 Client denial or approval notification;
- 7.6.3.8 Certification of Income and Expenses (CSD 43B);
- 7.6.3.9 Client/Customer Consent Form and Authorization (CSD 081) – Only requested when the client is not the account holder of the utility bill;
- 7.6.3.10 CSD Dwelling Assessment Forms (CSD 540 series which includes: 540 Dwelling Assessment, 540A Weatherization Mold/Moisture Assessment and Release, 540C Mechanical Ventilation Calculator, 540D Mechanical Ventilation Assessment, 540E Refrigerator Calculator, and 540G DOE Health and Safety Form) or approved Contractor's equivalent when allowed;
- 7.6.3.11 Combustion Appliance Safety Inspection Form (CASIF) series (CSD 700, CSD 700B (Interim CASIF), or CSD 700C (Appliance Repair & Replacement CASIF));
- 7.6.3.12 Shell Leakage Data Sheet (CSD 704);
- 7.6.3.13 Duct Test Data Sheet (CSD 706);
- 7.6.3.14 CSD Weatherization Deferral Form (CSD 542) and other source documentation supporting deferrals and appeals;
- 7.6.3.15 Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent;

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- 7.6.3.16 Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent;
- 7.6.3.17 Energy Service Agreement for Occupants (CSD 515A) or approved Contractor's equivalent;
- 7.6.3.18 Energy Service Agreement for Rental Property Owners (CSD 515B) or approved Contractor's equivalent;
- 7.6.3.19 Lead-Based Paint Regulatory Compliance Report (CSD 708);
- 7.6.3.20 DOE Energy Audit/Priority List (CSD 710);
- 7.6.3.21 Contractor Post-Weatherization Inspection Report (CSD 611);
- 7.6.3.22 Multi-Family Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent;
- 7.6.3.23 Client confirmation of work completed;
- 7.6.3.24 Required building permits or building's permit applications, or documentation of permit cost, and evidence of final permit inspection;
- 7.6.3.25 Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1978 HUD units;
- 7.6.3.26 Waivers from CSD to exceed maximum costs and quantity limits of weatherization measures and work outside of the scope of CSD weatherization policies and standards;
- 7.6.3.27 Documented approvals from CSD to make a fuel change for an installed appliance;
- 7.6.3.28 Documentation that substantiates all actual labor hours including a time and activity log associated with each job;
- 7.6.3.29 Documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;
- 7.6.3.30 Documentation that substantiates the criteria and basis for replacement of all gas and electric appliances including results of all required diagnostic tests results and the non-feasibility of all mandatory measures not performed or installed;

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- 7.6.3.31 Documentation indicating the manufacturer, manufacture date, make, serial number and model and metering information for all refrigerator replacements;
- 7.6.3.32 Documentation and records substantiating mileage claims by individual weatherized Single-Family Dwelling (SFD) and Multi Unit Dwelling (MUD) Unit;
- 7.6.3.33 Documentation of HERS/ECC Rater's inspection report and a copy of the invoice from the HERS/ECC Rater, in addition to the Residential Compliance Forms (CF-1R, CF-4R and CR-6R);
- 7.6.3.34 Documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster;
- 7.6.3.35 Documentation providing evidence of participation in a federal, state, or local government rehabilitation program if being used to qualify ineligible multi-family dwelling units for weatherization services;
- 7.6.3.36 Documentation of notification to the owner-occupant, tenant and/or the owner of a rental unit or owner's agent of significant structural changes to the dwelling due to weatherization services;
- 7.6.3.37 All Historic Preservation Online review documentation, including the copies of the printed Project Description Sheet (PSD) and HPO site e-mails;
- 7.6.3.38 Improvement Analysis Report from CSD-approved energy audit software indicating measure that meet the SIR requirement for installation;
- 7.6.3.39 Documentation of attempts to schedule post-weatherization inspection appointments if inspection could not be performed;
- 7.6.3.40 Justification images, when required;
- 7.6.3.41 Notice of Survey by Electrical Contractor (CSD 543);
- 7.6.3.42 REM Energy Audit Entry Form (CSD 544);
- 7.6.3.43 Insulation Certificate (CSD 610);
- 7.6.3.44 Multi-Family Input Form (CSD 808);

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7.6.3.45 If Contractor administers Weatherization Readiness Funds, refer to WPN 24-9: Weatherization Readiness Funds – Implementation, [CPA-E-23-04](#), [CPN-E-23-04M1](#), [CPN-E-23-04M2](#), [CPN-E-23-04M3](#), WRF Fact Sheet, and WRF Client Consent Form for guidance.

7.6.3.46 If Contract administers (WRF) then the following must be included in client file of each unit that received WRF:

- Photographic documentation of the conditions requiring the WRF work;
- A copy of the contractor's and/or subcontractor(s) license(s) to perform particular WRF measure(s);
- Repair(s) Proof that home would have been deferred if WRF condition(s) not addressed;
- Steps Contractor went through to ensure home billed as a DOE Unit;
- Any additional supporting documentation to validate the use of WRF funds as collected by the Contractor.

7.6.3.47 All other documentation as further defined by CSD.

7.6.4 Translation of Forms

Contractor shall use a certified translator deemed qualified by the Contractor when translating CSD forms that require a client/customer signature into a foreign language.

7.6.5 Other Recordkeeping Responsibilities

7.6.5.1 Labor and Materials

7.6.5.1.1 Contractor shall maintain documentation in such a manner that include job references and total labor hours so that actual costs and actual labor hours billed to the weatherization programs can be substantiated.

7.6.5.1.2 Contractor shall document all costs expended under this Contract with purchase orders, inventory records, and payroll records identifying the funding source.

7.6.5.1.3 Contractor shall maintain documentation in such a manner to prove that materials used under this program conform to the requirements contained within the CSD TRM and/or state, county, or local regulations.

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7.6.5.2 Training

Contractors who perform weatherization services are required to input, update, and maintain employee data in the CSD Training Portal (CTP). The CTP is maintained and accessed through CSD's Local Agencies Portal website and serves as a repository for Contractors and their subcontractors to track and monitor employees as they progress through CSD's training curriculum. The CTP documents all weatherization training received for each employee and includes information on each training session, course, training source, location, course content, and completion date.

7.6.5.2.1 CSD shall maintain all weatherization training records in the CTP documenting trainings completed through the CSD Online Weatherization Training Center, CSD-approved Training Centers, and field or classroom training provided by CSD or its agents.

7.6.5.2.2 Contractors shall maintain all training records in the CTP for trainings provided by third parties for Occupational Safety and Health Administration (OSHA) 10, OSHA 30, and EPA Renovator certifications as designated by CSD.

7.6.5.2.3 Contractors shall be responsible for maintaining the required training records in the same manner for their subcontractors.

7.6.5.2.4 Contractors and subcontractors shall update the CTP with employee training information on or before the first (1st) day of each subsequent month.

7.6.5.3 Equipment

7.6.5.3.1 Contractors and subcontractors who perform combustion appliance safety tests shall maintain the Carbon Monoxide Analyzer Calibration Log (CSD 785) documenting the calibration of all analyzers as required.

7.6.5.3.2 Contractors and subcontractors who perform shell leakage and duct leakage diagnostic tests shall maintain the Manometer Calibration Log (CSD 786) documenting the calibration of all manometers as required.

7.6.5.4 Energy Audits

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7.6.5.4.1 Contractor shall maintain electronic records generated from CSD's approved energy audit software for a required period of 3 years from submission of final report or until resolution of all related audit or monitoring findings, enforcement action, including cost disallowance, legal proceedings or other pending matters, whichever is later in accordance with Section 4.3.

7.6.5.4.2 Contractor shall make all records generated from the energy audit software accessible to the State, or a third-party inspector acting on the State's behalf, for the purpose of a third-party inspections or monitoring.

7.6.5.4.3 Contractor shall submit all energy audits through the CSD Energy Audit Submittal System to include the initial audit submittal and resubmittals to address changes to the audit based on CSD feedback. A final audit shall also be submitted to address one or more of the following:

7.6.5.4.3.1 Changes in measure cost; input of final duct or shell leakage readings, in lieu of estimated leakage used for initial improvement analysis;

7.6.5.4.3.2 Changes to the final scope of work; any decisions related to full or partial measure leveraging.

7.6.6 Automation

7.6.6.1 Contractor shall use a software database system to support all required data collection and reporting requirements under the administration of this grant.

7.6.6.2 Contractor shall use an automated application system capable of supporting DOE WAP data collection, reporting requirements, and client data transmission to CSD. No database transfer will be accepted prior to the completion of successful data file transfer testing to CSD. Contractor shall submit the data in accordance with CSD's Weatherization DTR layout found at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>. Contractor shall exercise best practices and perform a daily backup of all client data/application systems that capture DOE WAP service detail. Contractor shall assure that adequate files are maintained as required in Article 7.6.

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ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 Weatherization Activity Guidelines

8.1.1 Applicant Eligibility

8.1.1.1 Assistance shall be available only to households with incomes that do not exceed an amount equal to 200% of the Federal Poverty level.

8.1.1.2 Income verification must be for one month. For acceptable types of documentation, refer to the current [Eligibility and Verification Guide](#).

8.1.1.3 Contractor shall certify a household's income eligibility prior to the delivery of energy program services.

8.1.1.4 The income certification shall remain in effect for a period of 12 months from the date applicant is deemed eligible for services.

8.1.1.5 Weatherization assessment and service delivery shall commence within the 12-month certification period. Commencement of weatherization service delivery is defined as the performance of any health and safety and energy efficiency installation.

8.1.1.6 In the event the Contractor is unable to commence the assessment and weatherization service delivery during the 12-month income certification period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility.

8.1.1.7 If a dwelling has been previously weatherized under the DOE WAP and meets one of the exceptions for services in subparagraph 8.1.2.6 the dwelling and household's income eligibility must be recertified.

8.1.1.8 Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for wood, propane, and oil to determine the household's energy burden.

8.1.2 Dwelling Eligibility

8.1.2.1 Contractor shall complete the post-combustion appliance safety test within 60 days from the date of the pre-combustion appliance safety test. In the event the Contractor is unable to perform the work associated with the combustion appliance safety testing and the post-combustion appliance safety test within the 60-day period, Contractor shall perform another pre-test for the dwelling prior to commencing the delivery of any form of weatherization assistance services.

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8.1.2.2 Permission to Provide Services

8.1.2.2.1 Contractor shall obtain general written permission of the owner-occupied dwelling from the tenant and the owner (or owner's agent) to perform an assessment and weatherization work prior to performing any such services. Such permission shall be recorded on the Energy Service Agreement for Occupant (CSD 515A) or approved Contractor's equivalent and the Energy Service Agreement for Rental Property Owner (CSD 515B) or approved Contractor's equivalent.

8.1.2.2.2 If during the course of performing weatherization and/or heating and cooling appliance repair or replacement services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall notify the owner-occupant dwelling or the owner of a rental unit prior to continuing with the scheduled work.

8.1.2.3 Rent Increase Restrictions

8.1.2.3.1 For a period of two years after weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed.

8.1.2.3.2 Tenants shall be given a written summary of these conditions with the current telephone number of the Contractor with instructions on how to file a complaint should these conditions not be met. Contractor shall investigate all complaints filed and shall forward a copy of all written complaints to CSD or, if a verbal complaint has been made, contact CSD with the details of the complaint-including date complaint was made, date investigations began, and results.

8.1.2.3.3 CSD will evaluate the merits of the complaint and all supporting documentation. If CSD determines a complaint is valid, CSD may pursue collection activities against the landlord in the amount equal to the weatherization work performed on that unit and/or building.

8.1.2.4 Multi-Unit Dwellings

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8.1.2.4.1 In accordance with 10 CFR § 440.22(b) (2), Contractor is strongly recommended to weatherize a whole multi-unit building containing rental dwelling units when not less than 66% (50% for duplexes and four-unit buildings) of the dwelling units in the building:

8.1.2.4.1.1 Are eligible dwelling units, or

8.1.2.4.1.2 The dwelling units will become eligible (occupied by eligible low-income tenants) within 180 days under a federal, state, or local government program for rehabilitating the building or making similar improvement to the building.

8.1.2.4.2 Contractor may weatherize individual units in a multi-unit building in lieu of the whole building, *provided* Contractor first endeavors in good faith to weatherize the whole building in accordance with the provisions stated herein.

8.1.2.4.3 Upon Contractor's determination that the whole building cannot be weatherized because the building does not qualify in accordance with the CSD TRM Contractor shall submit the request to CSD for DOE Project Officer approval prior to weatherizing individual units in the multi-unit building. The request shall specify that the Individual Unit criteria are met (with photographs, where required) and provide reason(s) why the whole building cannot be weatherized. Contractor shall retain supporting documentation justifying the determination in the event of an audit or monitoring visit.

8.1.2.4.4 The weatherization of individual units in multi-unit buildings is subject to unique criteria and allowable measures, distinct from those applicable to single family and multi-family buildings. Contractor may install only those measures allowed for individual units in multi-family buildings in accordance with the CSD TRM.

8.1.2.4.5 If dwelling units are qualified for services through a federal, state, or local government rehabilitation program, documentation to verify participation in the rehabilitation program is required in the master job file.

8.1.2.4.6 Contractor shall complete a Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent for

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each building and shall maintain a copy in each individual client file.

8.1.2.4.7 Contractor shall certify unit eligibility by completing Energy Intake Form (CSD 43) or approved Contractor's equivalent for each dwelling unit in each building. Certification of eligibility by the owner/manager of the occupants of the building is not acceptable.

8.1.2.4.8 No undue or excessive enhancement shall occur to the value of the dwelling units.

8.1.2.5 Previously Weatherized Dwellings

Weatherization services for a dwelling unit previously weatherized within the past 15 years from the date of completion using Annual DOE WAP, BIL WAP, LIHEAP, HUD, USDA, DOE ARRA or other Federal funds are ineligible for weatherization services unless the dwelling meets one of the exceptions in accordance with [CPN-E-21-04 Previously Weatherization DOE WAP Dwelling Requirements](#).

8.1.2.6 Call-back

Services provided in a previously weatherized dwelling to correct a previously installed measure or as a result of a CSD or DOE inspection finding is a call-back and is allowable and must be reported to CSD and DOE. Refer to [CPN-E-12-05](#). Demographics for a callback are not included for reporting purposes.

8.1.2.7 Ineligible Dwellings

8.1.2.7.1 Contractor shall not weatherize a dwelling unit that is designated for acquisition or clearance by a federal, state, or local program within 12 months from the date of completion of the proposed weatherization.

8.1.2.7.2 Contractor shall not weatherize any dwelling under this Contract unless the property owner agrees to all the terms and conditions of the CSD Dwelling Assessment Form (CSD 540) and signs the Energy Service Agreement for Occupant (515A) or Contractor's equivalent or Energy Services Agreement for Rental Property Owner (515B) or Contractor's equivalent.

8.1.2.7.3 No institutional or commercial building including, but not limited to, universities, schools, nursing homes, or hospital, etc., may be weatherized under this Contract.

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8.1.2.8 Temporary Shelters/Homeless Individuals

Eligibility of the occupants may be assumed if the owner/operator will certify in writing that occupancy is temporary and that admittance criterion complies with CSD contract eligibility guidelines, whether or not rent is paid has no effect on eligibility.

8.1.2.9 Group Homes

If the building does not qualify as a multi-family structure, income eligibility is based on all occupants as a group, and the building must be weatherized as a single dwelling unit.

8.1.3 Requirements for Weatherization Services

8.1.3.1 Contractor must install all feasible weatherization measures in accordance with the CSD TRM.

8.1.3.2 All feasible Health and Safety measures must be installed and shall not be skipped. Similarly, feasible Health and Safety measures cannot be removed from a work scope (for client refusal or other reason), or the dwelling shall be deferred.

8.1.3.3 When building a dwelling work scope for the Annual DOE WAP, there are two approved approaches to determine the energy conservation measures (ECMs): the Priority List Path or the Audit Path. A single approach must be identified for each dwelling served. A hybrid approach is not allowed.

8.1.3.3.1 The Contractor path decision shall be directed by a set of criteria for each dwelling and cannot be based on a “preferred” approach. Contractor must use the CSD 710 Energy Audit/Priority List Checklist to document dwelling conditions and the Audit path/Priority List path decision.

8.1.3.3.2 While the CSD 710 may prompt the Contractor auditor to use the PL path, Contractor may decide to conduct a site-specific energy audit for any dwelling.

8.1.3.4 Priority List (PL) Path.

The PL path is allowable for single-family, mobile homes, and low-rise multi-family (LRMF) as defined in the CSD TRM Appendix H. When using the PL path, a prescribed set of measures must be installed, following a specific order as defined on the PL. Feasible ECMs must not

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be skipped as defined by the CSD TRM Appendix D Energy Audit/Priority List Protocol.

8.1.3.4.1 All feasible Mandatory measures must be installed before any Optional measures are installed.

8.1.3.4.2 All PL measures shall be installed according to the order defined in the building type-specific Priority List in accordance with the TRM Appendix D.

8.1.3.5 Audit Path.

The Audit path is required when specific conditions exist in the dwelling or certain measures that are not on the DOE PL may be feasible and will be billed to the Annual DOE WAP. Final feasibility of ECMs shall be determined by CSD's approved energy audit software. Cost-justified ECMs, with a Savings-to-Investment Ratio (SIR) greater than or equal to 1.0 shall not be skipped or installed after a measure with a lower SIR. When expenditures would cause substantial overage to the contractor ACPU, feasible non-major measures may be removed from the work scope as long as the cost management procedure prescribed in the TRM Appendix D *Energy Audit/Priority List Protocol* is followed.

8.1.3.5.1 When applying the Audit Path and all feasible measures classified under Health & Safety have been assessed, Contractor must assess for Energy Conservation Measures (ECMs) by conducting a an energy audit in accordance with the TRM Appendix D *Energy Audit/Priority List Protocol* located at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.3.5.2 Contractor shall utilize the specified CSD-approved energy audit software to assess single-family dwellings, mobile homes, and multi-unit buildings containing 24 or fewer dwelling units where each unit is independently heated and/or cooled. Small multi-family audits must be approved by CSD before any installation work is performed by Contractor.

8.1.3.5.3 Contractor shall utilize the specified CSD-approved energy audit software to assess large, more complex multi-unit buildings that are unable to be assessed using the approved energy audit software for small multifamily buildings containing 24 or fewer dwelling units, where each unit is independently heated and/or cooled. Contractor shall submit all audits to CSD for review and

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approval by the DOE Project Officer before any installation work is performed.

8.1.3.6 Installation of a common (shared) heat source, cooling source, or water heater shall qualify as a mandatory measure for each unit served by the same appliance.

8.1.3.7 Weatherization measures may be leveraged or cost-shared with alternative funding sources as defined in Section 5.5.5. All leveraged measures used to fulfill the completion of the Audit Path or Priority List Path shall be billed in accordance with the policies defined by the CSD TRM Appendix D.

8.1.4 Dwelling Assessments

8.1.4.1 Contractor shall assess eligible dwellings to identify the specific energy-efficiency and health and safety services to be offered under the allowable scope of services outlined in this contract.

8.1.4.2 Contractor shall determine whether the dwelling meets the criteria for a Historic Preservation Review pursuant to subparagraph 8.1.4.7.2, below.

8.1.4.3 Contractor shall ensure that all dwelling assessments are performed by trained individuals possessing all the required skill and training as specified in Article 9.1, Training Requirements.

8.1.4.4 Contractor shall ensure job separation between staff performing dwelling assessments and the crew personnel responsible for performing the actual installation of weatherization measures. Assessors may not install weatherization measures in the same dwelling where the assessor performed the assessment for weatherization services.

8.1.4.5 If Contractor elects to subcontract with entities outside of CSD's network of local service providers for the full installation of weatherization measures, the subcontractor performing the installation of weatherization measures shall not perform the dwelling assessment. Contractor shall ensure job separation by using Contractor's staff or another subcontractor to perform the dwelling assessments.

8.1.4.6 Contractor shall provide written documentation or notification to the owner-occupant and the owner of a rental unit or owner's agent and inform the tenant of any significant structural and engineering changes required to complete the weatherization work before the specified work commences.

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8.1.4.7 Dwelling Assessment Performance

8.1.4.7.1 Dwelling assessments shall include the following required activities:

8.1.4.7.1.1 The visual assessment of the eligible dwelling to identify safety and structural hazards conditions present within the dwelling that may limit ability to perform any or all of the required weatherization services in accordance with CSD weatherization guidelines and terms of this Contract. Assessor shall disclose all noted safety and structural hazard conditions to the property owner and tenant, where applicable.

8.1.4.7.1.2 The visual inspection and pre-CAS diagnostic testing of all combustion appliances as to identify the presence of combustion appliance safety conditions within the occupied living space and requiring immediate attention and the offering of prescribed list of health and safety measures needed to remedy noted conditions.

8.1.4.7.1.3 The visual inspection of dwelling to identify any structural deficiencies and/or barriers inhibiting the ability for required pressurized diagnostics to occur. Assessor shall also inform client of the various types of diagnostic testing to be performed within the dwelling, including the general nature and benefits of each form of required diagnostic testing.

8.1.4.7.1.4 Completing the DOE Health and Safety form (540G), assessment shall include an occupant health screening to document whether any household members have a pre-existing or potential health conditions that should be taken into consideration before or during weatherization of the residence; hazard identification notification to document hazardous materials or conditions that may affect occupants; radon informed consent that identifies potential risk of increased radon levels when building air tightness levels are improved; and client education about the use of common weatherization materials that may create health effects for occupants.

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8.1.4.7.1.5 In conformance with the TRM Appendix D and the CSD 710 Energy Audit/Priority List Checklist, determination of whether the Audit Path or Priority List Path must be followed. When the Audit Path is prescribed, assessment shall include completion of the energy audit by an assessor holding a valid certificate of completion for audits as defined by the TPPM. When the Priority List Path is followed, the assessor must confirm that the unit meets the minimum dwelling criteria based upon the building type.

8.1.4.7.2 Historic Preservation Review of Dwellings

8.1.4.7.2.1 To ensure compliance with Section 106 of the National Historic Preservation Act (54 USCS §§ 300101 et seq., former 16 USCS §§ 470 et seq.), CSD will establish appropriate procedures for historic property review standards as outlined by a Programmatic Agreement with the State Historic Preservation Office. The established review standards will be utilized for weatherization activities conducted under the DOE WAP on dwellings that are 45 years or older. For purposes of this Contract, the historic review shall be known as the Historic Preservation Review.

8.1.4.7.2.2 Contractor shall ensure that a Historic Preservation Review is completed on a dwelling that is either: (1) 45 years or older, (2) located within a historic district, or (3) considered to be of exceptional importance under the National Register Criteria for Evaluation pursuant to 36 CFR § 60.4.

8.1.4.7.2.3 When a dwelling assessment is performed and the dwelling is determined to meet any of the criteria specified in subparagraph 8.1.4.7.2.2, Contractor shall initiate the Historic Preservation Review process pursuant to DOE WAP ARRA No. 010.

8.1.4.7.2.4 The National Environmental Policy Act (NEPA) is a federal law requiring all federally funded projects to consider environmental impacts of work to be performed. For activities not listed under Article 8-Program Implementation, including ground disturbing activities (grading adjacent to the perimeter of the

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foundation more than 3 feet from the foundation), tree trimming, and tree removal, Contractors must contact CSD as these activities are subject to additional NEPA review.

8.1.4.7.3 Combustion Appliance Safety (CAS) Diagnostic Testing

8.1.4.7.3.1 The completion of the entire combustion appliance safety (CAS) test is required on all dwellings with combustion appliances.

8.1.4.7.3.2 If it is determined during the CAS test that the dwelling unit contains a condition that is hazardous to the occupants, proper steps must be taken to alleviate the hazard. In these cases, no measures may be installed until the hazard has been corrected.

8.1.4.7.4 If the dwelling unit is not eligible because of the need for extensive repair, the unit shall not be serviced and the applicant should be referred to the local Housing and Community Development Department, U.S. Farmers Home Administration Housing Loan Program, or other similar organizations or programs.

8.1.4.7.4.1 Documentation of such ineligibility due to the need for extensive repairs shall be recorded on the CSD Weatherization Deferral (CSD 542).

8.1.4.7.4.2 If the applicant can obtain the necessary repairs to make the dwelling unit eligible for weatherization services, weatherization activities may be accomplished following the repair work.

8.1.4.8 Contractor shall ensure the health and safety of weatherization personnel in carrying out activities funded under this Contract. In the event the weatherization of a dwelling threatens the general health and safety of weatherization field personnel, Contractor shall take measures to ensure the safety of the personnel and thoroughly document the incident(s) utilizing the CSD Weatherization Deferral (CSD 542). The deferral form does not need to be signed by the client where weatherization personnel construe the client or occupants of the dwelling to be threatening and hostile. If unable to get a signature, a certified letter shall be sent to the owner, along with the tenant if the residence is a rental.

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8.1.5 Duct and Shell Diagnostic Testing

8.1.5.1 Contractor shall perform shell leakage diagnostic testing only for shell sealing purposes on all single-family and multi-unit building types weatherized under this Contract in accordance with CSD shell leakage testing standards and policies and procedures.

8.1.5.2 Following a determination that no combustion byproduct hazards exist, Contractor shall perform pressure diagnostic guided infiltration reduction using a pre-weatherization shell leakage test.

8.1.5.3 Duct Blaster diagnostic testing shall be required on all dwellings with forced-air systems.

8.1.5.4 Contractor shall ensure that all dwelling diagnostic tests are performed by trained individuals possessing all the required skill and training as specified in Article 9.1, Training Requirements.

8.1.6 Health and Safety Measures

8.1.6.1 Contractor is authorized to mitigate health and safety hazards in accordance with the CSD TRM.

8.1.6.2 Feasible Health and Safety measures shall not be skipped and feasible Health and Safety measures cannot be removed from the work scope (for client refusal or other reason), or the dwelling shall be deferred.

8.1.6.3 If a health or safety hazard is found to exist that requires replacing or repairing a combustion appliance, the dwelling shall be served under the Audit Path only or the Health and Safety measure must be fully leveraged with an alternate funding source.

8.1.6.3.1 When the measure will be repaired or replaced with DOE WAP funds, it is required to conduct an energy audit to determine if the heating, cooling, or water heating appliance would qualify for replacement of a higher efficiency unit as an Energy Efficiency Upgrade (EEU). If the EEU is cost justified with an SIR of 1.0 or greater, the appliance must be replaced as an EEU.

8.1.6.3.2 Only when the EEU replacement is not cost justified and the appliance meets the criteria established in the CSD TRM Appendix E Health and Safety Requirements, shall the appliance be repaired or replaced with DOE WAP Health and Safety funds.

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8.1.6.3.3 In addition to meeting the requirements for Health and Safety repairs/replacements above, any cooling appliance repair or replacement shall be allowed only when one or more of the occupants in the dwelling meets the CSD definition of “at-risk” as defined in the CSD TRM Appendix E.

8.1.6.4 Primary Heating and Cooling Appliance Repair and, Replacement, and Installation Services

8.1.6.4.1 Prior to the performance of any heating/cooling service, a qualified technician must perform a diagnostic inspection of the primary heating/cooling appliance to assess operational performance.

8.1.6.4.2 The following guidelines are restricted to occupied SFD and/or MUD units:

8.1.6.4.2.1 Residential heating source that qualifies for repair and replacement services must be a single, pre-existing heating appliance, serving as the dwelling’s primary heating source.

8.1.6.4.2.2 A residential cooling source that qualifies for cooling services must be a single, pre-existing cooling appliance, serving as the dwelling’s primary cooling source, limited to mechanical air conditioners, central and window/wall air conditioners, and evaporative coolers.

8.1.6.4.4 Any and all health and safety heating/cooling appliance services shall be performed in accordance with the following guidelines:

8.1.6.4.4.1 All repair and replacement services are limited to dwellings with pre-existing heating and cooling appliances. An exception to this rule exists, however, for those dwellings without a heating and cooling appliance and there are no means to provide adequate heating and/or cooling during a climatic season that would cause imminent harm to the health and wellbeing of individuals or the household. When no existing primary heating appliance exists, an energy audit is required. When the SIR < 1.0, the appliance shall be installed with Health and Safety funds.

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8.1.6.4.4.2 The age of a heating/cooling appliance shall not be used as a basis for replacement.

8.1.6.4.4.3 When repair, replacement, or installation of a primary heating appliance is required in accordance with the policies above but cannot be completed for any reason, the entire dwelling shall be deferred.

8.1.6.4.4.4 Upgrades to heating and cooling appliances for energy efficiency purposes are subject to the energy audit unless required by Title 24.

8.1.6.4.5 Contractor shall repair a defective primary heating appliance when the cost to assess and repair is estimated at less than 50% of the cost of installing a new replacement unit.

8.1.6.4.6 If during the course of repairing the defective unit additional problems are found that would increase the cost of repairs to more than the allowable limit for repair costs, the unit may be replaced.

8.1.6.4.7 When replacement of a defective primary heating/cooling appliance is performed, Contractor shall perform necessary duct repair and/or replacement services in order to conform to Title 24 requirements.

8.1.6.4.7.1 Fuel switching or replacement of an alternate appliance type of any heating/cooling appliance shall only be allowed when justified by energy audit as described in TRM Appendix D *Energy Audit/Priority List Protocol*.

8.1.6.5 Secondary Heating Appliance Repair or Removal

8.1.6.5.1 Unsafe secondary heat sources as defined by TRM Section 4 *Heating and Cooling* must be repaired, or removed and disposed of, or dwelling deferral is required.

8.1.6.5.2 Unsafe secondary heating sources that cannot be repaired must be removed. Appliance abandonment is not allowed.

8.1.6.5.3 Unsafe portable space heaters cannot be repaired and must be removed.

8.1.7 Waiver for Fuel Switching or Alternate Appliance Type

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Contractor shall not switch fuel when replacing furnaces or any other allowable appliance or replace an alternate appliance type unless an energy audit is conducted or a waiver request is submitted to CSD and approved. Contractor shall submit the waiver request through the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>. Contractor shall keep a copy of such waiver in the client's file.

8.1.8 Priority Lists of Energy Conservation Measures

Contractor shall install energy conservation measures in single-family dwellings, mobile homes and small multi-unit dwellings in accordance with the CSD Priority List Protocol (CSD TRM, Appendix D) which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.9 Energy Audit Requirements

8.1.9.1 If all feasible measures classified under Health & Safety and other Mandatory Measures have been assessed, Contractor may assess additional measures utilizing the DOE Priority List Protocol and conducting an energy audit in accordance with CSD Single-Family/Small Multi-Family Energy Audit Protocol, CSD Multi-Family Energy Audit Protocol and CSD Priority List Protocol.

8.1.9.2 Energy audits shall be conducted as specified in the CSD Single-Family/Small Multi-Family Energy Audit Protocol and CSD Multi-Family Energy Audit Protocol (CSD TRM, Appendix D) incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Weatherization.aspx>.

8.1.9.3 Contractor must utilize the CSD-approved energy audit software tool appropriate to the building type as identified in CSD's Energy Audit / Priority List Protocol (CSD TRM, Appendix D)

8.1.10 Occupant Notification

If, in accordance with the provisions of this article, any notice to an occupant is required, notice shall be in writing and a copy of such notice shall be given to the owner of the unit, when the unit is occupied by a non-owner occupant, or when the unit is vacant.

8.1.11 Natural Disasters

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8.1.11.1 When a dwelling that has been damaged by a natural disaster such as fire, flood, earthquake, hurricane, etc., a scope of work shall be submitted to CSD for approval prior to beginning work related to a natural disaster pursuant to the DOE Disaster Relief Plan, which is hereby incorporated by reference to this Contract and available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

8.1.11.2 The occupant shall be certified as currently eligible and a dwelling assessment shall be performed.

8.1.11.3 Contractor may have damages repaired that are within the scope of the weatherization program if the same services will not be paid for or reimbursed by any other source.

8.1.12 Workers Safety

8.1.12.1 Contractors are responsible for ensuring the safety of its weatherization field personnel performing weatherization activities under this Contract and in accordance with the CSD Health and Safety policies and internal policies of the contract intended to protect the safety of weatherization field personnel.

8.1.12.2 Agencies must ensure that its weatherization field personnel are trained on how to handle situations where weatherization clients and other occupants within a weatherization project display behavior that is construed to be abusive and threatening to weatherization field personnel and their personal safety. Such situations constitute reasons for deferring weatherization services to the dwelling itself and weatherization field personnel must be trained to recognize, deal with, and document threatening situations they encounter in the course of performing weatherization measure installations.

8.1.12.3 Contractors must document such incidents in the CSD Weatherization Deferral Form (CSD 542) and maintain a copy of the completed form in the client file at all times.

8.2 Quality Assurance

8.2.1 Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization work performed under this Contract. Such assurance will be documented on the CSD Dwelling Assessment Form (CSD 540) and CSD Post

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Inspection Form (CSD 611) or approved Contractor's equivalent and shall be signed and dated by a certifying Contractor representative.

8.2.2 Post-Weatherization Inspections

8.2.2.1 Contractor shall perform Post-Weatherization Inspections on 100% of the dwellings weatherized under this Contract. Completed jobs shall not be billed to CSD until a post-inspection has been completed and any inspection fails are resolved.

8.2.2.2 Post-Weatherization inspections shall be conducted for the purpose of assessing the quality and completeness of performed weatherization services and compliance with CSD weatherization guidelines. The post-inspection shall:

8.2.2.2.1 Verify that all measures were completely installed in accordance with said terms and conditions of this Contract;

8.2.2.2.2 In addition, installed measures shall be reviewed to determine the absence of any feasible Mandatory Measure not installed and the installation of a measure (non-feasible measure) that may not be in compliance with said standards and the terms and conditions of this Contract;

8.2.2.2.3 Verification that the unit received shell leakage, and duct leakage testing, as applicable;

8.2.2.2.4 Verification that required CAS testing of eligible combustion appliances was performed and inspection of combustion appliances to verify the safe operating condition of combustion appliances within the dwelling residence;

8.2.2.2.5 Verification that energy audit was performed when required and in compliance with Energy Audit/Priority List Protocol and DOE Energy Audit Priority Checklist Form (CSD 710) was completed and in client file;

8.2.2.2.6 Inspector shall confirm that any ECMs installed as part of an energy audit met energy audit improvement results including but not limited to: confirmation that pre and post blower door and duct testing results, insulation R-values, and heating/cooling and water heating are accurate efficiencies; and that the costs billed do not exceed the improvement costs identified in the Improvement Audit Report.

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8.2.2.2.7 Inspector shall retest all diagnostic testing performed in subparagraph 8.2.2.2.3 and 8.2.2.2.4; and

8.2.2.2.8 Inspection of the unit dwelling to ensure that all identified health and safety hazards, whether pre-existing or resulting from the performance of weatherization services, have been successfully remedied.

8.2.2.3 Contractor shall ensure that post-weatherization inspections are performed by a Certified QCI, as provided in Section 9.2 of this Contract. If Contractor subcontracts Quality Control Inspection services, then Contractor must aggregate weatherization jobs to mitigate the cost associated with performing inspections. The maximum allowable cost of each post-inspection by a subcontractor is as follows:

8.2.2.3.1 Subcontractors awarded a contract through a competitive procurement process shall not exceed the measure maximum per inspection. The inspection rate includes all expenses related to the Certified Quality Control Inspection such as the cost of the inspection, administration and travel costs of subcontractor.

8.2.2.3.2 Subcontractors, that are part of CSD's network of DOE contractors, with a contract, Memorandum of Understanding or similar contract with Contractor, not obtained through the procurement process, shall bill actual costs for the Certified Quality Control Inspection and related expenses such as inspector wages, overhead, administration and travel costs of subcontractor. The total cost of all related expenses shall not exceed the measure maximum per inspection.

8.2.2.4 Subcontractors who provide basic weatherization services shall not conduct assessments or inspect dwellings.

8.2.2.5 Contractor shall ensure job separation between staff performing post-weatherization inspection activities and weatherization crew personnel performing the physical installation and performance of weatherization measure services funded under this Contract.

8.2.2.6 If Contractor elects to subcontract with entities outside of CSD's network of local service providers for the full installation of weatherization measures, the subcontractor performing the installation of weatherization measures shall not perform the post-weatherization inspection activities. Contractor shall ensure job separation by using Contractor's staff or another subcontractor to perform the dwelling post-weatherization inspection.

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8.2.2.7 The Certified QCI shall certify the performance of Post Weatherization Inspections of dwelling units by completing and signing Contractor Post-Weatherization Inspection Report (CSD 611). Contractor shall retain a copy of the completed and signed form in the client file.

8.2.3 Third-Party Inspections

8.2.3.1 The State may use a third-party inspector to review and verify that the weatherization activities performed under this Contract conform to applicable standards and practices.

8.2.3.2 Contractor or a ride-along (designated representative) shall accompany the inspector on client inspection visits and shall provide transportation and equipment to the inspector. When possible, Contractor shall make corrections during the client inspections visits.

8.2.3.3 Contractor agrees to remedy all Nonhazardous Conditions (nonhazardous work deficiencies) noted by the State or its designee within 20 business days of written notification.

8.2.3.4 Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation in accordance with the CSD TRM. Any Hazard Fails that are not remedied within the required timeline of 18 hours will require completion of the Hazardous Correction Work Plan to be completed by the Contractor which includes the reason the hazardous correction cannot be resolved within 18 hours and action that will be taken to resolve the hazard.

8.2.3.5 Contractor must remedy all inspection corrections identified on the Comprehensive Inspection Report including confirmation of correction to CSD within 20 business days.

8.2.4 Noncompliance

8.2.4.1 Contractor shall be subject to the withholding of any or all reimbursements for failure to completely resolve a Hazardous Condition in accordance with the CSD TRM. The reimbursement sanction will apply to the next fiscal reimbursement request associated with the program of the weatherized unit in question. The reimbursement sanction will remain in effect until Contractor successfully resolves the Hazardous Condition and confirms the resolution with CSD and the designated Inspection Contractor. The sanction will apply to all subsequent fiscal reimbursement requests of the primary funding source in question so long as the Hazardous Condition remains unresolved.

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8.2.4.2 If it is determined that the Contractor has failed to resolve an identified Hazardous Condition in accordance with the Hazardous Correction Work Plan, CSD may utilize the services of the designated Inspection Contractor to successfully resolve the delinquent Hazardous Condition. Contractor will assume responsibility for costs associated with the use of Inspection Contractor's services. The costs will include labor, materials, and travel equal to the Inspection Contractor's training and technical assistance hourly rate and the total amount will be withheld from the Contractor's next request for fiscal reimbursement.

8.2.4.3 If it is determined that the Contractor has incorrectly billed CSD because a measure was not installed, or the quantity installed is less than the quantity billed, Contractor shall install the billed measure or quantity, if feasible. In cases when a physical remedy is not possible, repayment of the labor and material costs for the non-installed measure or quantity will be withheld from subsequent reimbursements.

8.2.4.4 Contractor will be subject to Special Conditions, in accordance with Article 10.4, if it is determined that one or more of the following conditions exist:

8.2.4.4.1 Contractor has a history of unsatisfactory performance.

8.2.4.4.2 Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.

8.2.4.4.3 Failure to remedy an identified Hazardous Condition in a timely manner.

8.2.4.4.4 Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

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ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS

9.1 Training Requirements

- 9.1.1 CSD’s statewide training program is detailed in the CSD Training Policies and Procedures Manual (TPPM). Contractor shall ensure weatherization service activities covered by this Agreement are performed by properly licensed contractors and/or properly trained individuals in accordance with training requirements specified in the TPPM.
- 9.1.2 Contractor shall maintain and make available for reference to Contractor’s employees and subcontractors who perform weatherization services, the following foundation documents:
 - 9.1.2.1 CSD Technical Reference Manual (TRM);
 - 9.1.2.2 CSD Training Policies and Procedures Manual (TPPM);
 - 9.1.2.3 Other applicable policies and procedures;
 - 9.1.2.4 Official State and Federal Program Notices;
 - 9.1.2.5 Current CSD Field Forms; and
 - 9.1.2.6 Required training materials.

9.2 Quality Control Inspectors Certification

- 9.2.1 Quality Control Inspectors (QCI) working for, or contracted by, Contractor must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis for QCIs. This applies to all individuals who perform final inspections under the DOE WAP.
- 9.2.2 Staff that have successfully passed the BPI QCI Certification exam and received a certificate will be eligible to conduct final inspections. As a micro-credential, prior successful completion of the BPI Energy Auditor certification also will be required.
- 9.2.3 Certified QCIs can be employed by third party organizations or weatherization Contractors that possess the required BPI Quality Control Inspector Certification.
- 9.2.4 The Quality Control Certification identification number of the QCI providing the post-inspection shall be identified on the Agency Post Inspection Report (CSD 611).

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9.3 Contractor Licensing

Contractors, unless otherwise exempt, or their subcontractors who perform basic weatherization services under this Contract shall comply with the TRM and following licensing requirements:

- 9.3.1 Possess and maintain an active Class “B” General Building Contractor license, issued by the Contractors State License Board (CSLB) in the name of the Contractor/qualifying individual;
- 9.3.2 Fulfill the requirements of, and receive certification pursuant to the Toxic Substances Control Act, Section 402 (15 USC § 2601 et seq.; 40 CFR § 745.226 & 227);
- 9.3.3 Contractor, unless otherwise exempt from the licensing requirement, shall upload and maintain a copy of the current Class “B” CSLB license into the CSD Training Portal.
- 9.3.4 Contractor is responsible for ensuring that all subcontractors have an active license and are in good standing with CSLB for the duration of the subcontract; and
- 9.3.5 Contractor shall immediately notify CSD when any changes in licensing occur.

9.4 Special Licensing - Weatherization

- 9.4.1 Special licensing may be required for the installation and/or repair of Evaporative Cooler, Cook Top and 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.
- 9.4.2 Specialty subcontractor shall possess all applicable licenses as required by the CSLB to carry out installation and/or repairs. Specialty licensing is required for specific measures and includes: C-10 Electrical Contractor (including electrical wiring upgrade/replacement and knob and tube wiring certification); C-20 Warm-Air Heating, Ventilation and Air-Conditioning Contractor; C-36 Plumbing Contractor; C-46 Solar Contractor; C-47 Mobile Home Contractor; and D-65 Weatherization Energy Conservation.

9.5 Environmental Protection Agency (EPA) Certifications

- 9.5.1 All contractors providing services utilizing in-house crews shall be certified as an EPA Certified Firm in accordance with EPA’s Renovation, Repair and Painting Program requirements (40 CFR Part 745). Contractors who subcontract all of their

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weatherization services are required to be certified and shall have at least one EPA Certified Renovator on staff for subcontractor oversight purposes.

9.5.2 Contractor shall ensure that all subcontractors whose work potentially disturbs lead paint are EPA Certified Firms and have EPA Certified Renovators on staff.

9.5.3 Any contractor without the required certification will not be allowed to perform weatherization services.

9.6 Additional Mandatory Training

Contractor must participate in mandatory training such as eligibility start-up training, TRM-specific trainings, contract review webinars, monitoring trainings, and other trainings CSD deems mandatory. CSD will notice Contractor with a minimum of 10 business days prior to these training opportunities.

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ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES

10.1 Right to Monitor, Audit, and Investigate

- 10.1.1 Any duly authorized representative of the federal or state government, which includes but is not limited to the federal offices of inspectors general, the State Auditor, CSD staff, and any entity selected by CSD to perform inspections and/or investigations, shall have the right to monitor and audit Contractor and all subcontractors providing services under this Contract through on-site visits, audits, and any other appropriate means CSD deems necessary.
- 10.1.2 Contractor shall, upon reasonable notice, make available all information and materials reasonably necessary for CSD to substantiate to its satisfaction that expenditures incurred under this Contract are allowable and allocable, including, but not limited to files, books, documents, papers, and records. Contractor agrees to make such information and materials available to the federal government, the State, or any of their duly authorized agents or representatives, for purpose of examination, copying, or mechanical reproduction, on or off the premises of the subject entity.
- 10.1.3 Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance 42 USCS § 6866 and 10 CFR § 440.23, as amended.
- 10.1.4 All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Contract shall contain a clause allowing CSD or any duly authorized agent or representative of the federal or state government timely access to the working papers of the audit firm(s).

10.2 Auditing Standards and Reports

10.2.1 Auditing Standards

- 10.2.1.1 *Applicability.* The standards set forth 2 CFR 200 Subpart F, Audit Requirements, are hereby incorporated by reference.
- 10.2.1.2 *Supplemental Audit Guide.* In addition to the audit requirements specified above, Contractor must follow the most current CSD Supplemental Audit Guide, incorporated into this Contract by reference in the Table of forms and Documents Incorporated by Reference. The Supplemental Audit Guide may be accessed at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

10.2.2 Audit Reports

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10.2.2.1 Funds provided under this Contract shall be included in an audit conducted in accordance with the provisions of 2 CFR Part 200 Subpart F – Audit Requirements (§§ 200.500-521), standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in the U.S. Government Accountability Office’s “Government Auditing Standards, July 2018 Revision”, as amended April 2021.

February 2024 revision of Government Auditing Standards is effective for financial audits, attestation engagements, and reviews of financial statements for periods beginning on or after December 15, 2025, and for performance audits beginning on or after December 15, 2025.

10.2.2.2 Organizations below audit threshold. Contractors falling below the federal funding threshold, set in 2 CFR § 200.501, that mandates a single audit may be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30 calendar days written notice.

10.2.2.3 The financial and compliance audit report shall contain the following supplementary financial information: a Schedule of Expenditures of Federal Awards (SEFA) in accordance with 2 CFR § 200.510(b). All DOE contracts shall be reported separately on the SEFA. In addition, a Supplemental Statement of Revenues and Expenditures (SSRE) for each contract that presents, by budget line item and Contractor’s fiscal year, revenue and expenditures for the audit period. The SSRE shall cover the entire contract term as required in CSD’s Supplemental Audit Guide.

10.2.3 Submission of Audit Reports. Contractor shall submit to CSD one electronic copy of the required audit report(s) and any management letter(s) issued by the accountant, within the earlier of 30 calendar days after receipt of the auditor’s report(s), or nine months after the end of the Contractor’s fiscal year.

10.2.4 Failure to File IRS Form 990 for Tax-Exempt Organizations. If Contractor fails to file Form 990 timely, Contractor must provide:

10.2.4.1 Evidence of an extension request with an estimated timeframe for submission; or

10.2.4.2 An explanation of why Contractor does not plan to file Form 990.

10.2.5 The audit report(s) and all supplemental financial information must be submitted to the following addresses:

Electronic copy:

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SUBVENTION CONTRACTaudits@csd.ca.gov.

Upon receipt of the audit report, CSD's Audit Services Unit (ASU) will send a confirmation email within five to ten business days. Contractor should verify receipt of ASU's confirmation email to ensure its single audit was received.

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, you may submit your reporting package to the SCO via the SCO's Data Exchange Portal (DEP), or by U.S. Postal Service or private carrier. Reports submitted via DEP must be uploaded as unsecured PDFs.

10.2.6 Failure to Comply with Audit Reporting Requirements

If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Contract, CSD may impose additional conditions, as described in 2 CFR § 200.208 and [CPN A-24-01](#). If CSD determines that noncompliance cannot be remedied by imposing additional conditions, CSD may take one or more of the following actions, as appropriate in the circumstances, as provided in 2 CFR § 200.339 – § 343, Remedies for Noncompliance:

10.2.6.1 Temporarily withhold payments until the recipient or subrecipient takes corrective action;

10.2.6.2 Disallow costs for all or part of the activity associated with the noncompliance of the recipient or subrecipient;

10.2.6.3 Suspend or terminate the Federal award in part or in its entirety;

10.2.6.4 Initiate suspension or debarment proceedings as authorized under 2 CFR Part 180, and the Federal awarding agency's regulations, or for pass-through entities, recommend suspension or debarment proceedings be initiated by the Federal agency;

10.2.6.5 Withhold further Federal funds (new awards or continuation funding) for the project or program; or

10.2.6.6 Pursue other legally available remedies.

10.2.7 Collection of Disallowed Costs based on an Audit Transmittal Report (TR)

10.2.7.1 If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs CSD shall, after consideration of Contractor's submission, issue a final TR, no later than 30 calendar days

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after receipt of Contractor's information or documentation. If questioned costs are determined to be owing, ASU shall notify CSD's Fiscal Accounting Services Unit (FASU) to send an invoice. Contractor will tender payment to FASU or respond with a repayment plan acceptable to FASU.

10.2.7.2 All statements, notices, responses and demands issued in accordance with Article 10.2.7 shall be in writing.

10.2.7.3 CSD may, at its discretion, reasonably extend the time periods allowed for responses specified in this Section 10.2.7.

10.3 Compliance Monitoring

10.3.1 As the recipient of federal DOE WAP grant funds under this Contract, Contractor must substantiate that all costs claimed pursuant to this Contract are allowable and allocable under all applicable federal and state laws. To be entitled to reimbursement, Contractor must trace all allowable costs to the level of expenditure, to include providing supporting documentation reasonably necessary to substantiate the validity of such claim.

10.3.2 As the administrator of the DOE WAP grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal law, and for allowable and allocable costs under the applicable rules of the Code of Federal Regulations.

10.3.3 CSD is required to conduct on-site or in-house and follow-up monitoring of Contractor to ensure that Contractor meets the expenditure and unit production targets, administrative standards, financial management requirements, and other requirements of the federal program.

10.3.4 CSD shall provide Contractor reasonable advance notice in writing of on-site and/or in-house review monitoring reviews of Contractor's program or fiscal performance.

10.3.5 Over the course of the DOE Contract term, CSD will perform in-house desk reviews to verify compliance with financial and administrative requirements, and follow-up on prior year monitoring reporting findings and observations. Desk reviews will consist of a questionnaire that contractors will be required to complete and return to CSD within 30 calendar days from receiving the questionnaire. CSD anticipates conducting a minimum of one desk review during the term of the Contract period and may elect to increase the number and frequency of desk reviews based on the severity of non-compliance issues identified during the desk review process.

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- 10.3.6 For contractors that did not receive 2022 or 2023 DOE funding, CSD will conduct quarterly client file reviews to meet the minimum annual client file review requirement, which is 10% of total client files or 10 total files, whichever is greater. If Contractor received 2022 or 2023 DOE funding and had no performance issues, CSD will conduct quarterly client file reviews to meet the minimum annual client file review requirement, which is 5% of total client files or 5 total files, whichever is greater. Files will be reviewed to verify compliance with DOE mandates to include, but not limited to, client eligibility, adherence to the priority protocol and energy audit protocols, completion of post-inspections, and assessment for mechanical ventilation. CSD shall notify Contractor of the client files requested, and Contractor shall submit the client files within five business days.
- 10.3.7 CSD may increase the percentage of client files reviewed and frequency of client file reviews based on the severity of non-compliance issues identified during the client file review process.
- 10.3.8 CSD will conduct monthly review of expenditure status to ensure contractors are meeting their expenditure and unit production targets, in accordance with Article 10.5. CSD will follow up with Contractor if contractual targets are not being met.
- 10.3.9 In accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR § 200.337), 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 Contract. To the extent Contractor maintains records and documents in an electronic format, Contractor must make such records and documents readily available to CSD program and audit staff and other representatives: 1) for review on an appropriate electronic device provided by Contractor; and/or 2) for reproduction in electronic and/or hard copy format, as is necessary to affect the purposes of this paragraph. In order to realize the objectives of this subparagraph and to ensure that the integrity of the program, the proper expenditure of grant funds, and to prevent fraud, waste, abuse, and unjust enrichment, whether by design or inadvertence, Contractor shall cooperate with CSD as follows:
- 10.3.9.1 Upon request, provide a list of clients, jobs or properties to or for which DOE WAP services have been provided by Contractor, and to or for which Contractor has provided related services under other federal, State or non-governmental programs such as, but not limited to, public and private utility company programs, collectively “Associated Programs.”
- 10.3.9.2 With respect to such list of clients, jobs, or properties, provide CSD and/or the investigative entities or persons referenced in Article 10.1, access

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to client files or similar records and documents of the Associated Programs for the purpose of determining whether related services have been provided that result in duplicate billings or any violation of federal or State law, this Contract, or applicable federal and/or State DOE WAP guidelines.

10.3.9.3 For purposes of this Section 10.3.9:

10.3.9.3.1 “Duplicate billing” is defined as receiving reimbursement from more than one funding source for the same expenditures or costs, whether in whole or in part, that Contractor incurs in connection with rendering a service to or for a client, job, or property, resulting in a total reimbursement to Contractor, from all sources, in excess of actual expenditures or costs incurred.

10.3.9.3.2 To the extent necessary to realize the objectives of this article, the term “Contractor” includes any subcontractor or agent of Contractor in possession of the files, records, or documents or other information bearing on related services under any relevant Associated Program.

10.3.9.4 It is understood that Contractor has no obligation to provide access to the client files, records, and documents of an Associated Program when no DOE WAP services have been provided and the client, job, or property is not required to be on the list furnished to CSD by Contractor, as provided herein.

10.3.9.5 In the event Contractor is unable to comply with the provisions of subparagraphs 10.3.9.1 or 10.3.9.2 because of restrictions placed on Contractor by law in connection with an Associated Program, or restrictions imposed on Contractor pursuant to a binding written contract between Contractor and the funding source of such Associated Program, then Contractor shall so inform CSD by written declaration and provide supporting documentation for such declaration. Contractor shall, together with any declaration made, certify to CSD in writing that:

10.3.9.5.1 Contractor has not submitted duplicate billings to both DOE WAP and Associated Program.

10.3.9.5.2 Contractor has not otherwise engaged in similar actions in violation of federal or state law.

10.3.10 CSD will host a File Transfer Protocol (FTP) Server and provide Contractor with specifications, documentation and sample of FTP file configurations screens, as

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necessary, to enable Contractor to use the FTP Server to upload client files, records and documents. Contractor shall submit client files, records and documents via the FTP to allow CSD to complete an in-house review.

10.3.11 In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Contract, 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.

10.3.12 Collection of Disallowed Costs

10.3.12.1 In the event questioned costs are identified in a final decision on cost disallowance issued by CSD, Contractor shall comply with any demand for repayment, as specified in such final report.

10.3.12.2 *Time for response.* Contractor shall have no less than 30 calendar days from receipt of the final decision to tender payment to CSD or, alternatively, to provide CSD with complete and accurate information or documentary evidence in support of the allowability of questioned costs.

10.3.12.3 *Notice after review of further supporting evidence.* If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided above in subparagraph 10.3.12.2, CSD shall, after consideration of Contractor's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than 30 calendar days after receipt of Contractor's information or documentation. Contractor shall have 15 calendar days from receipt of such Notice to tender payment or a repayment plan acceptable to CSD. In the alternative, Contractor may request a hearing in accordance with Article 10.4, subparagraph 10.4.5.5 of this Contract, for CSD's final determination of disallowed costs.

10.3.12.4 All statements, notices, responses and demands issued in accordance with this paragraph shall be in writing.

10.3.12.5 CSD may, at its discretion, reasonably extend the time periods allowed for responses specified in this paragraph.

10.4 Enforcement Process - Noncompliance with Requirement of this Contract

10.4.1 Tax-Exempt Status Requirement

Nonprofit charitable organizations must maintain their 501(c)(3) tax-exempt

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status as a requirement for continued DOE grant reimbursements and participation under the Contract. All 501(c)(3) contractors shall notify CSD within one (1) business day upon revocation of their tax-exempt status and cease all work performed under this Contract. CSD will halt all payments to Contractor while its nonprofit, tax-exempt status is revoked. Work performed prior to the revocation, but billed after such notice is received, shall be timely reimbursed to the Contractor. In addition, CSD may take additional enforcement steps consistent with federal and state law and this Contract.

10.4.2 General

The authority for CSD Enforcement Actions, as defined in paragraph 10.4.3, for cost disallowances/ recovery of misused funds, and for de-designation of eligible entity status (collectively “Enforcement Process”) is found in the Code of Federal Regulations, and in state regulations, with particular reference to 22 CCR §100875. In order to facilitate compliance with the cited authorities, the parties to this Contract agree that: the present article 1) shall guide, inform and clarify the Enforcement Process; 2) shall establish the procedures to be followed; and 3) establish the rights and obligations of the parties with respect to the Enforcement Process, for purposes of implementing the principles set out in the applicable legal authorities.

10.4.3 Enforcement Action, “High Risk” – Determination and Notice

10.4.3.1 If CSD determines that Contractor is not financially stable and that Contractor’s financial condition is so tenuous that its ability to implement this Contract is seriously compromised, or if CSD determines that Contractor has not complied with the requirements of this Contract and that Contractor’s noncompliance constitutes a material breach of the Contract, CSD may initiate an Enforcement Action. For purposes of this article, “Enforcement Action” means the imposition of any of the following: a) special conditions and/or sanctions; b) a determination of cost disallowance; c) contract suspension; d) contract termination; or e) termination of Contractor’s service provider status.

10.4.3.2 To initiate an Enforcement Action, CSD must provide Contractor with written notice of “high risk” designation, setting forth: 1) the factual and legal basis for the determination of noncompliance, upon which the “high risk” designation is based; 2) the corrective action(s) required; and 3) the date by which they the corrective action(s) must be taken and completed.

10.4.3.3 For purposes of this article, “material breach” means any act or omission by Contractor that is in contravention or disregard of Contractor’s duties

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and obligations under the terms of this Contract and under applicable State and federal law, which act or omission:

- 10.4.3.3.1 Constitutes fraud or gross negligence by Contractor or its agent(s);
- 10.4.3.3.2 Is likely to result in significant waste and/or abuse of federal funds;
- 10.4.3.3.3 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;
- 10.4.3.3.4 Violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;
- 10.4.3.3.5 May have serious adverse effects and consequences on the Contractor's customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; or
- 10.4.3.3.6 May otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.

10.4.4 Special Conditions and Sanctions

- 10.4.4.1 "High risk" designation may include the imposition of 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 acute financial instability or a material breach of contract, as defined in paragraph 10.4.3, above.
- 10.4.4.2 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:
 - 10.4.4.2.1 The nature of the Special Condition(s) and/or Sanction(s) being imposed;
 - 10.4.4.2.2 The reason(s) for imposing Special Condition(s) and/or Sanction(s); and

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10.4.4.2.3 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).

10.4.4.3 Special Conditions may include, but are not limited to:

10.4.4.3.1 Obtaining training and/or technical assistance;

10.4.4.3.2 The imposition of special or additional reporting requirements;

10.4.4.3.3 Special or conditional cost reimbursement requirements and procedures;

10.4.4.3.4 The provision of documentation by Contractor; and/or

10.4.4.3.5 The requirement to amend or modify systems, procedures, and/or policies.

10.4.4.4 Sanctions may include, but are not limited to:

10.4.4.4.1 The suspension of advances and/or reimbursements; and/ or

10.4.4.4.2 The issuance of stop work orders.

10.4.4.5 Sanctions may not be imposed without a hearing being first held in accordance with applicable regulations, *unless* CSD reasonably determines on the basis of credible information that:

10.4.4.5.1 Substantial sums to be paid to Contractor have been or will be used in violation of law or the provisions of this Contract, or

10.4.4.5.2 The associated costs are otherwise very likely to be disallowed; and

10.4.4.5.3 If Sanctions are not immediately imposed, taxpayer dollars are at significant risk and are unlikely to be recovered.

10.4.4.6 Review of Special Conditions and/or Sanctions.

10.4.4.6.1 If Contractor elects to contest the action to impose Special Conditions and/or Sanctions, Contractor shall have five business days following receipt of Notice of Enforcement

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Action in which to show cause, in writing, why the Special Conditions or Sanctions should not be enforced;

- 10.4.4.6.2 CSD shall have five business 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.
- 10.4.4.6.3 Contractor may, within five business days of receipt of Notice of Enforcement Action, request an informal meeting for the parties to consider the merit of the Notice and to discuss alternative courses of action, which meeting CSD may agree to if, in its sole judgment, it determines the meeting would be helpful to the process, can be held expeditiously, and will not unduly cause delay or otherwise increase the risk of loss of taxpayer dollars.
- 10.4.4.6.4 Contractor may, at any time, request in writing that CSD initiate the contract suspension or contract termination processes, to include the requisite hearings, as set out in 22 CCR § 100875.
- 10.4.4.6.5 Should Contractor fail to show cause why the Enforcement Action should not go forward, or should Contractor fail to request that CSD initiate either the contract suspension or termination processes, CSD may initiate such action upon its own motion.
- 10.4.4.6.6 Special conditions and sanctions shall remain in effect until the hearing procedure is completed, provided, with respect to sanctions, CSD reasonably determines that subparagraph 10.4.4.5 applies.

10.4.5 Cost Disallowance

- 10.4.5.1 If Contractor's non-compliance with the terms of this Contract results in an enforcement action, and if CSD determines that Contractor's non-compliance has resulted in questioned costs, CSD shall provide Contractor with a Statement of Questioned Costs along with the Notice of Enforcement Action, or at such later time in the Enforcement Process as questioned costs have been identified.
- 10.4.5.2 The Statement of Questioned Costs shall include:
 - 10.4.5.2.1 A description of the costs questioned and the specified

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amount by type or category of costs;

10.4.5.2.2 The reason the costs are questioned, and the information and/or documentation required to justify payment of the costs; and

10.4.5.2.3 The timeframe and procedures for Contractor's submission of the required information or documentation to CSD.

10.4.5.3 If CSD determines that more information is required before a Statement of Questioned Costs can be issued or before a final determination of cost disallowance can be made, CSD may conduct an investigative audit of Contractor's records, files and books of account, or retain an audit firm for such purpose. Contractor agrees to cooperate fully in any audit conducted and to ensure that Contractor's agents, accountants and subcontractors cooperate in the performance of such audit. A report of any audit conducted shall be shared with Contractor, who shall be given ample opportunity to respond to findings and to submit information and documentation in support of the response. If Contractor fails to cooperate in the conduct of an audit, initiated pursuant to this subparagraph, CSD may either impose sanctions, as provided in subparagraph 10.4.4.4 or, if feasible, issue a Notice of Disallowed Costs.

10.4.5.4 After CSD has considered any information and/or documentation submitted by Contractor in response to a statement of questioned costs or in response to an investigative audit report, CSD shall issue a Notice of Disallowed Costs, which notice shall include:

10.4.5.4.1 The amount of disallowed costs to be repaid, if any; and

10.4.5.4.2 The date by which repayment must be made or, in the alternative,

10.4.5.4.3 The date by which Contractor must submit a proposed repayment plan for consideration by CSD.

10.4.5.5 Before the expiry of five business days after receipt of a Notice of Disallowed Costs, Contractor may challenge the Notice of Disallowed Costs by requesting a hearing, conducted in accordance with the procedures set out in 22 CCR § 100875, for the purpose of adjudicating the matter of cost disallowance, provided however that either Contractor or CSD may opt to adjudicate other pending Enforcement Action matters, as provided in subparagraph 10.4.4.6.4 of this section, in a combined proceeding.

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10.4.5.6 If Contractor fails to request a hearing to adjudicate cost disallowance, as provided in subparagraph 10.4.5.5, the Notice of Disallowed Costs shall be deemed final and Contractor shall comply with the provisions of the present Paragraph 10.4.5.

10.4.5.7 Contractor will not be deemed to have complied with a Notice of Disallowed Costs until repayment is made or CSD has approved a repayment plan. In determining the acceptability Contractor's repayment plan, CSD shall take into consideration such factors as, but not limited to:

10.4.5.7.1 Federal requirements or conditions applicable to the grant(s) under which the disallowed costs were funded;

10.4.5.7.2 The exigencies of the grant program and CSD's ability to reallocate the funds repaid or otherwise dispose of the funds in accordance with applicable law;

10.4.5.7.3 The risk of being unable to recover funding and the options for securing Contractor's repayment obligation; and

10.4.5.7.4 Contractor's financial condition and ability to pay.

10.4.6 Contractor shall remain on "high risk" until CSD reasonably determines that Contractor has complied with the requirements of the Notice of "High Risk" Designation, including verification by CSD that corrective measures have been implemented, that all conditions have been met and that disallowed costs have been repaid or, alternatively, that CSD has deemed Contractor's repayment plan to be acceptable and Contractor has demonstrated it is in compliance with the plan. Upon determination that Contractor has complied with the requirements of the Notice of "High Risk" Designation, CSD shall give Contractor written notice of such determination.

10.4.7 In the event Contractor's non-compliance with the terms and conditions of this Contract are not remedied through imposition of special conditions, and/or sanctions, thereby enabling CSD to remove "high risk" designation, CSD may initiate further Enforcement Actions involving Contract Suspension, Contract Termination and Termination of service provider status, which shall be initiated and conducted in accordance with the applicable provisions found in 22 CCR § 100875 and other applicable State and federal statutes and regulations.

10.4.8 Lien rights

The State retains lien rights on all funds advanced.

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10.5 Service Delivery and Expenditure Requirements

10.5.1 Service Delivery and Expenditure of Funds

10.5.1.1 Contractor shall be afforded maximum flexibility and control, within the parameters of federal law, in the planning, administration, and delivery of DOE WAP services. Regardless of the modalities and techniques utilized, Contractor shall: a) Ensure that the maximum numbers of persons are served consistent with the effective and efficient service delivery under program requirements and applicable law; and b) Expend at least 25% of program funds within the Contract term.

10.5.1.2 A substantial failure to expend funds and provide services to readily available qualified applicants, except for compelling reasons beyond Contractor's control and within CSD's determination, shall be deemed prima facie evidence of breach of contract and may constitute grounds for "high risk" designation and the applicable remedies as provided in Article 10.4, "Enforcement Process – Noncompliance with the Requirements of this Contract." Such failure of performance may, in accordance with the provisions of this Article, result in a reduction in Contractor's grant allocation and the redistribution of unexpended funds.

10.5.2 Contractor Performance Benchmark and Reporting Requirements

10.5.2.1 Contractor shall achieve 25% expenditure of the contract by June 30, 2026.

10.5.2.2 CSD will monitor Contractor's expenditures to evaluate compliance with meeting performance benchmark requirements of no less than 25% of the total allocation by June 30, 2026.

10.5.2.3 Contractor shall submit timely expenditure reports, that allow CSD to evaluate Contractor's compliance with required performance benchmark levels. Based upon these reports, CSD may determine that Contractor has not met its 25% expenditure requirement and is out of compliance with this Contract. CSD may reduce or eliminate Contractor's grant allocation for the following contract year if Contractor is out of compliance and has not met the expenditure requirements.

10.5.2.4 Should the Contractor's actual expenditure trend indicate the Contractor is unlikely to meet the performance benchmark requirement of 25%, CSD may, at its sole option, notify Contractor in writing that Contractor's total remaining allocation, including capped budget items, and the proportionate balance of Admin and T&TA budget items, shall be de-obligated and reallocated. Notice of such action shall be issued

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within 30 calendar days after Contractor's performance benchmark period as noted in Section 10.5.2.2.

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ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS

11.1 Certifications

11.1.1 Contractor's signature affixed to the Contract 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:

11.1.1.1 Drug-Free Workplace Requirements, Contractor Certification Clauses 04/2017 (CCC -04/2017)

11.1.1.2 National Labor Relations Board Certification (CCC -04/2017)

11.1.1.3 Expatriate Corporations (CCC -04/2017)

11.1.1.4 Domestic Partners (CCC -04/2017)

11.1.1.5 Labor Code/Workers' Compensation (CCC-04/2017)

11.1.1.6 Americans with Disabilities Act (CCC-04/2017)

11.1.1.7 Contractor Name Change (CCC -04/2017)

11.1.1.8 Resolution (CCC -04/2017)

11.1.1.9 Air or Water Pollution Violation (CCC -04/2017)

11.1.1.10 Safeguarding Access to State Data (Department of Finance, Budget Letter 04-35)

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

11.1.2 The above documents are hereby incorporated by reference into this Contract. To access these documents, please visit the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx> or <https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language> (CCC-04/2017).

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11.2 Provisions for Federally Funded Grants

11.2.1 Contractor certifies that it possesses legal authority to apply to the State for DOE WAP funds and assures compliance with the purposes as set forth in 42 USC §§ 6861 et seq., as amended.

11.2.2 Eligibility to Receive Federally Funded Public Benefits

Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (Public Law (Pub. L.) 104-193), as amended, and Executive Order W-13596, 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. (8 USC §§ 1611, 1612, & 1642.) Contractor shall verify client eligibility in accordance with CSD Applicant Verification of Eligibility Procedures and Regulations, forms, and other written guidance provided by CSD.

11.2.3 Under the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Section 508 (Pub. L. 104-208), and NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS, Section 432 (d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 USC § 1642 et seq.) as amended, Nonprofit charitable organizations are exempt from the requirement 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 8 USC § 1611(c)) or any State or local public benefit (as defined in 8 USC § 1621(c)) (8 USC § 1642(d)).

11.2.4 Federal Funding Accounting Accountability and Transparency Act Reporting Requirement (FFATA) (Pub. L. 109-282).

Pursuant to the FFATA, CSD is required to report information regarding Contractors (sub-awardees) receiving DOE WAP funds. Contractor must complete CSD Form 279 and return with the Contract to enable CSD to comply with FFATA reporting requirements.

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

11.3 Federal Certifications Regarding Debarment, Suspension, and Related Matters

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

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- 11.3.1 Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or agency;
- 11.3.2 Have not within a three (3) year period preceding this Contract 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, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- 11.3.3 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 Section 11.3.2 above of this certification; and
- 11.3.4 Have not within a three (3) year period preceding this Contract had one or more public (federal, state, or local) transactions terminated for cause or default.
- 11.3.5 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 Part I of the Contract. Based on the description, CSD in its discretion may decline to execute this Contract or set further conditions of this Contract. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Contract, and CSD may terminate this Contract for cause immediately pursuant to the termination provisions of State and federal law governing the DOE WAP.
- 11.3.6 As provided in this article, 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.

11.4 Affirmative Action Compliance

- 11.4.1 Each Contractor or subcontractor with 50 or more employees and contract of \$50,000 or more shall be required to develop a written Affirmative Action Compliance Program.
- 11.4.2 The written program shall follow the guidelines Equal Employment Opportunity clause obligations set forth in 41 of the Code of Federal Regulations, Subtitle B, Part 601.40, Part 602.10 through 602.32, and Part 60741.1 through 60741.47.
- 11.4.3 Each Contractor or subcontractor with less than 50 employees shall comply with Executive Order 11246, Part II, Section 202, as amended by Executive

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Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full, with the requirements thereof.

11.5 Nondiscrimination Compliance

11.5.1 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.

11.5.2 Contractor hereby certifies compliance with the following:

11.5.2.1 Title VI and Title VII of the Civil Rights Act of 1964, as amended (42 USC §§ 2000d et seq. and 2000e et seq.);

11.5.2.2 The Rehabilitation Act of 1973, as amended (29 USC §§ 701 et seq.);

11.5.2.3 Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 USC § 4212 et seq.; 41 CFR Subtitle B, Part 60-300);

11.5.2.4 Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (regulations implementing Executive Orders 11246 and 11375) (41 CFR Subtitle B, Chapter 60, as amended); and

11.5.2.5 Americans with Disabilities Act of 1990 (Pub. L. 101-336, 42 USC § 12101 et seq.).

11.6 Contractor Fair Hearing - Civil Rights Act Violation

11.6.1 In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, (42 USC § 2000d et seq.), 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.

11.6.2 The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations, Part 81.

11.7 Specific Assurances

11.7.1 Pro-Children Act of 1994

11.7.1.1 This Contract incorporates by reference all the nonsmoking policy provisions set forth in the Pro-Children Act of 1994 (20 USC § 6083).

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11.7.1.2 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.

11.7.2 American-Made Equipment/Products

Contractor shall assure, pursuant to the Buy American Act of 1933 (41 USC § 8301 et seq.), to the extent practicable, that all equipment and products purchased with funds made available under this Contract shall be American made.

11.7.3 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 (federal and Cal/OSHA); the California Safe Drinking Water and Toxic Enforcement Act of 1986 (Health & Safety Code §§ 25249.5 et seq.); Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program) (60 FR 25492, codified at 40 CFR Part 273); and California Workers' Compensation laws (Labor Code §§ 3200 et seq.).

11.7.4 Political Activities

11.7.4.1 Contractor shall refrain from all political activities if such activities involve the use of any funds that are the subject of this Contract.

11.7.4.2 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 Contract.

11.7.5 Lobbying Activities

11.7.5.1 Contractor shall refrain from all lobbying activities if such activities involve the use of any funds that are the subject of this Contract or any other fund, programs, projects, or activities that flow from this Contract.

11.7.5.2 If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, as required by federal law under 2 CFR § 200.450.

11.7.6 Performance of Work in United States

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All work performed under this Award must be performed in the United States. If the Contractor fails to comply with the Performance of Work in the United States requirements, the Contractor will not be reimbursed for work performed.

11.7.7 Use of Program Income

If the Recipient earns program income during the project period as a result of this Award, the Recipient may add the program income to the funds committed to the Award and use to further eligible project objectives.

11.8 Publications

11.8.1 Contractor is encouraged to publish or otherwise make publicly available the results of the work conducted under the award, subject to compliance with Section 11.8.2 below.

11.8.2 An acknowledgment of DOE support and a disclaimer must appear in the publication of any material, whether copyrighted or not, based on or developed under this project, as follows:

Acknowledgment:

“This material is based upon work supported by the Department of Energy [National Nuclear Security Administration] [add name(s) of other agencies, if applicable] under Award Number(s) [enter the award number(s)].”

Disclaimer:

“This report was prepared as an account of work sponsored by an agency of the United States Government. Neither the United States Government nor any agency thereof, nor any of their employees, makes any warranty, express or implied, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by trade name, trademark, manufacturer, or otherwise does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof.”

11.9 Decontamination and/or Decommissioning (D&D) Costs

Notwithstanding any other provisions of this Contract, neither the State nor Federal Government shall not be responsible for or have any obligation to the recipient for: (i) Decontamination and/or Decommissioning (D&D) of any of the recipient's facilities, or (ii) any costs which may be incurred by the recipient in connection with the D&D of any

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of its facilities due to the performance of the work under this Contract, whether said work was performed prior to or subsequent to the effective date of this Contract.

11.10 Executive Order N-6-22 Russia Sanctions

On March 4, 2022, Governor Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering into any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

11.11 Prohibition on Certain Telecommunications and Video Surveillance Equipment or Services

11.11.1 As set forth in 2 CFR 200.216, Contractor is prohibited from obligating or expending project funds (federal and non-federal funds) to:

11.11.1.1 Procure or obtain covered telecommunications equipment or services;

11.11.1.2 Extend or renew a contract to procure or obtain covered telecommunications equipment or services; or

11.11.1.3 Enter into a contract (or extend or renew a contract) to procure or obtain covered telecommunications equipment or services.

11.11.2 As described in section 889 of Public Law 115-232, “covered telecommunications equipment or services” means any of the following:

11.11.2.1 Telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities);

11.11.2.2 For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities);

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11.11.2.3 Telecommunications or video surveillance services provided by such entities or using such equipment; and

11.11.2.4 Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

11.11.3 For the purposes of this section, “covered telecommunications equipment or services” also include systems that use covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. For additional information, see section 889 of Public Law 115-232 and § 200.471.

11.12 Trafficking in Persons

11.12.1 Non-Profit contractors and non-profit contractor’s employees must not engage in:

11.12.1.1 Severe forms of trafficking in persons;

11.12.1.2 The procurement of a commercial sex act during the period of time that this award or any subaward is in effect;

11.12.1.3 The use of forced labor in the performance of this award or any subaward; or

11.12.1.4 Acts that directly support or advance trafficking in persons, including the following acts:

11.12.1.4.1 Destroying, concealing, removing, confiscating, or otherwise denying an employee access to that employee’s identity or immigration documents;

11.12.1.4.2 Failing to provide return transportation or pay for return transportation costs to an employee from a country outside the United States to the country from which the employee was recruited upon the end of employment if requested by the employee, unless:

11.12.1.4.2.1 Exempted from the requirement to provide or pay for such return transportation by the federal department or agency providing or

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entering into the grant or cooperative agreement; or

11.12.1.4.2.2 The employee is a victim of human trafficking seeking victim services or legal redress in the country of employment or a witness in a human trafficking enforcement action.

11.12.1.4.3 Soliciting a person for the purpose of employment, or offering employment, by means materially false or fraudulent pretenses, representations, or promises regarding that employment;

11.12.1.4.4 Charging recruited employees a placement recruitment fee; and

11.12.1.4.5 Providing or arranging housing that fails to meet the host country's housing and safety standards.

11.12.2 Employee means either:

11.12.2.1 An individual employed by the recipient or a subrecipient who is engaged in the performance of the project or program under this award; or

11.12.2.2 Another person engaged in the performance of this project or program under this award and not compensated by the recipient including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing requirements.

11.12.3 The terms "severe forms of trafficking in persons," "commercial sex act," "sex trafficking," "Abuse or threatened abuse of law or legal process," "coercion," "debt bondage," and "involuntary servitude," have the meanings given at Section 103 of the TVPA, as amended (22 U.S.C. 7102).

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STATE CONTRACTING REQUIREMENTS GTC 02/2025

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 02/2025

Contractor may find the required California General Terms and Conditions (GTC 02/2025) at the following web address:

[Standard Contract Language](#)

SUBVENTION CONTRACT**ARTICLE 13 - DEFINITIONS**

All terms used in this Contract shall be those as defined in applicable federal and state law (see 42 USC §§ 6861 et seq.) and regulation (see 2 CFR Part 200 and 10 CFR Part 440), or as more specifically defined as:

Administrative Costs: Actual costs for auxiliary functions such as salaries, wages, workers compensation, and fringe benefits for administrative staff, facilities, utilities, office and computer 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. Includes incurred costs associated with participation and attendance to policy advisory committee meetings and workgroups.

Amendment: A formal change to the Contract of a material nature including but not limited to the term, scope of work, or name change of one of the Parties, or a change of the maximum amount of this Contract.

Ancillary Supplies: Ancillary supplies are additional low-cost materials or supplies (e.g., nuts, bolts, screws, and washers) necessary to install a weatherization measure and not easily identifiable to a specific measure or dwelling. Costs of ancillary supplies that benefit multiple programs must be prorated accordingly. Costs must be directly associated to net changes in inventory and not associated with materials chargeable to another measure line item. Reimbursement for ancillary supplies is not allowable for subcontractors.

Authorized Agent: The duly authorized representative of the Board of Directors of Contractor and duly elected or appointed, qualified, and acting officer of CSD. In the case of Contractor, CSD shall be in receipt of board resolution affirming an agent's representative capacity to bind Contractor to the terms of this Contract.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Public Health, as a lead-related construction Inspector/Risk Assessor.

California Energy Commission (CEC) Climate Zone: The CEC established 16 climate zones that represent a geographic area and that have a particular weather pattern. These climate zones are based on energy use, temperature, weather, and other factors that determine the types of building standards that are subject to the Title 24 Energy Efficiency Standards and that dictate the energy conservation measures that must be installed in a weatherized dwelling, as required by law.

Call-Back: A call-back occurs when a measure fails (either during inspection, or later within the warranty period) and must be corrected by an agency. The required warranty

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periods are defined in CSD TRM. Warranty corrections are required under both LIHEAP and DOE WAP, however, under DOE WAP, Contractor is required to notify CSD for billing instructions and DOE is required to be notified of all call-backs.

Certification Date: The date the applicant is deemed eligible and the agency commits to provide services. The certification date should not be before the intake date.

Certified Lead-Free: Residential property that has been determined by a California Certified Inspector/Risk Assessor Contractor to be absent from the presence of lead-based paint.

Certified Lead-Safe: Residential property in which lead-painted surfaces are intact and/or have been treated with measures to stabilize and eliminate lead-paint hazards and that, as such, poses no immediate threat to the occupants as determined by a California Certified Inspector/Risk Assessor Contractor.

Certified Translator: A translator that has been certified to translate a specific language and are often members of a professional translation association such as American Translators Association and American Literary Translators Association, etc.

Children: Members of a household who are 19 years of age or younger.

Client Education/Counseling: Includes, but is not limited to, providing client with written information describing energy-saving behavioral adjustments that will decrease the energy consumption of the household; providing client with resource information, referral, and budget counseling in order to assist clients in achieving self-sufficiency; providing client with mold and lead-safe education and advising client of the benefits of weatherization in their homes.

Client Needs Assessment: The act of acquiring additional and appropriate information from an eligible client to determine the needs that can be served by Contractor and other available programs AFTER eligibility has been established.

Contract: The complete contents of this contract entered into by and between CSD and Contractor, including all rights, duties, and obligations, whether expressed or implied, required toward the legal performance of the terms hereof.

Contractor: The entity (partnership, corporation, agency, or association) designated on the face sheet (STD 213) of this Contract.

Contractor Average Cost Per Unit (ACPU): Represents the maximum allowable average cost per dwelling unit for weatherization services, defined as the aggregate of Total Program Operations divided by number of units completed. Under this contract, the Contractor maximum allowable ACPU for Annual DOE WAP Program Year

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2025 (January 1, 2026 through September 30, 2026) is set at \$8,547. This average also applies to units completed in a multifamily building of 5 units or greater.

The formula for determining the Contractor ACPU is:

Total Program Operations divided by Total Completed Units

Total Program Operations consists of the following:

- Outreach and Its Related Costs
- Direct Program Activities*
- Major Vehicles and Equipment Purchases (more than \$10,000)
- Minor Vehicle & Field Equipment (less than \$10,000)
- General Operating Costs
- Other Program Costs (refer to list below)
- Automation Costs

Other Program Costs consist of the following:

- Wages – Field Staff
- Wages – Program Management & Support*
- Workers' Compensation
- Travel and Per Diem*
- Disposal Fees
- Ancillary Supplies*
- Waste Breakage
- Vehicle & Equipment Repair, Maintenance, Fuel
- Historic Preservation Review Costs*

* Assessments / Inspections / Diagnostics and Health and Safety measures in the cost areas with asterisks are exempt from the ACPU formula.

CSD: The Department of Community Services and Development, State of California.

CSD Program Advisory (CPA): The purpose of the CPA is to provide information, correct problems, contradictions and uncertainty. A CPA serves as short-term guidance or transitional in nature, to inform or direct immediate action to correct a problem or provide relief from an obligation.

CSD Program Notice (CPN): The purpose of the CPN is to supplement contractual requirements and facilitate program implementation. A CPN serves as long term guidance to summarize or interpret regulations or contract requirements.

Database Transfer: A method wherein contractors utilize a local database platform to provide CSD with downloaded client and other program data.

Table of Forms and Documents Incorporated by Reference

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Diagnostic Testing: Series of testing protocols performed under the weatherization program involving the use of specialized tools to assess: the operating condition of combustion appliances for general safety and carbon monoxide emission levels, and pressurized diagnostic testing procedures to assess the integrity of building envelopes and duct systems for leakage and outside air infiltration. Diagnostic tests shall only be performed by qualified individuals possessing the required skill and training needed to perform diagnostic testing activities.

Direct Program Activities: Activities associated with the installation of measures in dwellings to include labor, materials, subcontractors, and lead-safe weatherization materials, and other program costs.

Disposal Fees: A fee or expense charged by a third-party waste removal entity and/or the direct cost incurred by a contractor for the action of removing or getting rid of refuse, unwanted, and/or hazardous materials left over from the weatherization process.

DOE: The United States (U.S.) Department of Energy that provides funds for the Weatherization Assistance Program for Low-Income Persons. This program is authorized by Title IV of the Energy Conservation and Production Act (Pub. L. 94385). The federal regulations for this program are in 10 CFR Part 440 and DOE Financial Assistance Rules at 2 CFR 200.

Dwelling Assessment: The process used to evaluate the service needs of an eligible dwelling for weatherization services offered under the DOE and LIHEAP weatherization programs. An assessment shall be performed by qualified individuals possessing the required skill and training needed to perform assessment activities.

Dwelling Unit: A house, including a stationary mobile or manufactured home, an apartment, a group of rooms, or a single room occupied as separate living quarters.

Electronic File: A contract or other record created, generated, sent, communicated, received, or stored by electronic means.

Elderly: An individual 60 years of age or older.

Energy Audit: An energy audit is an analysis tool intended to be used by the weatherization agencies for the purpose of determining a list of cost-effective measures for a specific dwelling.

Energy Burden: The expenditures of the household for home energy divided by the income of the household.

Environmental Testing: Environmental testing is limited to asbestos testing when a major energy savings measure might be sacrificed as a result of Presumed Asbestos Containing Material (e.g., for vermiculite insulation) and shall be in accordance

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with all CSD policies and procedures and in compliance with all Federal and State regulations. Allowable costs include actual labor costs while on the jobsite and testing fees.

Estimated Budget Allocation: The estimated dollar amount of DOE annual funding, based on the Final Allocation from the 2025 DOE WAP Contract, used to facilitate the completion of budgets, fiscal and local planning efforts in the event this Contract is executed prior to federal authorization of the full annual allocation of DOE funding and funded under Continuing Resolution appropriations.

Final Allocation: The actual amount of funds available to Contractor under this Contract after CSD receives the notice of grant award for the full annual allocation based on the appropriation by Congress for Federal Fiscal Year 2025, and DOE's approval of the Weatherization Grant Application, as publicly announced by CSD's Director or designee, subsequent to the execution of this Contract.

General Heat Waste Measures: A subcategory of weatherization measures designed specifically to improve energy efficiency by reducing general heat and cooling waste within the dwelling. General Heat Waste Measures include: air conditioning/furnace filter replacements, hot water flow restrictors and low-flow showerheads, water heater blankets, and water heater pipe wrap.

General Operating Costs: Costs that are directly allocable to those costs defined as related facilities, office and computer equipment, office supplies, telephone, travel and materials, and activities to prevent exposure to COVID-19 as allowable program costs.

Hazardous Condition: Any condition posing an immediate health and safety threat to the client and/or persons working in the dwelling unit. Hazardous conditions include, but are not limited to: Combustion Appliance Safety (CAS) hazards, appliance-related hazards, and electrical hazards as defined in the CSD TRM.

Health and Safety Activities: A subcategory of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. The measures include CO alarms, smoke alarms, heating/cooling, mechanical ventilation, water heater repairs and replacements, thermostats, lead-safe weatherization and kitchen exhaust repair and replacements. When heating or cooling (and their associated thermostat) and water heaters will be repaired or replaced under DOE WAP, these measures will require an energy audit. Costs associated with Health and Safety measures are limited to the allowable maximum amount specified in the DOE WAP Budget and are excluded from the calculations for the Contractor Average Cost Per Unit.

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Health and Safety Allowable Max Percentage: A category of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. Health and Safety Activities may include installation of measures such as CO alarms, smoke alarms, heating/cooling, mechanical ventilation, water heater repairs and replacements, thermostats, lead-safe weatherization and kitchen exhaust repair and replacements among others. The classification of measures is not included in the Contractor ACPU calculation but is subject to a separate Health and Safety allowable maximum percentage.

Health and Safety Formula: The formula to calculate the allowable maximum for Health and Safety expenditures is:

Program Operations (refer to Program Operations – Article 13 Definitions)
multiplied by the current Health and Safety Allowable Maximum Percentage.

Heating/Air Conditioning Appliance Repairs/Replacements: The complete unit replacement adjustments of gas pressure and/or air/fuel mixture, replacement of thermocouples, adjustment of refrigerant charge, filter replacements, or other component repairs or replacements necessary for safe and efficient operation.

High Residential Energy User: A low-income household whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the State.

Home Energy Rating System (HERS) Provider, also referred to as HERS Rater: An entity or individual recognized by the California Energy Commission as a HERS Provider and certified in performing the necessary field and diagnostic testing verifications for demonstrating compliance with the 2016 Building Energy Efficiency Standards. HERS will be renamed as Energy Code Compliance (ECC) Program beginning January 1, 2026.

HUD Unit: A housing unit participating in a U.S. Department of Housing and Urban Development (HUD) Assisted Housing Program.

Infiltration Reduction Measures: A subcategory of weatherization measures installed in or applied to dwellings to reduce or stop the uncontrolled flow of conditioned air out of the dwelling or the uncontrolled flow of outside air into conditioned areas in the dwelling. Infiltration reduction is best accomplished with shell leakage technology.

Intake Date: The date the agency receives or accepts the application.

Intellectual Property: Patents, trademarks, copyright, mask works, protected data, and other forms of comparable property protected by Federal law and foreign counterparts.

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Knob and Tube Wiring: Costs to obtain knob-and-tube wiring “Notice of Survey by Electrical Contractor” and installation of simple overcurrent protection (breakers or S-type fuses) shall be billed to “Mandatory Assessments and Diagnostics - Permits.”

Liability Insurance: Insurance coverage to protect against claims alleging one’s negligence or inappropriate action resulting in bodily injury or property damage. Related costs shall mean those actual costs allocated for insurance bonds, general liability insurance, and pollution occurrence insurance. Pollution occurrence insurance is optional.

Limited Home Repair: Limited Home Repair (LHR): Those repairs that have a direct association with weatherization measures being installed and are necessary for the effective performance or preservation of weatherization materials or are related to activities that eliminate a health and safety hazard that would otherwise prevent weatherization or protects/preserves the installation of a health and safety measure.

LHR shall NOT include:

- a. Any other measure or associated incidental repair that has a chargeable line item, including Minor Envelope Repair items.
- b. Repairs to the dwelling that are outside of the program scope, including but not limited to, handicap ramps, major roof repairs, or correction to structural issues that are a mandatory deferral condition.

Major Vehicle and Field Equipment Costs: Actual Costs associated with the purchase of the vehicle, office equipment and / or field equipment costing \$10,000 or more and used for the delivery of direct services. Pre-approval from the DOE is required. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing DOE pertaining to procurement standards.

Materials: Materials are those allowable items that are installed in or on the dwelling to promote energy conservation. All materials shall be in conformance with the CSD TRM and 10 CFR Part 440, Appendix A – Standards for Weatherization Materials.

Maximum Amount: The dollar amount reflected on line 3 of the face sheet (STD 213) of this Contract, as amended to reflect the Final Allocation for the term of this Contract.

Migrant Farm Worker: A seasonal farm worker who performs or has performed farm work during the eligibility determination period (any consecutive 12-month period within the 24-month period preceding application for program benefits and/or services) that requires travel such that the worker is unable to return to his/her

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domicile (permanent place of residence) within the same day. Migrant farm worker is not a term used in the contract but is captured for reporting purposes in CSD's Weatherization Database and Intake Form (CSD 43).

Minor Envelope Repairs: Those repairs that have a direct association with weatherization measures being installed, and are necessary to stop infiltration and general heat waste. Minor Envelope Repairs shall be limited to the following:

- a. Identified infiltration repairs, including the patching of holes in the building envelope (ceiling, floor, or walls) to the exterior that are too big to caulk;
- b. Sealing of thermal bypasses when no insulation will be installed;
- c. Replacement of missing or broken attic/crawl space access covers; installation of an access where one does not exist, or enlargement of an existing access; and
- d. Fireplace chimney damper repair or installation, or installation of glass fireplace doors when a damper is not feasible.

Minor Envelope Repairs shall NOT include:

- a. Any other measure or associated incidental repair that has a chargeable line item, including Limited Home Repair (LHR) items;
- b. Kitchen cabinet repairs and retrofits; and
- c. Repairs to the dwelling that are outside of the program scope, including but not limited to, handicap ramps, major roof repairs, or correction to structural issues that are a mandatory deferral condition.

Minor Vehicle and Field Equipment Costs: Actual costs associated with the purchase of vehicle, office equipment and field equipment with per unit fair market value of \$10,000 or less used for the purpose of delivery of direct services. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing DOE pertaining to procurement standards.

Mobile or Manufactured Home: A manufactured home regulated by the California Department of Housing and Community Development (HCD) that is built on a trailer chassis and designed for highway delivery to a permanent location, and it can be a single-, double-, or triple-wide home. To receive weatherization services under a CSD program, a mobile home must be a permanent, full-time residential dwelling with a floor area of at least 330 square feet.

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Modified Dwelling Assessment: The process used to evaluate the limited service needs of an eligible dwelling that has been previously weatherized under the DOE or LIHEAP weatherization programs. The assessment is limited in scope and does not encompass a re-assessment of the entire dwelling unless measures have exceeded their useful life under DOE. Assessments limited to ECIP EHCS work on dwellings not receiving weatherization services are to be included in the cost of the ECIP measure. An assessment shall be performed by qualified individuals possessing the required skill and training needed to perform assessment activities.

Modification: An immaterial change to this Contract that does not require an Amendment.

Multi-Unit Dwellings (MUDs) also known as Multi-Family Buildings (MFBs): Defined as residential dwelling structures containing multiple residential units within a single building, to include: duplexes, triplexes, fourplexes, and multi-unit apartments.

Natural Disaster: A weather event (relating to cold or hot weather), flood, earthquake, tornado, hurricane, or ice storm, or an event meeting such other criteria of the Department of Energy, in the discretion of DOE, may determine to be appropriate. For the purpose of the DOE WAP Disaster Relief Plan, emergency services may be provided to low-income individuals and families affected by a natural disaster when the event is declared by a Presidential or Gubernatorial Order as a Federal or State Emergency.

Nonprofit Charitable Organization: is defined by the Internal Revenue Code, Section 501(c)(3) (26 USC § 501(c)(3)). Section 501(c)(3) is a tax law provision granting exemption from the federal income tax to non-profit organizations. 501(c)(3) exemptions may apply to corporations, and any community chest, fund, or foundation, organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, or educational purposes, or to foster national or international amateur sports competition, or for the prevention of cruelty to children or animals.

Outreach and Its Related Costs: Outreach activities are designed to ensure that eligible households, especially households with elderly and/or disabled individuals with high home energy burdens, are made aware of the assistance available. Costs relating to these activities may include: developing outreach materials (flyer/brochure information packets), advertising costs, printing costs, outreach mailers to targeted households, travel to outreach sites and related facilities, site costs, and the referral of eligible households to assistance providers in the community. Intake and assisting with the completion of an intake form are not considered outreach or a related cost.

Parties: CSD on behalf of the State of California and the Contractor.

Primary Heating and Cooling Source: When a home has more than one heating and/or cooling source, one of the following shall be considered the primary unit:

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- a. The appliance that provides conditioned air for the dwelling's primary common living area (i.e., occupied during waking hours); or
- b. The unit providing conditioned air to the largest volume of living space; or
- c. The unit with the largest heating/cooling capacity/output (Btu or tons). In a two-story home that has a separate heating and/or cooling source on each floor, the unit on the ground floor is considered the primary heating and/or cooling source, with the following exception;
- d. If the larger capacity/output unit is upstairs, it may be considered the primary unit.

Only the primary heating and/or cooling source (one unit per dwelling) shall be repaired or replaced. It may be one that provides:

- a. Heating only; or
- b. Cooling only; or
- c. Heating and cooling.

Priority List: The list of energy conservation measures determined to be cost effective by a measure evaluation process. These measures may be installed in the specified type of dwelling in the specified climate zone without performing an energy audit. Allowable measures are contained in CSD's DOE Priority List Protocol.

Program: Weatherization services provided under 42 USC §§ 6861 et seq., as amended.

Program Income: Program income means gross income earned by the recipient or subrecipient that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in § 200.307(c). Program income includes but is not limited to income from fees for services performed, the use or rental of real or personal property acquired under Federal awards, the sale of commodities or items fabricated under a Federal award, license fees, and royalties on patents and copyrights, and principal and interest on loans made with Federal award funds. Interest earned on advances of Federal funds is not program income. Except as otherwise provided in Federal statutes, regulations, or the terms and conditions of the Federal award, program income does not include rebates, credits, discounts, and interest earned on any of them. See § 200.407. See also 35 U.S.C. 200-212 "Disposition of Rights in Educational Awards," which applies to inventions made under Federal awards.

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Program Operations: Program Operations is a mandated DOE budget category and is defined as the direct costs necessary to affect the weatherization of an eligible dwelling unit. Program Operations is comprised of the following CSD budget line items:

- a. Outreach
- b. Direct Program Activities
- c. Major Vehicle and Field Equipment (\$10,000 or greater)
- d. Minor Vehicle and Field Equipment (less than \$10,000)
- e. General Operating Costs
- f. Other Program Costs (refer to Other Program Costs – Article 13 Definitions)Automation Costs

Re-weatherization: Providing weatherization services to a dwelling that was previously weatherized under DOE WAP, DOE ARRA, HUD, USDA, LIHEAP, or other Federal Funds within the past 15 years from the date of post inspection.

Ride-along: A representative of the Contractor who accompanies a designated third-party inspector while performing on-site inspections. CSD requires that, when possible, a ride-along be sufficiently trained to make necessary corrections during inspections, thereby minimizing or eliminating the need for return trips that may inconvenience the client and/or require re-inspection in accordance with the CSD TRM.

Seasonal Farm Worker: A person who during the eligibility determination period (any 12-month period within the 24-month period preceding application for program benefits and/or services) was employed at least 25 calendar days in farm work or earned at least \$400 in farm work and who has been primarily employed in farm work on a seasonal basis, without a constant year-round salary. *Seasonal farm worker is not a term used in the Contract but is captured for reporting purposes in CSD's Weatherization Database and Intake Form (CSD 43).*

Separate Living Quarters: Living quarters in which the occupant(s) do not live and eat with any other person(s) in the structure and which have either: (1) direct access from the outside of the building or through a common hall; or (2) complete kitchen facilities for the exclusive use of the occupant(s). The occupant(s) may be a single family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Shelter: A dwelling unit or units whose principal purpose is to house on a temporary basis for individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit.

State: The State of California, Department of Community Services and Development.

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Subcontract: A separate contract or agreement entered into by and between Contractor and Subcontractor to fulfill direct program or administrative tasks in support of this Contract.

Subcontractor: An entity (partnership, corporation, association, agency, or individual) that enters into a separate contract or agreement with Contractor to fulfill direct program or administrative tasks in support of this Contract.

Training and Technical Assistance: Training and Technical Assistance activities are activities designed to aid in the development and skill of weatherization crewmembers and program staff in supporting the DOE program.

Vehicle Insurance: Insurance purchased for cars, trucks, and other vehicles related for the delivery of direct programs services.

Vendor: An individual, sole proprietorship, firm, partnership, corporation, or any other business venture from which materials and goods are supplied and purchased.

Vulnerable Populations: Young children (ages 19 years or under), disabled, and elderly persons (ages 60 or older).

Weatherization Training and Its Related Costs: Costs associated with the training of personnel or subcontractors as specified in Article 9.1 of this Contract. Training may also include internal contractor training, safety training, and attendance at weatherization-related training to include EPD system training or other forms of weatherization training sponsored by DOE, CSD and/or other organizations. Related costs may include salary/wages, materials, fees, and travel. Excludes incurred costs associated with participating and attendance at policy advisory committee meetings and workgroups.

Workers' Compensation: Insurance that covers medical and rehabilitation costs and lost wages for employees injured at work. Workers' Compensation shall mean those actual costs associated with workers' compensation coverage for program staff whose salaries and wages are chargeable under program costs.

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ARTICLE 14 - TABLE OF FORMS AND DOCUMENTS INCORPORATED BY REFERENCE

The following forms and documents are available on the CSD Local Agencies Portal website at <https://agencies.csd.ca.gov/home/Pages/Home.aspx>.

14.1 Forms to be returned with signed contract:

- 14.1.1 2025 DOE Weatherization Budget (CSD 570);
- 14.1.2 DOE Weatherization Priority Plan Narrative (CSD 793)
- 14.1.3 Certification Regarding Lobby/Disclosure of Lobbying Activities;
- 14.1.4 Executive Director and Board Roster (CSD 188); and
- 14.1.5 Federal Funding Accountability and Transparency Act Report (CSD 279).

14.2 The following documents are hereby incorporated by this reference:

- 14.2.1 [2025 DOE Numbers, Contractors, and Service Territories \(see most recent\)](#);
- 14.2.2 [Reimbursement Rates for Weatherization Activities \(see most recent\)](#);
- 14.2.3 Training Policies and Procedures (TPPM) Training Tables;
- 14.2.4 [Supplemental Audit Guide \(under “Contract Resources\)](#); and
- 14.2.5 Contractor’s Annual DOE WAP – Participation Requirements and Application.

14.3 The following CPAs and CPNs are incorporated by reference:

- 14.3.1 [CPA-A-12-01](#) Procedure Guidance with NCB Procurement Worksheet
- 14.3.2 [CPN-A-17-01](#) Equipment Use and Disposition Requirements
- 14.3.3 [CPN-A-18-01](#) Program Income
- 14.3.4 [CPA-E-18-005](#) Expenditure Reconciliation Policy and Procedure
- 14.3.5 [CPN-E-19-001](#) Working Capital Advance
- 14.3.6 [CPN-E-19-002](#) Energy Reimbursement Policies and Procedures
- 14.3.7 [CPN-E-20-01E](#) Guidance and Program Relief for Local service Providers Directly

(2025 DOE WAP Amendment Effective May 1, 2026)

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Impacted by the Novel Coronavirus (COVID-19)

- 14.3.8 [CPA-E-20-03](#) Removal of previously issued CSD Energy Division Program Advisories and Program Notices
- 14.3.9 [CPN-E-20-05](#) Transferring funds
- 14.3.10 [CPA-E-21-02E](#) Revised Weatherization Forms Implementation
- 14.3.11 [CPA-E-21-04](#) Previously Weatherized DOE WAP Dwelling Requirements
- 14.3.12 [CPN-E-23-01](#) Title 24 Updates
- 14.3.13 [CPN-E-23-03](#) Training Policies and Procedures Manual Release
- 14.3.14 [CPN-E-23-03M1](#) Training Policies and Procedures Manual Modification
- 14.3.15 [CPA-E-23-04](#) Establishment of Confirmation ID Codes to Facilitate the Validation and Reporting of Eligible DOE Dwellings
- 14.3.16 [CPN-E-23-08](#) Previously Weatherized Dwelling Verification
- 14.3.17 [CPN-E-23-08M1](#) Previously Weatherized Dwelling Verification
- 14.3.18 [CPN-A-24-01](#) Single Audit Requirements

Attachment C

RFQu CAARC-0069 Weatherization Subcontractors

Contractors	Amount Awarded	Period of Performance
Reliable Energy Management, Inc.	Not to Exceed \$1000000	July 1, 2026 - June 30, 2027
Staples & Associates, Inc.	Not to Exceed \$1000000	July 1, 2026 - June 30, 2027
Davies Home Solutions LLC	Not to Exceed \$1000000	July 1, 2026 - June 30, 2027
Oakridge Energy & Development Inc.	Not to Exceed \$1000000	July 1, 2026 - June 30, 2027