STATE OF CALIFORNIA
STANDARD AGREEMENT
STD. 213 A (Rev. 6/03)

265-F1811, A2

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AGREEMENT NUMBER	AMENDMENT NUMBER
18B-4007	**2**
REGISTRATION NUMBER **0000000000000000000010046.2**	

1. This Agreement is entered into between the State Agency and the Contractor named below

STATE AGENCY'S NAME
Department of Community Services and Development

CONTRACTOR'S NAME
El Dorado County Health and Human Services Agency

2. The term of this Agreement is : October 1, 2017 through July 31, 2019

3. The maximum amount of this Agreement is: Total $2,563,564.00

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

A. The maximum amount of this Agreement payable to Contractor by the State has changed from $1,796,760.00 to $2,563,564.00, reflecting an increase of $766,804.00.

B. The term of this Agreement is changed from October 1, 2017 through December 31, 2018 to October 1, 2017 through July 31, 2019.

C. Part I and Part II* are deleted in their entirety and replaced with the attached Part I and Part II*

All other terms and conditions shall remain unchanged.

Items shown with an Asterisk (*) are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be accessed at https://providers.csd.ca.gov/.

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

CONTRACTOR		**CALIFORNIA Department of General Services Use Only**
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)* **El Dorado County Health and Human Services Agency**		
BY *(Authorized Signature)* Patricia Charles-Heathers	DATE SIGNED *(Do not type)* 7-5-18	"I hereby certify that all conditions for exemption have been complied with, and this document is exempt from the Department of General Services approval."
PRINTED NAME AND TITLE OF PERSON SIGNING Patricia Charles-Heathers, Ph.D., MPA, Director, Health and Human Services Agency		
ADDRESS Suite B 3057 Briw Rd #A, Placerville, CA 95667		
STATE OF CALIFORNIA		
AGENCY NAME **Department of Community Services and Development**		
BY *(Authorized Signature)*	DATE SIGNED *(Do not type)* 7/16/18	
PRINTED NAME AND TITLE OF PERSON SIGNING **Brian Dougherty, Deputy Director, Administrative Services**		
ADDRESS **2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833**		☐ Exempt per _____

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Contents

PART I **1**

PREAMBLE **1**

ARTICLE 1 – SCOPE OF WORK **1**

1.1 General 1

1.2 Service Area 1

1.3 Term and Amount of Agreement 2

1.4 Service Area Expenditure Requirements 2

1.5 Program Authorities – Requirements, Standards and Guidance 2

1.6 Duplication of Services and Dwelling Interest Booking Services 5

ARTICLE 2 – CONTRACT CONSTRUCTION, ADMINISTRATION, PROCEDURE **7**

2.1 Base Contract and Whole Agreement 7

2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017" 8

2.3 Contractor's Option of Termination 8

2.4 Budget Contingencies 9

2.5 Miscellaneous Provisions 10

PART II **11**

SUBPART A – ADMINISTRATIVE REQUIREMENTS **11**

ARTICLE 3 – AGREEMENT CHANGES **11**

3.1 Amendment 11

3.2 Minor Modifications 11

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES **12**

4.1 Board Roster, By Laws, Resolution, and Minutes 12

4.2 Internal Controls Requirements 13

4.3 Record Retention Requirements 13

4.4 Insurance and Fidelity Bond 14

4.5 System Security Requirements....16
4.6 Travel and per diem....18
4.7 Codes of Conduct....19
4.8 Conflict of Interest....19
4.9 Procurement Standards....20
4.10 Use and Disposition of Vehicles and Equipment....22
4.11 Subcontracts (CSD)....25
4.12 Complaint Management Policies and Procedures....26
4.13 Fair Hearing Process for Applications for Denial of Benefits by Contractor:....27
4.14 Fraud, Waste and Abuse....28

SUBPART B – FINANCIAL REQUIREMENTS....29
ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS....29
5.1 Budget Guidelines....29
5.2 Utility Assistance Expenditure Requirements....31
5.3 Working Capital Advance and Major Purchase Advances....31
5.4 Program Income....35
5.5 Wood, Propane and Oil Returned Payments....36
5.6 Allowable Costs....37
5.7 Service Area Expenditures Requirements....44
5.8 Reimbursement Guidelines....46

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES....56
6.1 Reporting Requirements....56

SUBPART C – PROGRAMMATIC REQUIREMENTS....61
ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES....61
7.1 LIHEAP Agency Local Plan....61
7.2 Program Standards and Regulatory Requirements....61
7.3 Prioritization of Services....64

7.4 Service Priority Guidelines 64
7.5 Outreach and Intake Activity Guidelines 65
7.6 Assurance 16 Activity Guidelines 67
7.7 Leveraging Activities 69
7.8 Record-Keeping Responsibilities 69

ARTICLE 8 – PROGRAM IMPLEMENTATION 77
8.1 HEAP/WPO Activity Guidelines 77
8.2 Weatherization Activity Guidelines 78
8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines 90
8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines 96
8.5 Quality Assurance 96

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS 101
9.1 Training Requirements 101
9.2 Contractor Licensing 104
9.3 Special Licensing - Weatherization 105
9.4 Environmental Protection Agency (EPA) Certifications 105

SUBPART D – COMPLIANCE REQUIREMENTS 107
ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES 107
10.1 Right to Monitor, Audit, and Investigate 107
10.2 Auditing Standards and Reports 107
10.3 Compliance Monitoring 110
10.4 Enforcement Process - Noncompliance with Requirement of this Agreement 113
10.5 Expenditure Period of Performance and Production Requirements 118

SUBPART E – CERTIFICATIONS AND ASSURANCES 120
ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS 120

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

11.1 Certifications 120
11.2 Provisions for Federally Funded Grants 120
11.3 Federal Certifications Regarding Debarment, Suspension, and Related Matters 121
11.4 Affirmative Action Compliance 122
11.5 Nondiscrimination Compliance 123
11.6 Contractor Fair Hearing - Civil Rights Act Violation 123
11.7 Specific Assurances 123

SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017 125
ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017 125
SUBPART G – DEFINITIONS 130
SUBPART H – TABLE OF FORMS 144

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
PART I

PREAMBLE

This subvention agreement, for the implementation of the Low-Income Home Energy Assistance Program (LIHEAP) in program year 2018 ("Agreement"), 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, the CSD and Contractor hereby agree as follows:

ARTICLE 1 – SCOPE OF WORK

1.1 General

A. Contractor shall provide Weatherization (WX) assistance, Home Energy Assistance Program (HEAP) assistance, and Energy Crisis Intervention Program (ECIP) assistance to eligible participants residing in the service area described in Section 1.2, pursuant to Title 42 of the United States Code (USC) Section 8621 et seq. (the Low-Income Home Energy Assistance Act of 1981, as amended) and Government Code Section 16367.5 et seq., as amended. **Contractor shall administer LIHEAP service provisions to eligible low-income households in accordance with both need and the Contractor's service delivery plan approved by CSD.** Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, and that the services and activities funded by this Agreement shall also meet all other assurances specified at 42 U.S.C. § 8624.

B. The LIHEAP Catalog of Federal Domestic Assistance number is 93.568. Award is made available through the United States Department of Health and Human Services.

1.2 Service Area

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

See Part II, Subpart H. The 2018 LIHEAP Numbers, Contractors, and Service Territories listing may be accessed at http://providers.csd.ca.gov.

B. Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Codes listing located at http://providers.csd.ca.gov to determine the zip codes for their respective area.

1.3 Term and Amount of Agreement

A. The term of this Agreement shall be for the period represented on the face sheet (Form STD 213). **Contractor shall perform all work under this Agreement during the Period of Performance in accordance with Article 10.5 subsection B, regardless of the contract term end date.**

B. The contract amount as represented on the face sheet (Form STD. 213) of this Agreement consists of Contractor's total allocation to include the "Direct Services" and "Utility Assistance" portions attributable to Contractor's service area(s).

C. Direct Services and Utility Assistance, as defined in Part II, Subpart G that are allocated to Contractor, shall be expended, reported and accounted for in accordance with the provisions of this Agreement in Part II, Subpart B – Financial Requirements.

1.4 Service Area Expenditure Requirements

Contractor shall be subject to special expenditure requirements as provided in Article 5, Section 5.7 of Part II, if any of the following pertain:

A. This Agreement involves funding for LIHEAP services provided by Contractor in multiple counties or service areas; or

B. Contractor has additional agreements with CSD for the provision of LIHEAP or Department of Energy, Weatherization Assistance Program (DOE WAP) services in counties or service areas other than the county or service area to which this Agreement applies.

1.5 Program Authorities – Requirements, Standards and Guidance

A. 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. The Low-Income Home Energy Assistance Program Act of 1981, 42 U.S.C. §§ 8621 et seq., and 45 Code of Federal Regulation (CFR) Part 96;

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

2. The California Government Code §§ 16367.5 et seq., as amended, and Title 22, California Code of Regulations (CCR), §§ 100800 et seq.; and

3. The Single Audit Act, 31 U.S.C. §§ 7301 et seq., and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. *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, with respect to procurement, administrative, and other costs claimed under this Agreement, 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 directly conflict with any State law or regulation at Government Code §16367.5 et seq. or 22 CCR §100800 et seq., or any provision of this Agreement, then that law or regulation or provision shall apply, unless, under specified circumstances, a provision of federal law applicable to block grants, such as 45 CFR 96.30, allows for the application of state law.

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

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

C. CSD shall provide Contractor with short-term program guidance to inform or direct immediate action to correct a problem or provide relief from an obligation in the form of a "CSD Program Advisory (CPA) No. XX-XXX" posted at https://providers.csd.ca.gov.

D. 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 LIHEAP program, and as a condition of receipt of funds under the program, PROVIDED:

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://providers.csd.ca.gov.

2. That such guidance shall be issued by CSD in writing in the form of "CSD Program Advisory (CPA) No. XX-XXX posted at https://providers.csd.cs.gov.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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

4. That such guidance shall be reasonably necessary to realize the purposes of LIHEAP;

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 Agreement;

6. Contractor shall notify CSD within 10 working days of issuance of a CPN, if contractor is unable to fulfill its obligations under the new guidance;

7. That the parties' failure to execute a mutually acceptable amendment or CPN, as contemplated in subparagraph C 4 and C 5, in a reasonable period of time, shall result in this Agreement being without force and effect subject only to such provisions contained herein as are intended to survive the Agreement in accordance with the express and implied provisions of applicable federal and state law; and

8. That upon CSD's good faith determination, delivered to the Contractor by written notice that Agreement between the parties to any necessary amendment or CPN as contemplated in subparagraph **C 5** and **C 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.

E. The federal and state laws, regulations and other authorities referenced in this Section are hereby incorporated by reference into this Agreement. Copies may be accessed for reference at www.csd.ca.gov.

F. Contract Elements Integral to Agreement and Enforceability Conditions

1. Contractor shall provide the following documents, satisfactory to CSD in form and substance, together with an executed copy of this Agreement before CSD executes and returns the Agreement to Contractor for implementation:

   a. Federal Funding Accountability and Transparency Act Report (CSD 279)

   b. Certification Regarding Lobbying/Disclosure of Lobbying Activities

c. Contractor Certification Clause (CCC-04/2017)

d. Current Insurance or Self-Insurance Authority Certification

e. Board Resolution authorizing execution of this Agreement

f. Agency Local Plan (referenced in Part II, Article 7.1)

g. LIHEAP Production Plan, CSD 622 (referenced in Part II, Article 5.7)

h. Agency Staff and Board Roster (CSD 188)

2. The Plan and forms must be completed by Contractor before CSD will execute the Agreement and Contractor is authorized to commence work. CSD will not forbear from executing this Agreement pending its own review and final approval of Contractor's submission, provided Contractor acts in good faith to rectify any outstanding issues associated with the Plan or forms. The approved Plan and forms shall become part of this Agreement.

G. Contractor's signature affixed hereon 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 Part II, Article 11, Section 11.1, "Certifications" of this Agreement.

1.6 Duplication of Services and Dwelling Interest Booking Services

A. Duplication of Services

Dwellings that have received Low Income Weatherization Program (LIWP) funded energy efficiency measures do not qualify for additional energy efficiency measures under this Agreement, except for the following:

1. Assessment and installation of Health and Safety measures not installed through LIWP.

2. Re-weatherization in accordance with LIHEAP program requirements.

3. Call-backs in accordance with LIHEAP program requirements.

4. Emergency Heating and Cooling Services in accordance with the LIHEAP program requirements.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

B. Dwelling Interest Booking Service. The Dwelling Interest Booking Service (DIBS) allows Contractor to reserve projects and prevent duplication of efforts by other CSD Service Providers operating within the Contractor's service areas. The reservation feature will ensure reimbursement of weatherization services in accordance with contract requirements.

1. CSD shall prepare and make available to Contractor a CPN that will include, but not limited to, guidance on weatherization service restriction requirements to prevent the duplication of services, and dwelling reservation restrictions related to the maximum number of reservations, reservation length, reservation removal, and conditions for reimbursement.

2. Contractor herby agrees to comply with the CPN and understands that the advisory shall govern the service restriction requirements and dwelling reservations.

3. Upon implementation of DIBS, Contractor's in specified service areas shall reserve projects and confirm dwelling eligibility in accordance with the CPN to ensure reimbursement of services.

4. Failure to comply with the CPN service restrictions and reservation requirements may result in the loss of the right to reimbursement for dwellings reserved by another CSD Service providers or dwellings that received services under LIWP, except for dwellings that received services under subparagraph A.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 2 – CONTRACT CONSTRUCTION, ADMINISTRATION, PROCEDURE

2.1 Base Contract and Whole Agreement

A. This Agreement consists of two parts, which together constitute the whole agreement between CSD and Contractor.

B. Part I is the "Base Contract" which consists of the following:

1. The face sheet (Form STD. 213) which specifies:
   a. the parties to the Agreement;
   b. the term of the Agreement;
   c. the maximum dollar amount of the Agreement; and
   d. the authorized signatures and dates of execution.

2. The Preamble, Article 1 and Article 2

3. Zip Code Cross-Reference, if Contractor's Service Area is defined in whole or in part by ZIP Codes.

C. Part II consists of the "Administrative and Programmatic Provisions" which are comprised of Subparts A through H, including specified requirements, obligations, provisions, procedures, guidance, forms and technical materials, necessary for program implementation.

D. Agreed upon Contract Execution Provisions and Procedures

1. Only Part I, the Base Contract, will be exchanged by the parties for execution with original signatures, fully executed copies being retained by each party.

2. Part II, Administrative and Programmatic Provisions is hereby incorporated by reference into this Agreement, is an essential part of the whole Agreement, and is fully binding on the parties.

3. CSD shall maintain a certified date-stamped "hard copy" of Part II for inspection by Contractor during normal business hours, as well as a date-stamped, edit restricted, version of Part II on CSD's "Provider Website," which may be accessed by Contractor, "down-loaded" and printed at Contractor's option.

4. Neither Part I nor Part II of this Agreement may be changed or altered by any party, except by a formal written, fully executed amendment, or as

provided in paragraph C.4 of Section 1.5 with respect to program guidance, or as provided Section 3.2 of Part II, Subpart A, Article 3, with respect to minor modifications. Upon such amendment of any provision of Part II, the amended version shall be date-stamped and locked-down until such time as a subsequent Agreement or amendment is executed by the parties.

2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017"

In accordance with State contracting requirements, specified contracting terms and conditions are made a part of this agreement. The provisions in their entirety are found in Part II, Subpart F of this Agreement and are fully binding on the parties in accordance with state law.

2.3 Contractor's Option of Termination

A. Notwithstanding the provisions of paragraph C of Section 1.5, Contractor may, at Contractor's sole option, elect to terminate this contract in lieu of adherence to the procedures set out in paragraph C of section 1.5, should Contractor determine that any subsequent program guidance or proposed amendment to the contract is unjustifiably onerous or otherwise inimical to Contractor's legitimate business interests and ability to implement the contract in an effective and reasonable manner, PROVIDED:

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

2. 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.

B. 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.

C. Contractor shall, within 60 days of termination, closeout the contract in accordance with contractual closeout procedures.

D. 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

2.4 Budget Contingencies

A. State Budget Contingency

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

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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

B. Federal Budget Contingency

1. The parties agree that because of uncertainty in the federal budget process, this Agreement 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 parties further agree that the obligations of the parties under this Agreement are expressly contingent on adequate funding being made available to the State by the United States Government.

2. If federal 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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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

4. Subject to the provisions of subparagraph B 2, CSD shall authorize expenditures of funds under this Agreement based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.5 Miscellaneous Provisions

A. Assignment. Neither this Agreement nor any of the rights, interests, or obligations under this Agreement 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 Agreement is binding on the agency to which the program is assigned.

B. Merger/Entire Agreement. This Agreement (including the attachments, documents and instruments referred to in this Agreement) constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.

C. Severability. If any provision of this Agreement 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 Agreement will not be in any way impaired and shall remain in full force and effect.

D. 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:

1. To Contractor's address of record; and

2. To CSD at:
Department of Community Services and Development
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
PART II

SUBPART A – ADMINISTRATIVE REQUIREMENTS

ARTICLE 3 – AGREEMENT CHANGES

3.1 Amendment

A. Changes to this Agreement shall be made by formal amendment with exceptions specified in subparagraph D 4 of Section 2.1, Article 2 of Part I and in Section 3.2, below.

B. 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 periods in which to phase-in the mandated change.

3.2 Minor Modifications

A. Contractor may request modifications to make minor adjustments during the contract term. Minor Modifications shall not affect the Maximum Amount payable under this Agreement.

B. Minor Modifications shall not alter the maximum limits established for specific budget line items, i.e., administrative costs, Assurance 16, intake, outreach, and training and technical assistance costs, except as otherwise provided herein.

C. Allowable modifications to this Agreement include the minor budget modifications and expenditure requirements, specified in Article 5.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES

4.1 Board Roster, By Laws, Resolution, and Minutes

A. Contractor shall submit to CSD an Agency Staff and Board Roster form (CSD 188) listing the current Agency Staff and roster of members of its governing board, 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. The CSD 188 form is listed in Subpart H. If Contractor is a nonprofit or public entity that qualifies as an eligible entity under the federal CSBG Act, then Contractor shall instead submit a CSD 188, including contact information of the tripartite board. Contractor is responsible to notify CSD of any changes to the Executive Director, Program Manager, Chief Financial Officer and board roster within 30 days of such occurrence.

B. Contractor's governing board must authorize the execution of this Agreement. Contractor has the option of demonstrating such authority by the signature of a Board member, affixed to the signature page of Part I, or by any lawful delegation of such authority that is consistent with Contractor's bylaws, the documentation of which has been communicated to CSD.

C. 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 Agreement or a resolution passed by the governing board that applies to any CSD program contract or amendment. Where Contractor provides a general resolution, Contractor shall maintain documentation that the chief executive officer provided timely and effective communication of the execution and terms of this Agreement to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Agreement by CSD.

D. Contractor shall submit to CSD the minutes from regularly scheduled meetings of the governing board and/or tripartite board no later than 30 days after the minutes are approved. Regularly scheduled meetings shall be conducted in accordance with the board's bylaws.

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

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 Agreement and shall include:

A. Segregation of duties appropriate to safeguard state assets;

B. Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;

C. Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;

D. Established practices to be followed in performance of duties and functions;

E. Personnel of a quality commensurate with their responsibilities; and

F. Effective internal reviews.

4.3 Record Retention Requirements

A. All records maintained by Contractor shall meet the requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall maintain all records pertaining to this Agreement 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.

C. Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

D. 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 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.4 Insurance and Fidelity Bond

A. General Requirements

1. Contractor agrees that the required insurance policies and bonds, specified below, shall be in effect at all times during the term of this Agreement.

2. Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement and, prior to any lapse or reduction in coverage, provide CSD with documentation, as specified in subparagraph 3, showing substitute coverage has been obtained or alternative measures have been taken to ensure compliance with the requirements of this Agreement.

3. In the event said insurance coverage expires during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.

4. New Certificates of Insurance are subject to review for content and form by CSD.

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

6. With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.

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

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

B. Self-Insurance

1. When Contractor is a self-insured governmental entity, the State, upon 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 Agreement.

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

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 days of coverage.

C. Workers' Compensation Insurance

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

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.

D. Commercial or Government Crime Coverage (Fidelity Bond)

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.

2. Contractor's fidelity bond coverage limits shall not be less than a minimum amount of 4% of the total amount of Direct Services set forth under this agreement.

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.

E. General Liability Insurance

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

2. Contractor 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 as evidence of compliance with general liability insurance requirements.

F. Vehicle Insurance

1. Contractor shall maintain for the term of this Agreement vehicle insurance in the amount of $500,000 for each person and each accident for bodily injury and in the amount of $500,000 for each person and each accident for property damage.

2. When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement non-owned and hired-auto liability insurance in the amount of $500,000 for each person and each accident for bodily injury and $500,000 for each person and each accident for property damage. (Driving to and from work shall not be considered to be within the scope of employment.)

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 the State 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. The parties hereto agree to the following requirements, obligations, and standards in accordance with regulations set in the State Administrative Manual (SAM) and Statewide Information Management Manual (SIMM):

A. General Information/Data Description

The interconnection between CSD and Contractor is a two-way data exchange. The purpose of the data exchange or direct input is to deliver programmatic data for contract oversight.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

B. Services Offered

Data exchange between CSD and Contractor shall be handled through one of two methods: 1) a Contractor user must upload data files or perform data using credentials provided by CSD; or 2) utilize our web services as configured by the Contractor technology vendor.

C. Data Sensitivity

1. Data exchanged between CSD and Contractor must be limited to the data fields included on Data Transfer Rules documents posted at https://providers.csd.ca.gov. No personal financial information, i.e., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.

2. Access to the above-mentioned data included in the Data Transfer Rules must only be given to authorized personnel to complete essential duties.

3. To the extent Contractor utilizes tablet or other internet-based or mobile devises 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.

D. Contractor Systems Security

1. The physical location of the application systems (servers) shall be within controlled access 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.
2. Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption, if applicable.

3. Both CSD and Contractor shall maintain security patches and anti-virus software updates.

E. 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 and Trade Secrets Act (18 U.S. Code 1905) and the Unauthorized Access Act (18 U.S. Code 2701 and 2710). Technology and systems code and functionality are owned by the respective parties and may not be shared with anyone else or used without the consent of the owner.

F. 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 Information Technology Services Help Desk any security incident contemplated herein. Examples include, but are not limited to, stolen or lost equipment, malware/ransomware detection, suspected hacking, etc.

G. 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 actions taken by system administrators.

H. 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 Agreement 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 Agreement. 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

A. 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 requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. 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 with the exception of those conferences pre-approved by CSD and listed on the Out-of-State Travel Form. Contractor must seek pre-approval, prior to travel, for none pre-approved conferences when more than two staff are attending.

C. In the absence of a written travel reimbursement policy, Contractor shall be subject to reimbursement not to exceed federal per diem limits.

4.7 Codes of Conduct

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

B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

4.8 Conflict of Interest

A. 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 LIHEAP and the implementation of this Agreement shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.

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

C. Contractor shall not provide LIHEAP 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 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, such services must be pre-approved in writing by CSD whose approval shall be based on determination that other recipients or potential eligible recipients of services are not prejudiced or adversely affected by the receipt of services by Contractor.

D. To obtain approval by CSD, Contractor must demonstrate that it will:

1. Follow all regular eligibility and prioritization requirements of the federal and State LIHEAP programs, as applicable to each service or activity;

2. Comply with all dwelling eligibility requirements of this Agreement, including but not limited to rent increase and multiple dwelling restrictions;

3. Substantiate the need for weatherization and Energy Heating and Cooling Services (EHCS) by completing a dwelling assessment for each individual dwelling unit served; and

4. Consent to any further conditions required by CSD. Failure to obtain prior written approval by CSD may result in costs being disallowed.

4.9 Procurement Standards

A. Contract Administration

1. *Maintenance of written procurement procedures.* Contractor shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including the Office of Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and amendments thereto, consistent with the general OMB compliance requirement in Section 1.5, Article 1 of this Agreement 45 CFR Part 75. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

Requirements for HHS Awards (45 CFR Part 75) or any subsequent amendments to these standards, and the applicable provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.

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 requests for proposals shall be excluded from competing for such procurements. Contractor shall only award a subcontract to the bidder or offer or 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 offer or must fulfill in order for the bid or offer to be adequately and fairly evaluated by the recipient.

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

4. Contractor shall provide an open and free competition, to include a cost analysis, in accordance with federal and state law, for the procurement of materials, supplies, equipment, or services.

5. *Non-Competitive bid justification.* If a service or product is of a unique nature, is in response to a public exigency or emergency, or more than one potential vendor/provider cannot reasonably be identified, Contractor shall document adequate justification for the absence of competitive bidding. "Adequate justification" must include but is not limited to:

   a. Explanation of why the acquisition of goods or services is limited to one vendor or supplier;

   b. Description of sole vendor/supplier's unique qualifications to provide the goods or services in question; and

   c. Analysis of cost(s) to demonstrate reasonability.

6. CSD Lease/Purchase Pre-Approval Requirements. To ensure that

significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall obtain prior written approval from CSD of capital expenditures for vehicles and equipment with a unit cost of $5,000 or more through the submission of a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least 15 calendar days prior to executing Transactions without CSD's prior written approval may be disallowed.

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

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

4.10 Use and Disposition of Vehicles and Equipment

A. To ensure compliance with the requirements for vehicles and equipment, Contractor shall comply with Uniform Administrative Requirement, Cost Principles, and Audit Requirements for HHS Awards governing the acquisition of equipment with federal funds set forth in 45 CFR Part 75.

1. Vehicles and equipment purchased with LIHEAP funds must be used by Contractor in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by LIHEAP funds, and Contractor must not encumber the property without prior approval of CSD. When no longer needed for the original program or project, the equipment may be used in other activities supported by CSD, in the following order of priority:

   a. Activities under a Federal award from CSD, then

   b. Activities under Federal awards from other Federal awarding agencies

2. During the time that equipment is used on the project or program for which it was acquired, Contractor must also make the equipment available for use on other projects or programs currently or previously supported by the Federal Government. User fees should be considered, if appropriate, in accordance with federal regulations.

3. Any use fees shall be treated as 'program income' to the LIHEAP program.

4. Contractor may be compensated for the use of its buildings, capital improvements, equipment and software projects capitalized in accordance with generally accepted accounting principles (GAAP), provided they are used, needed in Contractor's program activities, and properly allocated to the LIHEAP grant. Such compensation must be made by allocating and computing depreciation in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall comply with all equipment management requirements outlined in the Uniform Administrative Requirements for HHS Awards (45 CFR §75.320), including, but not limited to:

1. Property Records;

2. Physical inventory of the property;

3. A control system to prevent loss, damage, or theft;

4. Adequate maintenance procedures; and

5. Proper sale procedures.

C. Sale or disposition of LIHEAP-funded Vehicles and Equipment

1. If/when Contractor's LIHEAP program(s) no longer need(s) items of equipment, the equipment may be retained, sold, or otherwise disposed in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

2. Conflict of interest policies and proper sales procedures should be followed to ensure that the best possible value and sale price is realized.

3. Sale proceeds from the sale of real property, equipment, or supplies are not program income. Such proceeds will be handled in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards – Subpart D–Post HHS Award Requirements (45 CFR Part 75).

D. Contractor shall exercise due care in the use, maintenance, protection, and preservation of state-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:

1. Maintaining insurance coverage against loss or damage to such property or equipment.

2. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

E. To ensure compliance with the requirements for equipment and/or vehicles maintenance of property records pursuant to CPN-A 17-01 or as revised, Contractor shall ensure that any property log or similar documentation contains all of the following information:

1. information relevant to any 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;

2. description of the property;

3. a serial number or other identification number;

4. the source of property;

5. who holds title;

6. the acquisition or lease date;

7. the cost of the property;

8. percentage of Federal participation in the cost of the property;

9. the location, use and condition of the property; and

10. any ultimate disposition data, including the date of disposal and sale price of the property or termination of the lease.

F. Contractor shall provide the information specified in subdivision E. above, including any supporting documents, to CSD upon request.

G. Limitation on Use of Funds

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.11 Subcontracts (CSD)

A. Contractor may enter into subcontract(s) to provide services pursuant to this Agreement in the service area(s) specified in Section 1.2 of Article 1, Part I. Subcontracts must require that parties comply with all applicable provisions of this Agreement. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.

B. If Contractor elects to subcontract for services, the board's authorization and approval must be obtained and communicated to CSD in writing together with notice of execution of the subcontract as provided in paragraph C. Contractor may elect to delegate the signing authority for the approval of subcontractors to the Chief Executive Officer or designated authority through a resolution or other official documentation duly issued by the governing board, unless such delegation is set forth in the bylaws of the agency and a copy of the provision is communicated to CSD.

C. Within 60 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.

D. 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/portal/public/SAM/#1.

E. 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 (EPLS) as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.

F. Contractor must ensure that funds expended pursuant to this Agreement 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 Agreement. Contractor shall ensure that any subcontracts under this Agreement contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the

subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

G. Contractor shall notify subcontractor(s) in writing within five working 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 Agreement.

H. Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse against the State over matters involving subcontracts entered into for the implementation of this Agreement, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.

I. Nothing in this Agreement 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 Agreement. 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.

4.12 Complaint Management Policies and Procedures

A. Contractor shall establish and maintain policies and procedures for handling complaints and provide applicants an opportunity to register a complaint based on their experience with attempts to obtain services under LIHEAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.

B. Contractor shall ensure that all formal complaints are documented and include the date, time, client name and address, and nature of the complaint and the actions undertaken by the Contractor to resolve the issue. For purposes of this section, "formal complaint" means a written complaint filed with the Contractor by the complainant.

C. If the Contractor's efforts did not result in a resolution, the Contractor may refer the client to CSD. The Contractor shall contact CSD and explain the issue, actions taken to resolve the issue, and provide CSD with any supporting documentation that indicates the nature and extent of Contractor's effort to resolve the issue.

D. CSD 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.

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

A. Pursuant to Title 22 of the California Code of Regulations, Section 100805, Applicants that have applied for benefits and/or services provided under a grant award from a contractor or a subcontractor whose application has been denied or not acted upon within 15 working days or has not received satisfactory performance according to the agreed upon program requirements of the contract has the right to first appeal such action to the contractor and, if not satisfied, subsequently appeal to CSD.

B. Contractor shall establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor's process shall include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:

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.

2. Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.

3. Provisions that ensure that Contractor shall notify the applicant in writing of the Contractor's final decision within 15 working days after the appeal is requested. If the appeal is denied, the written notification shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall at the same time provide a copy of the final decision to the Manager of CSD's Energy Services Division.

4. Provisions to track information on denials and appeals.

C. In the event an applicant appeals a denial of benefits or services to CSD, the Department may conduct a hearing in accordance with established procedures. Any decision taken by CSD consequent to such appeal and hearing shall be final.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.14 Fraud, Waste and Abuse

A. Contractor shall make timely, a written report to CSD of incidents and activities, or suspected incidents and activities, involving fraud, waste and abuse of LIHEAP 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, in a timely manner, inform CSD 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 LIHEAP funds.

B. Contractor shall provide employees, subcontractors, clients and other parties affiliated with the Contractor the information necessary to report fraud, waste and abuse to the U.S. Department of Health and Human Services Office of Inspector General Fraud hotline.

The County Officer or employee with responsibility for administering this Agreement Kristine Oase Guth, Program Manager, Health and Human Services Agency, or successor.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART B – FINANCIAL REQUIREMENTS

ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS

5.1 Budget Guidelines

A. Budget and Allocation Forms

1. Upon execution of this Agreement, CSD shall release 50% of the anticipated annual allocation as reflected in the allocation spreadsheet. The remaining allocation shall be released when CSD receives funds from HHS.

2. If the LIHEAP annual grant award is yet to be determined and CSD must fund this Agreement based on Continuing Resolution appropriations, CSD shall amend the contract and update the allocation spreadsheet to reflect the Final allocation.

B. Minor Modifications

If Contractor intends to request a minor modification to this Agreement, Contractor shall submit a Request for Amendment/Modification Energy, by completing a CSD 509 with a justification supporting the fund 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:

1. Transferring funds to increase or decrease the Utility Assistance total allocation.

2. Transferring funds to increase or decrease the WPO total allocation (ECIP WPO or HEAP WPO).

3. Transferring funds between target service areas, which shall be conditioned upon Contractor meeting its target service areas expenditure requirements, as stated in Article 5.7, section C.

4. Changes to the Agency Local Plan

C. Fund Transfer Requirements

Subject to CSD approval, Contractor may elect to transfer funds between each of the LIHEAP programs, components, i.e., Weatherization and ECIP EHCS.

1. Funding transfers that would increase or decrease amounts available for Weatherization above or below the 25% maximum are prohibited.

2. Fund Transfer in Service Territory with Multi-Service Areas

   If Contractor transfers funds from Administrative, Intake, Outreach and other Support costs to Direct Services and/or Utility Assistance for a specific service area, then later transfer funds from the remaining service areas to replenish the Administrative, Intake, Outreach or other Support costs such transfer of funds should not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

   Subsequent transfer of funds to replenish the Support line(s) with Direct Service(s) and/or Utility Assistance funds shall be limited to fund transfer from Service territory/territories that benefited from the preceding transfer.

D. Fund Transfers Requirements for Surplus Allocation

Contractor shall be given the maximum flexibility to transfer surplus allocation for Utility Assistance between services target areas prior to expending 90% of the target allocation.

The Target Allocation or base allocation designated to a Target Service Area(s) is subject to meeting the minimum expenditure requirements in accordance with Article 5.7 Section C.

E. Sufficient Funds for Crisis Services

Contractor must allocate sufficient funds to offer crisis services **based on the needs of the service area(s)** and in accordance with the Agency Local Plan.

F. Weatherization Waiver

Unless and until the Federal Department of Health and Human Services (HHS) grants the State a weatherization waiver, Contractor may not expend or be reimbursed for costs in excess of the amount reflected in the initial WX Program Column of the allocation spreadsheet. If the weatherization waiver is granted, Contractor may, upon written notification from CSD, expend and will be

reimbursed for expenditures up to 100% of the available allocation, as reflected in the WX Program Subtotal Column of the allocation spreadsheet.

5.2 Utility Assistance Expenditure Requirements

A. The Utility Assistance portion of Contractor's grant shall be retained by CSD to enable the State to make direct utility assistance payments to clients and/or to utility companies. Contractor's Administrative and Assurance 16 budget line item shall be based on Contractor's total allocation, including Utility Assistance.

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

   The total amount allocated to the ECIP Fast Track Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

   The total amount allocated to the HEAP Electric and Gas Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

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

C. HEAP Payments - Electric and Gas

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

5.3 Working Capital Advance and Major Purchase Advances

A. Working Capital Advance (WCA)

Contractor may, in accordance with applicable law, receive WCA payments of allowable program costs contemplated under this Agreement, *provided* Contractor shall comply with the provisions of this section and such additional guidance

issued by the State as is needed to implement this section (collectively "WCA Requirements") to ensure that:

1. The time elapsing between the transfer of funds and the disbursement or expenditure of the funds by Contractor is minimized; and

2. Contractor's financial management systems are compliant with the provisions of this Agreement and the standards for fund control and accountability as established in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

3. Working Capital Advance (WCA) Requirements include the following standards:

   a. The WCA shall be for the minimum amounts necessary, timed in accordance with Contractor's immediate cash requirements, which will enable Contractor to carry out the purposes of this Agreement;

   b. The standards are set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

   c. Guidance issued by the State regarding the scheduling of the WCA and the disbursement or expenditure of the funds by Contractor, while conforming to the requirements of subparagraphs A. 1 and 2 of this section, shall also take into account the practical requirements and limitations of efficient administration and the effective implementation of this Agreement by both Contractor and the State.

4. In order to affect the purposes and requirements of subparagraphs A. 1 and 2 above, the State has established the following general provisions in order to give effect to the WCA Requirements set out in this Agreement and in such supplemental guidance as may be issued:

   a. To ensure a minimal lapse of time between the transfer of funds, and the disbursement or expenditure by Contractor, and to effect both the consolidation of advance requests and optimal administration of advance payments, the WCA will be based on Contractor's cash needs for the purpose of implementing this Agreement, with consideration given to the reasonable quarterly projections of anticipated expenditures allowable under the terms of this Agreement;

b. The WCA request shall be: 1) submitted in advance of the beginning of the quarter, in accordance with CSD's guidance; and 2) based on the Direct Service's portion of contract amount, exclusive of the Utility Assistance Portion and 3) is subject to CSD's review and approval;

c. Upon approval of the WCA request, a payment will be issued to Contractor, which shall be limited to 100% of the Contractor's total projected expenditures for the entire quarter, not to exceed 25% of the Contractor's total contract amount, excluding Utility Assistance allocations amount. If the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance;

d. The WCA will be liquidated immediately and will be reconciled at the end of the third month of each quarter. After issuance of a WCA, the balance will be offset by monthly expenditures in EARS.

e. All WCA requests will be issued and reconciled pursuant to CSD Energy Policy and Procedures number EP 11-01, incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

f. If, at the end of the contract term Contractor has received WCA payments in excess of requests for reimbursement that have been approved by CSD, Contractor shall promptly remit the excess balance owed.

g. Upon receipt of the WCA funds, Contractor shall deposit the advance funds in an interest-bearing account, in accordance with the provisions of this Agreement and Federal and State law. The account shall be sufficiently segregated to enable the tracking and accounting of WCA funds by CSD; and

h. In the event the State determines that Contractor has used the WCA for reimbursement of expenses that are not allowable under the terms of this Agreement and/or under Federal and State law, the State may, in accordance with the applicable provisions of the CFR, compel Contractor to repay any WCA monies wrongfully used and/or may make such adjustments in future payments to Contractor as it deems appropriate in order to rectify such misuse of WCA funds.

5. Major Purchase Advances

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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

a. Request must be completed via the Major Purchase Advance Request (CSD 144).

b. Limited to purchase of items in excess of $5,000.

c. No advance will be issued until the Request for Pre-approval of Purchase/Lease (CSD 558) has been approved by CSD.

d. Procurement must comply with the open and competitive bid process, which must be documented through the Request for Pre-approval of Purchase/Lease (CSD 558).

e. Advance repayment for major purchases will be liquidated upon the first expenditure reporting period following the date of the purchase of the item or items identified in the Request for Pre-approval of Purchase/Lease (CSD 558). An Advance Request (CSD 144) must reflect 100% liquidation in the month following the expected date of purchase.

f. Major Purchase advance requests will not be granted until such time as no less than 50% of the current working capital advance has been paid back. The combined total amount of the working capital advance and major purchase advance cannot exceed~~s~~ 25% percent of the contract or the remaining contract balance, whichever is less.

B. Special LIHEAP Provisions

In accordance with 22 CCR § 100840 (a) the total amount advanced to Contractor at any time, whether in the form of a Working Capital Advance (WCA) or a Major Purchase Advance, shall not exceed 25% of Contractor's total contract amount or if the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance. Advance amounts repaid may be replaced by additional advances at any time as allowed in this section and corresponding guidance, so long as the aggregate amount advanced does not exceed the limit set out in sub-paragraph A.

C. Interest on Advances

Contractor should deposit all advances in an interest-bearing account. Any interest earned on LIHEAP advances shall be accounted for and expended

pursuant to 22 CCR § 100855.

D. Non-advance Payments and Offsets

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

5.4 Program Income

A. Contractor shall maintain records of the receipt and disposition of all "program income" defined in 22 CCR § 100855(c) as income that is generated or earned as a result of LIHEAP activities.

B. Determining Net Program Income

1. Except as provided below in paragraph 2, any costs Contractor incurs in generating program income may be deducted from gross program income to determine net program income.

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

C. Expenditure, Reporting, and Rollover of Program Income

1. Program income must be expended in accordance with the requirements for expenditure of regular LIHEAP funds, for allowable program purposes.

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

3. Contractor's unexpended program income at the close-out of this Agreement shall roll over to subsequent LIHEAP Agreement(s).

4. If Contractor has generated program income with leveraged funding source(s) in addition to LIHEAP, the LIHEAP portion of rollover program income must be tracked by Contractor and can be used only for allowable LIHEAP expenditures.

5.5 Wood, Propane and Oil Returned Payments

A. Contractor shall maintain a tracking-log of returned payments for services provided. Returned payments must not be entered into EARS or CORE. Upon receipt of the returned payment Contractor shall make the following attempts to contact client:

1. Make every reasonable attempt to contact client within five (5) working days of receiving the returned payment during the contract term. The following shall constitute a reasonable effort and be maintained in the client file:

   a. One phone call attempt stating the client has the option to reclaim the returned payment and provide Contractor with the updated vendor information to reissue the returned payment amount; or

   b. One letter to the client stating the option to reclaim the repayment and provide Contractor with the updated vendor information to reissue the returned payment amount.

2. Hold the returned payment for the client for 10 business days_subsequent to all attempts to contact the client.

3. If the client does not contact Contractor within the above time frames the returned payment shall be added to the current WPO allocation tracking log.

4. If Contractor is unable to identify the client of the returned payment the payment can be added to the current WPO allocation tracking log.

B. Contractor may expend returned payments on WPO services during the term of this Agreement. Contractor shall report all such expenditures, along with remaining unexpended returned payments, at the close-out of this Agreement or at such other time(s) as CSD reasonably requires.

C. Contractor's unexpended returned payments at the close-out of this Agreement shall be returned to CSD.

D. Returned payments received after the close-out of the contract shall be promptly returned to CSD.

E. If Contractor is unable to determine the returned payment is funded from the current contract, the returned payment shall be promptly returned to CSD.

5.6 Allowable Costs

A. Cost Reporting

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

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

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.

B. Administrative

1. General

a. Administrative costs shall not exceed the amounts as set forth in allocation spreadsheet. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

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

2. Contractor shall use Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) as a guide for determining administrative costs.

3. Administrative Equipment More Than $5,000—Acquisition Costs

a. Acquisition costs shall mean the actual costs associated with the purchase of equipment over $5,000 per unit used for administrative purposes.

b. CSD pre-approval shall be required for the purchases or lease-purchase option of equipment with a total value greater than

$5,000 utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

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 the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

C. Program Costs

1. General

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

2. Assurance 16

Assurance 16 costs shall not exceed the total amount set forth in the allocation spreadsheet.

3. Intake

Intake shall be allocated at 8% of the Weatherization Budget and 8% of the ECIP/HEAP Direct Services/ Utility Assistance Budget based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 8% of Final Allocation. Intake in excess of 8% may be charged as an administrative cost not to exceed allowable administrative cost maximum.

4. Outreach

Outreach shall be allocated at 5% each of the Weatherization, ECIP/HEAP and Direct Service/ Utility Assistance, Assistance budgets based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 5% of Final allocation.

5. Training and Technical Assistance Training and technical assistance shall be allocated up to 5% of the total Weatherization allocation and up to 2% of the total ECIP/HEAP allocation based on the Interim Allocations and/or subsequently the Final Allocation. Training and technical assistance shall

not exceed these limits and shall be reimbursed at actual cost. Reimbursement shall be limited to actual cost up to 5% of Weatherization allocation, and 2% of ECIP/HEAP allocation.

a. If Contractor determines that an increase in the allowable allocation for training and technical assistance is needed to cover the cost of the software database collection system or related automation training as specified below, then Contractor must submit a request to, and obtain prior approval from, CSD.

b. Associated training and technical assistance costs may include costs related to: travel, admission, materials, and actual salaries/wages.

c. Training and technical assistance shall include costs associated with the completion of weatherization-related training as specified in the Training Requirement of Article 9.1 of this Agreement. Training may include, but not limited to, internal contractor training, safety training, attendance of weatherization-related training to include the software database collection system or other forms of training to aid in the development and skill of staff in utilizing and supporting internal program automation systems, and/or weatherization-related workshops sponsored by utility companies, Department of Energy (DOE), CSD training may include Local Service Provider's Meeting 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.

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

e. Out-of-State Travel

Staff out-of-state travel costs shall mean cost incurred for out-of-state meeting, conferences or training that is critical to carrying out the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

6. Acquisition Costs

a. Minor Vehicle and Field Equipment Less Than $5,000 – Acquisition Costs.

Minor Vehicle and Field Equipment costs under $5,000 per unit must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

b. Major Vehicle and Field Equipment $5,000 or Greater – Acquisition Costs Must Be Pre-Approved

CSD pre-approval shall be required for the purchases or lease-purchase option of vehicles and field office equipment with a total value of $5,000 or greater, utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

7. Other Program Costs:

a. Other Program Costs

Those 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.

b. 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.

8. Liability Insurance

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

9. General Operating Costs

General Operating Costs may be charged to the program and are for cost that are directly allocable to those activities defined as related facilities, office and computer equipment, office supplies, telephone, and travel as allowable program costs.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

10. Automation Supplemental Allocation

a. Contractor can allocate funds to the Automation Supplemental Allocation (ASA) in an amount not to exceed $50,000, to be used to meet contract program startup requirements such as IT automation needs to comply with updated or new Expenditure Activity Reporting System, Weatherization Database and Core ("CSD System") requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. ASA 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.

b. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds and bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD gives its written approval of the plan and request for variance.

c. In order to qualify for reimbursement of expenditures incurred pursuant to this section, Contractor must fully comply with the following terms, conditions, and obligations:

i. The ASA may be used only for those Contractor's CSD System-related IT expenditures that are programmatic in nature. CSD System-related IT expenditures that are administrative in nature must be charged against Contractor's Administrative Budget.

ii. In delineating the program and administrative expenditures, Contractor shall consider whether the expenditure or cost is primarily used to support: 1) program operations; or 2) agency (organization) operations, as commonly understood under accountancy guidelines, with particular reference to the principles and provisions set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) Programmatic CSD System-related IT expenses are those incurred in connection with allowable program expenses as defined in the LIHEAP Agreement. The delineation between programmatic and administrative CSD System-

related IT activities will be determined in part by the type of IT system elected to interface with CORE and the array of functions the system will perform.

iii. Agencies with multiple LIHEAP contracts for the same contract year are limited to reimbursement up to $50,000 per agency. Contractor shall allocate costs among contracts when permitted and may not charge the same costs to more than one contract.

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

e. CSD System-related IT costs that exceed the maximum ASA amount of $50,000 may not be reimbursed by CSD.

f. If Contractor has previously developed and utilizes its own unique customized automated reporting system to comply with CSD's reporting requirements, such contractor shall be deemed a "Self-Reporting User." The following provisions apply to Self-Reporting Users:

i. If Contractor elects to modify and upgrade its existing IT system so that the system is compatible with and able to interface with the CSD System, it is the Contractor obligation to ensure that the upgraded system is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its consultants and vendors with the applicable system specifications and interface protocols.

ii. Contractor may use its ASA to pay the necessary cost of upgrading its system and interfacing with the CSD System, as well as related and attendant costs. Costs incurred may include necessary training on upgrades to Contractor's system.

iii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD

gives its written approval of the plan and request for variance.

g. Services procured by Contractor in order to implement updates to Contractor's customized automated reporting system shall be conducted in compliance with Contractor's procurement policy and with all applicable contract requirements and the provisions of federal and state law.

h. Upon approval by CSD, if Contractor procures, from a third-party source, a new customized automated reporting system with supplemental functionality beyond basic CSD System reporting requirements, then such Contractor shall be deemed a "Third Party Customized System User." The following provisions apply to Third Party Customized System Users:

i. If Contractor elects to procure a new customized automated IT reporting system, it is the Contractor's obligation to ensure that the system procured is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its vendor with the applicable system specifications, interface and security protocols.

ii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Similarly, Contractor may not use future annual ASA funding for such conversion. Any alteration to this provision requires prior written approval from CSD and must include the submission of a revised ASA plan.

iii. Systems and services procured by Contractor in order to obtain and implement a third party customized system shall be conducted in compliance with Contractor's procurement policy and with all applicable LIHEAP contract requirements and the provisions of federal and state law. Contractor may, at Contractor's option, participate in a consortium of local service providers to procure jointly a customized automated reporting system from a third-party source, provided Contractor's procurement policy is not violated in such a manner as to render the process flawed or unfair. Contractor may rely on any local service provider subject to this Amendment to conduct the procurement on Contractor's behalf provided, however, that: 1) Contractor

shall not be absolved from fulfilling applicable procurement obligations and requirements; 2) Contractor shall review all pertinent procurement documentation for sufficiency; and 3) make such documentation available to CSD upon request.

11. Weatherization Program Activities

Weatherization 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, assessment, diagnostic testing, labor, materials, subcontractors, environmental inspections, permits, Home Energy Rating System (HERS raters), lead-safe weatherization materials, removal of FAFCO Solar Water Heater systems and installation of AET SWH systems.

12. ECIP Emergency Heating and Cooling Services (EHCS)

ECIP EHCS shall mean those costs associated with emergency heating and cooling repair and replacement services and other related costs, including costs associated with labor, materials, subcontractors, permits, HERS raters, lead-safe weatherization materials, and diagnostics all as further defined by the ECIP Policy and Procedures and the SWEATS Policy, when authorized by CSD. The ECIP Policy and Procedures and SWEATS Policy are hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

5.7 Service Area Expenditures Requirements

A. For purposes of this section the following definitions apply:

Service Area means the geographical area for which Contractor receives a discrete grant allocation, whether in a contract pertaining to that geographical area alone, or in a contract covering multiple geographical areas, as for example, multiple counties.

Target Service Area means the service area for which a grant allocation has been designated on the LIHEAP Allocation Spreadsheet attached to this Agreement.

Target Allocation means that sum of money from the LIHEAP state grant designated by CSD for expenditure in a designated Service Area.

Service Territory means the totality of Contractor's Service Area(s), whether: 1) a single county; 2) a portion of a single county; 3) multiple counties; or 4) a single

county in combination with a portion of another county. Accordingly, the single Service Area or combined Service Areas for which Contractor provides services constitutes Contractor's Service Territory.

Note: If Contractor provides only some LIHEAP services to a Service Area, e.g. weatherization services only or utility assistance services only and another contractor provides other LIHEAP services in the same Service Area, the contractors are co-service providers with respect to the Service Area in question and each is responsible for that portion of the grant allocation applicable to the services it provides. Contractor's Service Territory includes a Service Area in which the grant allocation is split with another contractor.

B. This section shall apply to Contractor if any of the following pertain:

1. This Agreement involves funding for LIHEAP services provided by Contractor in multiple Service Areas;

2. Contractor provides only some of the LIHEAP services in multiple Service Areas under the terms of this Agreement; or

3. Some combination of 1 and 2 above.

C. The Target Allocation(s) specified in this Agreement shall be used either: a) to provide services within the geographical boundaries of Target Service Area(s) to which the allocation applies; or b) on behalf of the recipients of benefits who reside within the Target Service Area(s), thereby ensuring that the low-income persons in each Target Service Area receive their appropriate share of the grant award and that direct program funds designated for a particular Target Service Area are not expended for services in another Service Area without good cause.

1. Contractor is required to expend 90% or more of the applicable Target Allocation(s) in each Target Service Area(s).

2. Contractor shall, as requested by CSD, submit an Agency Local Plan showing by which it will expend the designated allocation for each Target Service Area to include how it will conduct targeted outreach activities, identify service needs in Target Service Areas and track expenditures.

3. At the time of closeout, Contractor shall submit a report comparing Contractor's production and expenditure estimates, by Service Area, to actual expenditures, what lessons were learned, and what changes in operations are anticipated in coming years.

4. Contractor may, subject to CSD's written approval, expend a portion of a Target Allocation in another service area in which Contractor provides

services pursuant to this Agreement, under the following circumstances:

a. When there is no acute need or ready opportunity for full expenditure of direct program funds in the Target Service Area; and

b. When Contractor can readily expend direct program funds in an alternate service area to avoid under expenditure or a loss of funding.

D. Notwithstanding the provisions of paragraph C, Contractor is authorized under the terms of this Agreement to combine the Administrative, Intake, Outreach, Assurance 16, and other program support costs, including liability insurance, workers' compensation, and general operating portion of grant allocations for multiple Service Areas for purposes of efficiency and effective contract implementation, provided such combining of funds does not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

5.8 Reimbursement Guidelines

A. Claims for Reimbursement

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

B. Assurance 16

1. Assurance 16 costs and its related services include those actual costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services. Assurance 16 costs shall include needs assessment, client education, budget counseling, and coordination with utility companies.

2. Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.

C. Wood, Propane, and Oil Assistance

1. HEAP WPO

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

2. ECIP WPO

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

D. Weatherization and EHCS Specific

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

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

3. All completed units shall be submitted for payment within 90 days of completion or by the due date of the last reporting period of this agreement, whichever is less. A completed unit shall not be carried over into another contract period, except when there are insufficient funds to cover a portion or the entire cost of the dwelling. In the event a completed unit is billed in the subsequent contract, the agency must also ensure that the applicant meets the income eligibility requirements.

4. Maximum Reimbursement

a. Contractor shall be entitled to reimbursement for actual cost, not to exceed the maximum average of $4,055 per dwelling unit weatherized with respect to the energy conservation measures and activities described in Reimbursement Rates for Weatherization and EHCS Activities located on the CSD Providers' website at https://providers.csd.ca.gov. In the event that the Governor declares a State of Emergency or Local Emergency under Article 13 or 14 of the Emergency Services Act or any federal official declares an emergency pursuant to 42 UCS 8622(1), the maximum average reimbursement shall be $7,212 per dwelling unit.

b. If an energy audit is performed, Contractor shall adhere to the investment determinations rendered by the site-specific energy

audit not to exceed the maximum average of $7,212 per dwelling unit.

c. The amount of funds, applied to weatherization services in a whole multi-family building shall not exceed the number of eligible dwelling units multiplied by the $7,212 maximum average per unit or by the $7,212 maximum average per unit, if an energy audit is performed.

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

5. Measure Reimbursement

a. Measure Maximums

i. For those Weatherization and EHCS measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor costs of Weatherization or EHCS crew members and the actual cost of the materials, subcontracted services not to exceed the maximum reimbursement allowable.

ii. Weatherization or EHCS measure costs exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, minor envelope repair, or another CSD program.

iii. When costs for a measure exceed the maximum reimbursement allowed, Contractor shall obtain prior written approval from CSD to exceed the maximum cost reimbursement and/or quantity limit for weatherization and ECIP HCS measures as described in Reimbursement Rates for Weatherization and EHCS Activities located in Subpart H. Otherwise, at the Contractor's discretion, Contractor may elect to not provide the weatherization measure/service in the event the total cost exceeds the maximum cost reimbursement.

b. Assessments and Diagnostics

i. Contractor may claim reimbursement for dwelling assessment for each eligible household.

ii. Contractor may claim reimbursement for dwelling assessment for each eligible unit not previously weatherized.

(a) For dwellings weatherized under this Agreement, Contractor may claim reimbursement for a modified dwelling assessment, as defined in Subpart G, to perform reweatherization, or callback services during the useful life period of the initial dwelling assessment.

(b) Once the useful life term has expired for the initial or last performed dwelling assessment, Contractor may claim a full dwelling assessment to perform re-weatherization services.

iii. If a dwelling was previously weatherized under a nonfederal program, the dwelling and occupant eligibility must be recertified; therefore, Contractor may claim reimbursement for assessment of dwelling.

iv. In the case of an un-weatherized dwelling where the installation of measures was not feasible, and/or the dwelling was not accessible to install measures, Contractor may claim reimbursement for any related assessments and/or diagnostic checks that were performed.

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

vi. HERS rater and permit fees are acceptable expenses and may be charged only once per measure to ECIP EHCS or LIHEAP weatherization or DOE weatherization per weatherized dwelling. HERS rater fee and permit reimbursement includes subcontractor cost, staff time on job site, and fees that will be reimbursed based on the actual cost.

c. Labor Reimbursement

i. 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 raters.

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

iii. Actual labor hours and costs for weatherization and EHCS services shall not exceed the cumulative number of hours on the job site and shall be substantiated with client file documentation, job schedules, and payroll time records.

iv. When the installation of a measure is subcontracted and there are billable labor hours for weatherization and/or Contractor's EHCS 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.

v. 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 in subsection e Other Program Costs.

vi. Lead Safe Weatherization

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

d. Heating and Cooling Services (HCS/EHCS)

i. If, during the course of repairing a defective unit, additional problems are found that would increase the cost of repairs to an amount beyond the established limits for repairs, Contractor may claim reimbursement for incurred costs related to the repair in addition to those costs associated with the replacement of the heating/cooling appliance.

ii. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization and/or ECIP EHCS component, or under a call-back, Contractor may claim reimbursement for both the repair and the replacement of the appliance. Contractor shall report the single appliance as both a repaired and replaced appliance.

iii. For multi-unit dwellings with a common water heater, Contractor may claim reimbursement for only one water heater. Contractor may claim reimbursement for the actual number of water heater blankets used to wrap the common water heater. Contractor shall prorate the cost among all dwelling units within that building envelope.

iv. Duct repairs and replacements can only be charged to ECIP EHCS when provided in conjunction with emergency heating/cooling services performed under EHCS.

e. Other Program Costs

i. 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.

ii. Wages – Program Management and Support

(a) 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 LIHEAP Weatherization and EHCS program activity or providing direct support to ensure the successful delivery of weatherization services.

(b) Reported costs may include labor costs associated with performing direct support in coordinating the delivery and tracking of LIHEAP Weatherization and EHCS program activity, 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.

iii. 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 Article 4.6 of this Agreement.

iv. Disposal Fees

Disposal fees are acceptable expenses and may be charged only once to ECIP EHCS, or LIHEAP Weatherization per appliance and building material waste. Disposal fee reimbursement includes the actual cost of the fee.

v. Vehicle and Equipment Repair, Maintenance and Fuel

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

(b) Contractor shall maintain records for fuel expenditures, vehicle maintenance and vehicle usage to substantiate allowable travel costs related to and allocable to LIHEAP weatherization.

vi. Historic Preservation Reviews

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

to Historic Preservation Review requirements.

vii. Waste Breakage

Waste breakage are those expenses associated with weatherization materials that have been damaged and are part of Contractors' 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.

viii. 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.

ix. Solar Water Heating Maintenance

Solar Water Heating Maintenance are scheduled maintenance service, as established by the manufacture, in order to maintain the SWH system in good working condition.

6. Dwelling Status

a. Completed Units

i. Except as otherwise provided in subsection ii below. 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 Quality Assurance Inspector, and all inspection fails have been resolved.

ii. In accordance with the CSD Weatherization Field Guide, a dwelling shall also be considered complete if:

(a) The entire dwelling was required to be deferred;

(b) The dwelling had limited deferrals, or the client refused feasible measures, but all other feasible measures were installed; or

(c) The dwelling received an assessment and /or diagnostics and no other weatherization measures.

iii. 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, the job shall be reported as completed in accordance with subparagraph i.

iv. ECIP EHCS

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

v. If Contractor is not able to complete weatherization or ECIP HCS direct services during the contract term, Contractor may complete the dwelling in the next contract year. If Contractor completes the dwelling in the next contract year, Contractor must verify the client meets the income eligibility requirements for the following year in order for the measures and dwelling to be eligible for reimbursement.

b. Building Permits

i. Contractor shall obtain all required permits 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.

ii. Any penalties or fines imposed on Contractor or subcontractor by the local authority or building department are not allowable costs.

c. Previously Weatherized Dwellings

If the previous weatherization was performed under a nonfederal program or under this Agreement, the occupant eligibility must be verified, and Contractor may seek reimbursement for the associated outreach and intake costs.

d. Leveraging Funds

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, provided:

i. Reimbursement for Weatherization or EHCS activities is claimed only once when LIHEAP and DOE WAP, or any other funding source, are used concurrently in the same unit.

ii. Contractor may divide materials and labor cost of a single measure among LIHEAP, DOE, or other CSD programs when the single measure in question is installed in a dwelling where Weatherization or EHCS services are provided concurrently under these programs.

iii. 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.

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

Reimbursement shall be in accordance with the SWEATS Policy when specifically authorized by CSD. The SWEATS Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

A. General

1. Contractor shall submit data and information concerning LIHEAP activity in the CSD's Weatherization Database. Reimbursement requests for expenditures associated with all related activity shall be reported in Expenditure Activity Reporting System (EARS).

2. Contractor must ensure that the activity reported in the Weatherization Database and the request for reimbursement reported in EARS, are aligned. CSD will not issue payment for reimbursement unless and until any disparity between the data entered in the Weatherization Database and EARS has been reconciled by Contractor.

3. Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly reimbursement/activity report.

4. Reporting Requirements

   a. 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 days. Minor changes are those that are routine in nature to begin the contract such as but not limited to adjustments to the Expenditure Activity Report layout, adding or deleting measures and adjusting eligibility guidelines.

   b. Major reporting changes, upon receipt of the specifications, shall be implemented in Contractors 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 Data Transfer Rules and/or new field lines as outlined in the Data Transfer Reference Document (Schema-Breakdown). The most current Weatherization Data Transfer Rules and Data Transfer Reference Document (Schema-Breakdown) are located on the CSD Providers' Website on the System Specification website page.

B. Monthly Reports

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

1. Contractor shall submit a request for reimbursement of expenditures to CSD (excluding ECIP Fast Track and HEAP Electric and Gas) by entry into EARS, in accordance with the following provisions:

   a. Monthly reports shall be submitted on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.

   b. Adjustments must be reported through EARS according to the Database Transfer Rules by the seventh of each month.

      Contractor may at any time submit detailed information and date for services rendered, utilizing the Weatherization Database, provided the total submissions for any given month correspond to the EARS reimbursement request for the same month. The reports must be reconciled by Contractor before the monthly reimbursement request will be paid by CSD.

   c. Expenditures for Assurance 16, Intake, ECIP WPO, ECIP EHCS, SWEATS, and HEAP program costs shall be reimbursed through the LIHEAP Monthly EHA 16 Expenditure Activity Report via EARS.

   d. Expenditures for Weatherization shall be reimbursed through the LIHEAP Monthly Weatherization Expenditure Activity Report via EARS.

2. Contractor shall also submit to CSD client/job detailed data for services rendered under LIHEAP Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO for the monthly period in which the service activity occurred and for which reimbursement for the service activity is requested.

   a. Utilizing an approved front-end data collection system Contractor shall submit monthly detailed client/job data separately from the EARS monthly activity reimbursement reporting.

   b. The client/job detailed data shall be sent electronically on or before the fifteenth calendar day following the reporting period in which direct service activity occurred.

   c. Adjustments must be reported through weatherization database according to the Database Transfer Rules by the seventh of each month.

d. CSD must receive the Monthly Client/Job Detailed Data Report before the monthly EHA 16 and Weatherization Expenditure Activity Reports will be processed.

3. Reporting for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO

Contractor shall submit to CSD, client/job detailed data electronically to CORE for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO.

C. Solar Warranty and Maintenance Reporting

Contractors participating in the Solar Water Heating (SWH) Project shall report to CSD whenever warranty work and/or maintenance are required on any Solar Water Heating Systems installed under the SWH Program and CSD's Low-Income Weatherization Program (LIWP). The SWH Warranty and Maintenance Report shall include a written description of the following:

1. Dwelling address at which warranty and/or maintenance work was provided;

2. Reason for warranty and/or maintenance work (what was the problem);

3. The date (or dates) on which warranty and/or maintenance work was provided; and

4. List of the costs charged to the LIHEAP contract for the warranty and/or maintenance work.

The SWH Warranty and Maintenance Report shall be submitted no later than 30 days after the month in which reimbursement for the warranty and/or maintenance work is requested.

The SWH Warranty and Maintenance Report shall be submitted, via email, to wx@csd.ca.gov with the words "SWH Warranty and Maintenance Reports" in the Subject line.

Contractor shall retain all warranty and maintenance reports for the life of the warranty.

D. CSD Review

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 and fiscal operations and its demonstrated ability to effectively utilize all funds available under this Agreement.

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

E. Close-out Report

1. Contractor shall submit on appropriate CSD forms, a close-out report, verifying all actual, allowable, and allocable costs earned during the term of this Agreement and return all unexpended funds to the State within 90 calendar days after expiration of this Agreement.

   a. Administrative costs, outreach, intake, Assurance 16, Training and Technical Assistance shall not exceed the maximum allowable amounts.

   b. Administrative and Assurance 16 costs shall remain proportionate to the cumulative allowable program expenditures for Direct Services and Utility Assistance. Any Administrative and Assurance 16 costs that exceed these limits shall be disallowed and returned to CSD within 90 calendar das after expiration of this Agreement.

   c. Subsequent payments, including advance payments, for LIHEAP or other CSD contracts may be withheld, absent timely receipt of the close-out report of this Agreement.

2. 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 90 days from the end of the contract term.

3. The close-out report shall include the following completed forms:

   a. Close-out checklist with authorized signature (CSD 733);

   b. Interest and Program Income Earned Reconciliation Report and Excess Revenue (CSD 733F);

   c. Equipment Inventory Schedule (CSD 733G);

d. Equipment Disposition (CSD 553); and

e. LIHEAP Production Plan, CSD 622.

4. Interest and Program Income-Earned and Excess Revenue

Contractor shall use a CSD 733F, LIHEAP Interest and Program Income Earned Close-out Reconciliation, to report actual costs and/or interest income earned and expended. Pursuant to CCR § 100855, program income earned and expended are subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART C – PROGRAMMATIC REQUIREMENTS

ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 LIHEAP Agency Local Plan

A. Contractor shall submit an annual LIHEAP Agency Local Plan to CSD by a date as determined by CSD. The LIHEAP Agency Local Plan is intended to systematize the gathering of planning information to assist CSD with its obligations under federal statute to provide programmatic assurances to the Secretary of the U.S. Department of Health and Human Services under the LIHEAP block grant and to enable the Contractor to plan and propose an annual budget that is consistent with the purposes of the Low-Income Home Energy Assistance Program and reflective of the needs of the local low-income population.

B. CSD will review the annual LIHEAP Agency Local Plan to ensure compliance with federal and state laws and departmental requirements.

If the LIHEAP Agency Local Plan documents do not indicate that the Contractor's proposed services and activities are in compliance with federal and State law governing the LIHEAP block grant, CSD may require Contractor to amend or supplement the responses or documentation, prior to execution of this Agreement by CSD.

C. CSD's approval of the LIHEAP Agency Local Plan documents submitted by Contractor shall not be construed as approval of any costs expended under this Agreement. The approval of all expenditures remains subject to the federal and state requirements that the actual costs be allowable and allocable in accordance with applicable statutes, regulations, and the provisions of this Agreement.

7.2 Program Standards and Regulatory Requirements

A. Program Standards

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

a. Upon release, CSD Weatherization Policies and Procedures;

b. CSD Weatherization Installation Standards (WIS);

c. CSD Weatherization Field Guide

d. CSD Inspection Policies and Procedures;

e. CSD LIHEAP/DOE Program Health and Safety Appliance Replacement Policy;

f. ECIP Policy and Procedures;

g. CSD Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy;

h. Official State and Federal Program Notices and Guidance Documents; and

i. Current Eligibility and Verification Guide; and

j. Weatherization Data Transfer Rules

k. Utility Assistance Business Data Transfer Rules

Upon signing the CSD contract, Contractor is acknowledging receipt of all current technical manuals, policies and protocols.

2. In the event of inconsistencies between policies and field protocols contained within the Weatherization Installation Standard Manual and/or the Weatherization Policies and Procedures and this Agreement, Contractor shall abide by the terms of this Agreement.

B. Regulations

1. Standards contained in the most current Uniform Building Code and local city and county codes shall take precedence over the CSD WIS if the code requirement is not included in the manual and/or is more stringent.

2. All work performed by Contractor shall be in compliance with most current and applicable provisions of the California Energy Commission Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, California Home Energy Rating System (HERS) Program regulations.

3. Services provided to all covered pre-1978 dwellings shall be in compliance with the most current Environmental Protection Agency rules in 40 CFR 745, Lead-Based Paint Poisoning Prevention in Certain Residential Structures and the Housing and Urban Development rules in

24 CFR 35, Lead-Based Paint Poisoning Prevention in Certain Residential Structures.

4. All materials utilized for weatherization and ECIP EHCS purposes shall be in conformance with the Department of Housing and Human Services rules in 45 CFR Part 75, Uniform Administrative Requirements for Cost Principles, and Audit Requirements for HHS Awards or 45 CFR Part 74, Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations.

5. All materials used must be in compliance with Department of Energy rules in 10 CFR 440.

C. Title 24

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.

2. The Title 24 energy conservation measure requirements to be applied are those applicable to the California Energy Commission (CEC) Climate Zone where the dwelling is located. For a listing of the CEC climate zones, refer to the CSD Providers' website at https://providers.csd.ca.gov.

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

4. Contractor shall obtain the services of a certified HERS Rater to perform the required field verification and diagnostic testing. The HERS Rater shall be an independent entity from the builder 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.

D. Pre-1978 Dwellings

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.

2. HUD units not previously certified to be lead free, built prior to 1978, and receiving weatherization services in which painted surfaces exceeding di 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.

3. 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.

7.3 Prioritization of Services

A. Contractor assures that ECIP, HEAP, and Weatherization activities are conducted in accordance with the Agency Local Plan in Subpart H.

B. Activities shall be designed to provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, and that such methods to be utilized shall assure that eligible households, particularly those households with elderly individuals, disabled individuals, or children five years (5) and under are made aware of the assistance available under this Agreement.

7.4 Service Priority Guidelines

A. Contractor shall give first priority for services to those households with the highest energy burden, or high residential energy users, and shall factor into its first priority for services those households with the following vulnerable populations: young children (ages 5 years or under), disabled, and elderly persons (ages 60 years or older).

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

C. For the ECIP Fast Track, HEAP Gas and Electric, ECIP WPO and HEAP WPO program components, Contractor shall assign prioritization points for Energy Burden, Vulnerable Populations, Household Income, and any Optional Agency-Defined categories as referenced in the Agency Local Plan in Subpart H.

D. Due to limited funding, Contractors are discouraged from providing either:

1. Energy assistance benefits to households with substantial credit(s) on its utility bills; and/or

2. Weatherization services to dwellings previously weatherized under LIHEAP within the past four years. Contractors shall prioritize services to previously weatherized dwellings in accordance with the Agency Local Plan in Subpart H.

E. Equitable Treatment

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

F. See Section 11.2 B, "Eligibility to Receive Federally Funded Public Benefits" concerning Federal restrictions on receipt of benefits.

7.5 Outreach and Intake Activity Guidelines

A. Outreach

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

B. Intake

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

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.

2. Ensure applicants have access to applications, whether in hardcopy or electronic format, during regular business hours. Contractors whose offices are not staffed Monday through Friday must arrange for alternative points of access to LIHEAP applications. Contractor may satisfy this requirement by posting their application for download on their website or at CSD's website at www.csd.ca.gov or at alternate location(s).

3. Accept applications for assistance during regular business hours.

4. Accept applications for ECIP Fast Track and WPO at sites that are geographically accessible to all households in the area served by Contractor.

5. Provide low-income individuals who are physically infirm with the means to submit applications for HEAP and ECIP without leaving their residences.

6. All sites where intake is conducted must be accessible to the disabled.

7. Contractor shall utilize the Energy Intake Form (CSD 43), or approved Contractor's equivalent, as a multipurpose form for referrals to the LIHEAP Weatherization program, the ECIP EHCS program, HEAP program, and Department of Energy (DOE) program.

8. 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 Priority Plan 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 a potential client upon request, whether or not a prescreening process is employed.

C. Applicant Written Notification of Benefits

Within 15 working days of receiving an application Contractor shall provide the applicant written or electronic notification of the application status, indicating whether the application has been: approved, denied, deemed incomplete or is still pending review.

1. If approved, the notice shall indicate the nature and an approximate timeframe in which the utility assistance payment will be provided and when weatherization services may be scheduled or if a referral was made to for weatherization services. The name of the utility company and the amount of the benefits also shall be included in the notification, if applicable.

2. If denied, the notice shall indicate the reason for the denial and information regarding the appeal process.

3. If incomplete, the notice shall indicate what additional information or documentation is required.

4. If pending review, the notice shall provide a revised estimate of when the status of the application will be determined. Contractor must follow-up with a notification when a determination has been made.

5. If added to the waitlist for weatherization and the application is not processed, the notice shall provide the amount of time the application will be kept on file, disclaimer that the applicant is not guaranteed services and how applications are prioritized for services.

7.6 Assurance 16 Activity Guidelines

Assurance 16 program funds shall be used for services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance such as needs assessment, client education and budget counseling, and coordination with utility companies. These funds may not be used to identify, develop, and/or demonstrate leveraging programs.

A. Needs Assessment

Contractor must conduct a needs assessment for each client who submits an application that shall include computing the energy burden of each applicant's household and prioritizing households in accordance with Agency Local Plan in Subpart H.

B. Client Education/Budget Counseling – General Requirements

Contractor shall provide all recipients of energy assistance under this Agreement with applicable energy conservation information and budget counseling in accordance with the Contractor's approved Agency Local Plan in Subpart H. As a minimum Contractor shall include the following:

1. Information regarding the importance of applying for energy assistance prior to falling behind in utility payments and information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State.

2. Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household.

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

C. Client Education/Budget Counseling – Weatherization and ECIP EHCS Specific

1. In addition to the above provisions, Contractor shall place in the client's file the Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided with energy conservation, budget counseling, and mold, radon and lead-based paint education.

2. Contractor shall provide the EPA pamphlet, "Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and School."

3. Contractor shall provide to all clients the EPA pamphlet, "A Brief Guide to Mold, Moisture, and Your Home."

4. Contractor shall provide the client with 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.

5. Contractor shall provide the client with an explanation of the effect of each measure in terms of preventing air infiltration or the escape of heated or cooled air from the dwelling and how to maximize the effect of such measures.

6. Contractor shall provide all clients with the EPA pamphlet, "A Citizen's Guide to Radon."

D. Coordination

1. Contractor shall refer all potentially eligible applicants, including HEAP applicants, to the LIHEAP Weatherization Program, ECIP EHCS, CARE/RRP, DOE, or other energy or conservation programs. Contractor shall coordinate its activities with other federal, state, or local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.

2. Contractor shall provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company. Contractor may also perform other coordinative activities with energy vendors/utility companies to provide input relative to the energy assistance needs of California's low-income and a proactive educational concept in serving clients. This includes attending the California Public Utilities Commission's Low-Income Oversight Board Committee meeting.

7.7 Leveraging Activities

A. When ECIP EHCS services are provided contractor shall refer, schedule or recommend a subsequent weatherization assessment, in accordance with the CSD Weatherization Field Guide.

B. Leveraging weatherization funds may be used to install mandatory and/or optional measures in a dwelling in accordance with the CSD Weatherization Field Guide. Client files shall be documented accordingly.

C. If Contractor is leveraging with non-CSD funded programs to meet CSD program requirements, then Contractor shall ensure that any non-CSD leveraged-funded activity performed in conjunction with the Weatherization and/or the ECIP EHCS program, is in conformance with weatherization guidelines. If permitted by the leveraged-funding source, Contractor shall document within the Weatherization and/or ECIP client file the activity performed, date of the activity performed, and the source of the leveraged funds. If the leveraged-funding source prohibits the disclosure of such information, Contractor shall as a minimum make reference to the leveraged activity within the weatherization and/or ECIP client file.

D. Ensure usage of DOE approved priority list and/or audit tools on projects leveraged with DOE.

E. CSD may use information about leveraged activities paid for with funds from leveraged-funding source 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 LIHEAP standards and practices.

7.8 Record-Keeping Responsibilities

A. Contractor shall maintain client intake/needs assessment form(s) for Weatherization, HEAP, and ECIP, 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.

B. Contractor shall ensure that the ECIP Home Energy Supplier Assurance (CSD 416) or approved Contractor's equivalent is completed by each nonregulated utility company, e.g., propane suppliers, wood suppliers, etc., providing services to clients of this Agreement.

C. 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.

D. All Client Files – General Requirements

Contractor shall maintain a separate file for each applicant by either a hard copy or electronic file, or a combination of both. Contractor must ensure that the method selected to maintain files does not impose unreasonable effort in CSD's ability to review any files. These files shall include, the following documentation, when applicable:

1. For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits, (CSD 600) and supporting documents;

2. Energy Intake Form (CSD 43) or approved Contractor's equivalent. Priority points must be written in the designated space on the Intake form;

3. Utility/energy bill(s) for all sources of energy used by qualified households;

4. Documentation supporting eligibility in accordance with the Eligibility and Verification Guide;

5. Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided services in accordance with Assurance 16 requirements; and

6. Client denial or approval letter in accordance with Eligibility and Verification Guide.

7. Client/Customer Consent Form and Authorization (CSD 081) – Only requested when the client is not the account holder of the utility bill.

E. Client Files - ECIP Fast Track, ECIP WPO, HEAP, and WPO

Contractor shall maintain the following documents for each applicant receiving cash assistance services, as applicable:

1. Documentation that substantiates the requested ECIP Fast Track supplemental payment including the total amount due (at the time of intake) to the utility company, reconnection fees, and any other assessed utility fees/surcharges; it shall provide the condition(s) that establishes eligibility for benefits in accordance with ECIP Fast Track Benefit Determination Article 8.3 in subsection C. 3; and

2. Documentation substantiating the portion of rent that is allocated toward energy costs (HEAP and ECIP: Utilities included in rent and WPO only).

F. Client Files - Weatherization and/or ECIP EHCS Specific

Contractor shall maintain the following documents for each applicant receiving weatherization and/or ECIP EHCS services, if applicable:

1. CSD Dwelling Assessment (CSD 540 series) or approved Contractor's equivalent;

2. Combustion Appliance Safety Inspection (CASIF) (CSD 700 or CSD 702 series);

3. Shell Leakage Data Sheet (CSD 704);

4. Duct Test Data Sheet (CSD 706);

5. CSD Weatherization Deferral (CSD 542) and other source documentation supporting deferrals and appeals;

6. Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent;

7. ECIP EHCS Assessment (CSD 57);

8. Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent;

9. Energy Service Agreement for Occupants (CSD 515A) or approved Contractor's equivalent;

10. Energy Service Agreement for Rental Property Owners (CSD 515B) or Contractor's equivalent;

11. Contractor Post-Weatherization Inspection Report (CSD 611);

12. Weatherization Inspection Report (WIR) (CSD 581);

13. Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent;

14. Client confirmation of work completed;

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

15. Required building permits or buildings permit applications, or documentation of permit cost; and documentary evidence of final permit;

16. Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1978 HUD units;

17. Waivers from CSD to exceed maximum costs of weatherization measures;

18. Documentation that substantiates all actual labor hours including a time and activity log associated with each job;

19. Documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;

20. Documentation that substantiates the criteria and basis for replacement of gas and electric appliances, including results of required diagnostic tests, and the non-feasibility of mandatory measures not performed or installed;

21. Documentation indicating the manufacturer, manufacture date, make, and model and metering information for all refrigerator replacements;

22. Documentation referring to CSD or non-CSD weatherization;

23. Documentation of HERS inspection report and a copy of the invoice from the HERS rater, in addition to the Residential Compliance Form (CF-1R, CF-4R and CR-6R);

24. Documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster;

25. All Historic Preservation Online (HPO) review documentation, including copies of the printed Project Description sheet (PDS) and HPO site e-mails;

26. Photographic documentation as required by WIS and CSD Weatherization Field Guide;

27. Building File Report (BFR) and Improvement Analysis Report (IAR) in each client file and retention of electronic audit file;

28. Documentation of attempts to schedule post-weatherization inspection appointments if inspection could not be performed;

29. Lead Safe Weatherization and Lead Renovation, Repair and Painting Compliance Report (CSD 708);

30. Notice of Survey by Electrical (CSD 543);

31. REM Energy Audit Entry Form (CSD 544);

32. Insulation Certificate (CSD 610); and

33. REM/Design Multi-Family Input Sheet (CSD 808).

G. Client Files – Severe Weather Energy Assistance and Transportation Services (SWEATS) Specific

1. Contractor shall maintain the following documents for each applicant receiving services under SWEATS, as applicable:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43; and

   b. Temporary Emergency Portable Appliance Loan Agreement and Waiver (CSD 52).

2. Contractor shall maintain the following documents for each applicant receiving Utility Assistance services under SWEATS:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43;

   b. Documentation of utility/energy bills at the time of intake; and

   c. Documentation that substantiates that the household's economic hardship is a direct result of the disaster.

H. 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.

I. Weatherization and ECIP EHCS Specific

1. Labor and Materials

   a. 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 and ECIP EHCS programs can be substantiated.

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

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

2. Training

Contractors who perform weatherization and ECIP EHCS services are required to input, update, and maintain employee data in the CSD Training Database. The Training Database is located and maintained on the CSD Providers' Website and is a repository for Contractor and their subcontractors to track and monitor employees' completed trainings as they progress through the CSD training curriculum. The Training Database shall also document all training received for each employee and shall include for each training session/course the source/location, type/content, and completion date.

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

b. Contractors shall maintain all training records in the Training Database for trainings provided by third-parties for OSHA 10, OSHA 30, and EPA Renovator certifications as designated by CSD.

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

d. Contractors shall update the Training Database employee information on or before the first day of each subsequent month.

3. Equipment

a. Contractor 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.

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

c. Contractor and subcontractors who keep an inventory of portable appliances for the SWEATS program shall maintain a log documenting the location of all portable appliances on loan and in reserve. The log shall document the retirement or loss of the equipment.

4. Energy Audits

a. Contractor shall maintain electronic records generated from the REM/Design audit software for the 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.

b. Contractor shall make all records generated from the REM/Design 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.

J. Automation

1. Contractor shall use an automated application system capable of supporting LIHEAP's (Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO) 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 WX Data Transfer Rules layout found at http://providers.csd.ca.gov/ReportingSystems/WXDatabase.aspx. Contractor shall exercise best practice and perform a daily backup of all client data/application systems that capture LIHEAP service detail. Contractor shall assure that adequate files are maintained as required in Article 7.8.

2. Contractor shall also be responsible for monitoring the CORE online reports and for resolving payment issue(s) related to the delivery of

benefits. The Agency Allocations/System Maintenance screen shall display historical and current detail level of program allocation information, summarizing agency's annual program allocation, expenditures, and returned benefits eligible for reissuance, if any. The Variance Report shall display the detail level of benefit information whereby the eligible benefit amount differs from the paid benefit amount. For resolution of partial credit returns, Contractor shall be responsible for following up with the client to resolve payment issue(s) and for providing the State with the necessary information to reissue benefit(s). For full credit returns and warrant redeposits, Contractor shall be responsible for resolving and updating client data in CORE to reissue benefit(s).

3. Utilizing reporting options available within the CORE On-Line System, Contractor shall be responsible for generating HEAP and ECIP (Fast Track) reports to attain data specific to the following: rejected records, intake data, client and payment status, expenditures and current allocation balance, returned benefits, summarized county energy costs and burden, and a year-to-date goal status.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 HEAP/WPO Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation and processing timeframes, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

3. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for WPO to determine the client's energy burden.

B. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. However, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment and/or supplemental program income benefit payment, eligible households may receive ECIP EHCS services and/or other weatherization services.

C. Contractor may establish a maximum benefit for HEAP WPO payments; such maximum shall be consistently applied. ECIP WPO payments cannot exceed $1,000.

D. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

E. Once applicants meet the eligibility and prioritization criteria and funds are available:

1. Contractor shall complete the ECIP/HEAP Payment Request Confirmation (CSD 415) or approved Contractor's equivalent **form or approved Contractor's equivalent process that confirms the benefit was delivered**.

2. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

3. CSD will not make payments to clients for WPO assistance.

4. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

F. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

G. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

8.2 Weatherization Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

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

4. 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 client's energy burden.

5. The income certification shall remain in effect for a period of 120 days from the date applicants are deemed eligible for services.

B. Dwelling Eligibility

1. Contractor shall perform the assessment of weatherized dwellings within 120 days of the certification date to receive weatherization assistance services. In the event the Contractor is unable to perform the weatherization dwelling assessment within the 120-day period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility, prior to commencing the delivery of any form of weatherization assistance service including the dwelling assessment.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

2. 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.

3. Contractor shall complete weatherization services within six months from the date of the original assessment of a dwelling. In the event the Contractor is unable to perform all weatherization services within the six-month period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility.

4. Permission to Provide Services

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

   b. If during the course of performing weatherization services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall re-obtain written permission of the owner-occupant dwelling from the owner of a rental unit prior to continuing with the scheduled work.

5. Rent Increase Restrictions

   a. 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.

   b. 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.

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

6. Multi-Unit Dwellings

a. In accordance with 10 CFR 440.22(b) (2), Contractor may weatherize the whole building containing rental dwelling units when 66% (50% for duplexes and four-unit buildings) or more of the dwelling units in the building are income eligible:

i. Are eligible dwelling units, or

ii. 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.

b. 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.

c. Contractor shall complete a Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent for each building and shall maintain a copy in each individual client file.

d. 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.

e. The owner signed a copy of the Energy Service Agreement for Occupant (CSD 515A) or approved Contractor's equivalent or the Service Agreement for Rental Property Owner (CSD 515B) or approved Contractor's equivalent, authorizing the weatherization

work, accepting conditions protecting the interests of tenants, and other provisions required by CSD;

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

7. Previously Weatherized Dwellings

a. Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered re-weatherization.

b. A previously applied measure may be reinstalled during its useful life term, as described on Subpart H Reimbursement Rates for Weatherization and EHCS Activities, due to premature failure or if the measure was destroyed by the prior-occupying household. Justification for the replacement must be documented in the client file.

c. Unoccupied multi-unit dwellings previously weatherized in accordance with this Agreement and which receive appliance repair and/or replacement services upon occupation by an eligible tenant, shall be deemed re-weatherized dwellings.

e. If a dwelling has been previously weatherized under a CSD or another federal or non-federal program, Contractor may provide previously unapplied mandatory and optional measures within the dollar limits of this Agreement. The dwelling and occupant eligibility must be recertified.

f. Services provided in a previously weatherized dwelling to correct a previously installed measure within the warranty period or as a result of a CSD inspection finding is a call-back and is allowable. Demographics for a callback are not included for reporting purposes.

8. Ineligible Dwellings

a. 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.

b. Contractor shall not weatherize any dwelling under this Agreement 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 (CSD 515A) or Service Agreement for Rental Property Owner (CSD 515B).

c. No institutional or commercial building including, but not limited to, universities, schools, nursing homes, hospital, shelters, or group homes, may be weatherized under this Agreement.

C. Minimum Requirements for Weatherization Services

1. Single-family detached and other single-story dwellings that have not been previously weatherized under a CSD program or other program may be weatherized under this Agreement only if:

   a. Ceiling Insulation plus two additional Mandatory Measures are installed, or

   b. In the event Ceiling Insulation is already installed or otherwise not feasible, at least three Mandatory Measures are installed.

   c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

2. Multi-unit dwellings that have not been previously weatherized under a CSD program or other program may qualify for weatherization services only if ceiling insulation plus two additional Mandatory measures are installed or, in the event ceiling insulation is already installed or otherwise not feasible,-at least three Mandatory measures are installed.

   a. Installation of ceiling insulation shall be counted as a ceiling insulation measure for each unit within that building envelope.

   b. Installation of a common water heater shall qualify as a Mandatory measure for each unit served by the same water heater.

   c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

3. If the required minimum number of weatherization measures cannot be installed due to the deferral of measures, then the entire unit shall be deferred in accordance with the CSD Weatherization Field Guide.

4. The minimum number of weatherization measures may be leveraged with other weatherization programs. All leveraged measures used to fulfill the minimum number of required weatherization measures shall meet CSD installation standards.

5. Contractor may complete weatherization services on agriculture housing units or multi-family units if each unit is separately metered and the services will result in a cost savings to the tenant.

D. Dwelling Assessments

1. Contractor shall assess the dwelling of each eligible applicant to determine if the unit is structurally sound and not in need of extensive repairs.

2. Contractor shall determine whether the dwelling meets the criteria for a Historic Preservation Review pursuant to subparagraph 6. b.

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. In addition, Assessors must complete all required online based training courses to include: Environmental Hazard, Lead Safe Weatherization, and Worksite Safety.

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.

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.**

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.

7. Dwelling Assessment Performance

a. Dwelling assessments shall include the following required activities:

i. 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 Agreement. Assessor shall disclose all noted safety and structural hazard conditions to the property owner and tenant, where applicable.

ii. 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.

iii. 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.

b. Historic Preservation Review of Dwellings

i. To ensure compliance with Section 106 of the National Historic Preservation Act (16 U.S.C. 470), 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 LIHEAP on dwellings that are 45 years or older. For purposes of this Agreement, the historic review shall be known as the Historic Preservation Review.

ii. 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.

iii. When a dwelling assessment is performed and the dwelling is determined to meet any of the criteria specified in subparagraph ii, Contractor shall initiate the Historic Preservation Review process as specified in CSD Historic Preservation Review Policy incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

c. Combustion Appliance Safety (CAS) Tests

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

ii. 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, infiltration reduction measures may not be installed until the hazard has been corrected; however, Contractor may install non-infiltration reduction measures.

d. 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.

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

ii. 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. Contractor shall ensure the health and safety of weatherization personnel in carrying out activities funded under this Agreement. In the event the weatherization of a dwelling threatens the general health and safety of weatherization 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.

E. Diagnostic Testing

1. Contractor shall perform the shell leakage diagnostic testing only for shell sealing purposes on a minimum of 20% of the total SFD (one to four units) including mobile homes, and a minimum of 5% of MUD (five or more units) weatherized under this Agreement. Shell leakage diagnostic testing shall be proportionate to the number of completed units for each quarterly period.

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.

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

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.

5. If an unvented space heater is being utilized, infiltration reduction measures shall not be applied unless venting is installed, or the unit is replaced.

F. Health and Safety Measures

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.

2. Contractor is authorized to mitigate health and safety hazards in accordance with the CSD Weatherization Field Guide. In addition to all provisions in this Agreement regarding Health and Safety Measures, Contractor must adhere to the Health and Safety Appliance Replacement Policy, to seek reimbursement for replacing specified appliances. The Health and Safety Appliance Replacement Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

3. Health and Safety Measures and Mandatory Insulation Measures must be installed in priority order. Other Mandatory Measures must be installed before optional measures, and no measure shall be excluded, unless the:

a. Shell leakage and/or pressurized duct diagnostic test indicates that installation of the measure is not necessary;

b. Dwelling already has that measure in place;

c. Measure cannot be properly installed;

d. Client refuses installation (client refusal is to be documented and placed in file);

e. Maximum dollar limit is reached; or

f. Measure is not needed or required.

4. After Health and Safety Measures have been addressed, Insulation Measures, if feasible, must be installed prior to the installation of any other Mandatory and Optional Measures. Non-Mandatory Measures including Infiltration Reduction, General Heat Waste, and Electric Base Load Measures need not be installed in priority order.

5. If a health and safety hazard is found to exist that requires replacing or repairing a combustion appliance, the cost of which will preclude the installation of the required number of Mandatory Measures for a unit to be weatherized, the dwelling may qualify for weatherization under the following conditions:

   a. The combustion appliance is repaired or replaced; and

   b. All remaining feasible Mandatory Measures are installed up to the maximum dollar limit.

6. If the dollar limit has not been reached in installing feasible Mandatory measures, Contractor may install optional measures.

7. Health and Safety Measures

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

      i. A 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.

ii. 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.

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

i. 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.

ii. All such appliance replacements are further subject to the Health and Safety Appliance Replacement Policy.

iii. For those conditions where a true crisis exists and the heating and/or cooling needs cannot be remedied by the installation of a permanent repair or new appliance installation, Contractor shall provide such dwellings with temporary portable devices to support the means of providing adequate cooling and/or heating to occupants of the residence to alleviate the crisis situation and to meet basic heating/cooling needs.

(a) Occupant shall be advised of the higher energy consumption associated with portable heating/cooling devices.

(b) Occupant shall certify that all of the manufacturer's safety instructions will be abided by.

(c) Contractor shall make all attempts to purchase Energy Star-rated portable devices if available.

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

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

performance. If the inspection discloses a problem related to the appliance's operational performance Contractor shall proceed in accordance with the CSD Weatherization Field Guide.

d. 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.

e. 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.

f. 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.

G. Energy Audit Requirements

1. If all feasible measures classified under Health and Safety, Infiltration Reduction and other Mandatory Measures have been assessed, Contractor may assess additional measures utilizing the Energy Audit Requirements by conducting a REM/Design or Targeted Retrofit Energy Analysis Tool (TREAT) audit in accordance with CSD Single-Family/Small Multi-Family Energy Audit Protocol, CSD Multi-Family Energy Audit Protocol.

2. Energy audits shall be conducted as specified in the *CSD Single-Family/Small Multi-Family Energy Audit Protocol (CSD Weatherization Field Guide, Appendix D and Appendix F)* incorporated by reference to this Agreement and available on the CSD Providers' website at http://providers.csd.ca.gov.

a. REM/Design energy audit tool may be applied to single-family dwellings, mobile homes, and multi-unit dwellings containing 24 or fewer dwelling units where each unit is independently heated and cooled and has its own domestic hot water heater.

b. Targeted Retrofit Energy Analysis Tool (TREAT) may be applied to all multi-unit dwellings except for those multi-unit dwellings that are qualified to use REM/Design.

H. 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.

8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines

A. Purpose of ECIP Funds

ECIP funds may only be used to resolve emergencies that fit the federal definition [42 U.S.C. § 8622(1)], including:

1. A natural disaster (whether or not officially declared),

2. A significant home energy supply shortage or disruption,

3. An official declaration of a significant increase in:

   a. Home energy costs,

   b. Home energy disconnections,

   c. Enrollment in public benefit programs, or

   d. Unemployment and layoffs, or

4. An official emergency declaration by the Secretary of Health and Human Services.

5. In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

B. Capacity and Responsibility to Provide Emergency Assistance

1. In accordance with federal and state law, Contractor must be qualified and capable of carrying out an energy crisis intervention program that provides timely and effective emergency assistance, not later than the timeframes stated in 42 USC 8622(c), that resolves the energy crisis. Contractor must meet minimum program requirements for timing and ensuring accessibility to eligible applicants as further defined at 42 USC § 8623(c).

   Once applicants meet the eligibility and prioritization criteria and funds

are available, Contractor shall:

a. Within 48 hours after a household applies and is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO payment that will resolve the energy crisis.

b. Within 18 hours after a household applies and is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO that will resolve the energy crisis if such household is in a life-threatening situation.

2. Contractor agrees to provide all reasonable information requested by CSD during the term of this Agreement in order to enable CSD to assess the adequacy of Contractor's current energy crisis intervention program and Contractor's ability to implement the program.

3. Federal and state law permit the allowability of costs to the ECIP only where the costs are used to provide emergency assistance in an energy crisis. In addition to all other provisions in this Agreement permitting, restricting, or otherwise relating to ECIP costs, such costs are allowable only upon adequate demonstration by the Contractor that the related activities meet the definition of "emergency" as specified in federal law and this Agreement.

C. ECIP Fast Track and WPO

1. ECIP Fast Track and WPO Services shall be provided in accordance with the Agency Local Plan in Subpart H.

2. Applicant Eligibility

a. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

b. Income verification must be for one month and current within six weeks of the application intake date or an annual award letter. For acceptable types of documentation, refer to the LIHEAP Eligibility and Verification Guide. Contractor shall maintain appropriate documents in each applicant's file.

c. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for (WPO) to determine the client's energy burden.

d. Conditions for ECIP services must meet the criteria for an emergency as defined in 42 USC §8622 (1), ECIP Policy and Procedures and Subpart F, DEFINITIONS.

e. ECIP Fast Track Utility Assistance

i. The applicant must receive energy services and be billed directly by one of the following energy providers: a utility company (-ies) and/or a mobile home park that owns its own power source(s) or a submetering billing service with the statutory authority to shut off utility services.

ii. For purposes of the present paragraph C, an emergency energy-related crisis does not exist if the cost of energy is included in the applicant's rent, and Contractor may not make ECIP Fast Track payment(s).

f. In addition to the applicant eligibility criteria listed above, services for ECIP Fast Track and ECIP WPO may not be provided unless at least one of the following criteria pursuant to Government Code §16367.5 (e) pertains and is documented or certified by Contractor:

i. Proof of utility shutoff notice;

ii. Proof of energy termination;

iii. Insufficient funds to establish a new energy account;

iv. Insufficient funds to pay a delinquent utility bill; or

v. Insufficient funds to pay for essential firewood, oil, or propane.

3. ECIP Fast Track Benefit Determination

ECIP Fast Track benefits shall be determined using the base benefit amount and, when applicable, an agency-determined supplemental benefit amount. Contractors shall issue ECIP Fast Track benefits in accordance with the following:

a. Contractor shall ensure that the total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) is limited to and does not exceed the total amount due (at the time of intake) to the utility company for energy charges, reconnection

fees, and other assessed utility fees/surcharges in order to alleviate the crisis situation.

b. When only issuing the base benefit amount (no supplemental payment), Contractor may exceed the total amount due to the utility company in energy charges, reconnection fees, delinquent utility bill establishing arrearages and/or past due balances, and other assessed utility fees/surcharges to alleviate the crisis situation.

c. Contractor shall ensure that the maximum total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP Fast Track payment, the total payment cannot exceed $1,000.

d. Contractor shall provide full justification for benefits paid by documenting the client file(s) to include the amount of charges and verification by the utility company.

e. Contractor shall review, check for duplicates, and approve applications in accordance with Contractor's approved Agency Local Plan in Subpart H and the current LIHEAP Eligibility and Verification Guide.

4. ECIP Fast Track/WPO Payment Guidelines

a. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year; however, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP EHCS services and/or other weatherization services, if needed.

b. Contractor shall ensure that the maximum total ECIP WPO benefit does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP WPO payment, the total payment cannot exceed $1,000.

c. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

d. When a HEAP payment or ECIP Fast Track payment has been made directly to an energy vendor, notification of payment(s) shall be shown as a credit on the utility bill(s).

5. ECIP WPO Payment Guidelines Specific

a. Contractor shall complete the ECIP/HEAP Payment Request Confirmation (CSD 415) or approved Contractor's equivalent **form or approved Contractor's equivalent process that confirms the benefit was delivered.**

b. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

c. CSD will not make payments to clients for WPO assistance.

d. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

e. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

f. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

D. ECIP Emergency Heating and Cooling Services (EHCS)

1. Applicant Eligibility

Eligibility of the applicant shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

2. Dwelling Eligibility

Eligibility of the dwelling shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

3. Dwelling Assessments

a. Assessment of the dwelling shall meet all requirements as described in the Weatherization Activity Guidelines specified in Article 8.2.

b. Work crews of Contractor who are only performing heating and cooling services shall not be required to perform the entire CAS test and may limit the testing to only the heating and cooling appliances to be repaired or replaced.

4. Allowable Services

ECIP EHCS may be used for the repair, replacement, and new installation of heating/cooling and water heating appliances identified in the ECIP Policy and Procedures and must meet the following criteria:

a. The applicant is income eligible and submits the required documentation to complete the eligibility of the dwelling;

b. The applicant has insufficient funds to pay the cost of repairing or replacing an eligible heating or cooling appliance or for a new heating or cooling appliance;

c. The appliance condition meets one of the appliance repair/replacement criteria as defined in the ECIP Policies and Procedures; and

d. The services to mitigate and completely resolve the emergency and satisfy the relevant emergency assistance meet the timeframes as defined in the ECIP Policies and Procedures.

E. Natural Disasters

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.

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

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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines

A. The Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy was developed by CSD to facilitate the delivery of allowable LIHEAP services, including utility assistance and weatherization, during a bona fide emergency. The policy includes guidelines and other criteria which, if followed, will authorize the Contractor to expend LIHEAP funds to respond to eligible beneficiaries impacted by the emergency. The SWEATS Policy is incorporated by reference to this Agreement and is available on the CSD Providers' website at https://providers.csd.ca.gov.

B. The activation of SWEATS services is at CSD's sole discretion and will be time-limited according to CSD's official notification. In the event a bona fide emergency occurs during CSD non-business hours, Contractor at its discretion may elect to activate the terms and conditions of SWEATS. The local activation of SWEATS will remain in effect until CSD's next official business day.

C. Eligible households may receive the following SWEATS emergency services:

1. Utility Assistance
2. Temporary Shelter, Coats, and Blankets
3. Transportation Services
4. Portable Heating and Cooling Appliances and Generators

D. For Applicant Eligibility, Service Provisions, Reimbursements, Reporting, and Record-keeping requirements, refer to the SWEATS Policy.

8.5 Quality Assurance

A. Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization and ECIP EHCS work performed under this Agreement. Such assurance will be documented on the CSD Dwelling Assessment Form (CSD 540) or approved Contractor's equivalent and shall be signed and dated by a certifying agency representative.

B. Post-Weatherization Inspections

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

1. Contractor shall perform Post-Weatherization Inspections on 100% of the total weatherized dwellings under this Agreement. Weatherization jobs where measures installed are limited to lightbulbs, water measures and alarms are exempt from receiving a post-inspection.

2. If Contractor is unable to perform a post-inspection, Contractor must demonstrate that a reasonable attempt was made to schedule or perform the post-inspection. Attempts must be fully documented on the CSD Post-Weatherization Inspection (CSD 611) and maintained in the client file. The following shall constitute a reasonable effort:

   a. One phone call attempt plus one correspondence to client stating an attempt was made to inspect and offering client to reschedule; or

   b. One missed appointment or a client refusal plus one correspondence stating an attempt was made to inspect and offering client to reschedule.

3. 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. At a minimum, the post-inspection shall:

   a. Review the CSD Dwelling Assessment Form (CSD 540) to ensure that all feasible weatherization measures identified during the assessment were installed.

   b. In the event weatherization crews identified and performed additional weatherization measure installations that are not disclosed during the dwelling assessment, then the Inspector shall ensure that these measures conform to CSD weatherization guidelines and are notated on the CSD Dwelling Assessment Form (CSD 540).

   c. Verify that all measures were completely installed in accordance with said terms and conditions of this Agreement.

   d. 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 Agreement.

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

f. 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; and

g. 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.

4. Contractor shall ensure that Post-Weatherization Inspections are performed by trained staff successfully completing all required training as specified in Article 9.1., Training Requirements.

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 Agreement.

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 assessments.**

7. The Quality Assurance Inspector 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.

C. Third-Party Inspections

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

2. Unless Contractor assumes the task of arranging third-party inspection visits with the selected weatherization clients, Contractor shall provide the use of a telephone to the inspector.

3. 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.

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

5. Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation. The immediate hazard shall be eliminated within 24 hours, and hazardous conditions shall be completely resolved within five working days of written notification. The time period may be extended for circumstances beyond the Contractor's control; however, the time extension must be approved in writing by CSD prior to the expiration of the five-working day period.

D. Noncompliance

1. Contractor shall be subject to the withholding of any or all reimbursements for failure to completely resolve a Hazardous Condition within five working days or within the modified completion date for units receiving a time period extension. 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.

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.

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.

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:

   a. Contractor has a history of unsatisfactory performance.

   b. Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.

   c. Failure to remedy an identified Hazardous Condition in a timely manner (elimination of immediate hazard within 24 hours and complete resolution correction within five working days of written notification).

   d. Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS

9.1 Training Requirements

A. All training, as indicated by employee classification in the Training Matrix located in Subpart H shall be provided through a CSD-approved training mechanism utilizing CSD-approved training curricula. In-house training shall no longer be an acceptable form of training to meet any CSD training requirements for weatherization services with the exception of EPA or HUD-approved Lead-Safe Weatherization Training or unless otherwise noted. Training coursework must be successfully completed according to the terms of each course. Certificates of completion shall be issued by the CSD-approved training entity upon successful completion of each course, unless where otherwise noted below.

B. Training Provisions for Staff of Contractor and Subcontractors:

1. For the purposes of this section, subcontractors must have prior experience providing basic weatherization services pursuant to a CSD program. Subcontractors who do not have prior basic weatherization experience pursuant to a CSD program must follow the training provisions in Article 9.1 subsection D.

2. Within 30 days of employment, weatherization employees of Contractor and subcontractors shall receive Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training. An Assessor, Energy Auditor, Worker, Supervisor, or Inspector shall not be allowed to enter, assess, conduct an audit on, weatherize, or inspect a dwelling unit until the required Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training has been completed.

3. Within 90 days of employment, all weatherization employees of Contractor and subcontractors shall receive Basic Weatherization Training.

C. Training Provisions Based Upon Job Duties:

1. When job duties included duct leakage and shell leakage diagnostics, weatherization employees of Contractor and subcontractors shall receive Duct Leakage/Shell Leakage Diagnostic Training. No employee of Contractor and subcontractor shall perform diagnostic testing without having completed the required training.

a. Subsequent to successful completion of the Duct Leakage/Shell Leakage Diagnostic Training, Contractor and subcontractor

employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee knowledge and skill in this area of diagnostic testing.

b. Contractor and subcontract employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

2. When job duties include Combustion Appliance Safety, weatherization employees of Contractor and subcontractors shall receive Combustion Appliance Safety Training. No employee of Contractor and subcontractors shall perform combustion appliance safety checks without having completed the required CSD-approved training.

a. Subsequent to successful completion of Combustion Appliance Safety Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Combustion Appliance Testing.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

3. When job duties include performing Assessments and/or Field Supervision, weatherization employees of Contractor and subcontractors who perform Assessments and/or Field Supervision shall receive Field Assessment and Field Supervision Training. No employee of Contractor and subcontractors shall perform assessments or supervision without having completed the required training. Certificates of Completion shall be issued following successful completion of the second phase ("field portion") of the training.

a. Subsequent to successful completion of Field Assessment and/ or Field Supervision Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Assessments and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

4. Weatherization employees of Contractor and subcontractors who perform Quality Assurance Inspections and/or Field Supervision shall receive Quality Assurance/Inspector Training. No employee of Contractor and subcontractor shall perform inspections without having completed the required training.

a. Subsequent to successful completion of Quality Assurance/Inspector Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in Quality Assurance Inspections and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

D. Subcontractors who have never provided basic weatherization services pursuant to a CSD program are required to have all staff complete the entire required course of training, relative to their job classification, as detailed in the Training Matrix located in Subpart H, prior to commencing unit production work.

E. Training and technical assistance funds may also be used to train Contractor's subcontractors participating in the program and excludes on-the-job training. In making the determination to pay for subcontractor training, Contractor should secure a retention agreement in exchange for the training. The subcontract agreement should stipulate that the subcontractors will work in the program, for a minimum of 12 months. The training costs are limited to travel, admission and materials.

F. Training Provisions for Staff of Subcontractors Who Provide Specialty Services

All field employees of subcontractors who perform HVAC work for a Contractor are strongly encouraged to receive the required CSD-approved training. If the subcontractor does not receive the training, it shall be the responsibility of the Contractor to perform all pre-and post-combustion appliance safety diagnostic

testing for all HVAC services performed by subcontractors.

G. For weatherization services performed on HUD units, all work crews of Contractor and subcontractors who perform basic weatherization or specialty services are required to be trained in HUD-approved Lead-Safe Weatherization, although certification is not required. No employee of Contractor and subcontractors shall perform work in a pre-1978 HUD dwelling until the required training has been received. Although a crew supervisor can be certified as a HUD Lead Abatement Supervisor or Worker, it is not a substitute for the requirement of trained work crews.

H. EPA Lead Renovator training is required per the EPA for all Contractors and subcontractors performing work on pre-1978 homes, where the work could potentially disturb lead-based paint.

For weatherization services performed on pre-1978 units, all work crews of Contractor and subcontractors who provide basic weatherization or specialty services are required to be trained in EPA-approved Lead Renovator practices, and firm certification is required. No employee of Contractor and/or subcontractors shall perform such work on a pre-1978 dwelling until the required training has been received.

I. Contractor shall maintain and make available for reference to Contractor's employees and subcontractors who perform weatherization and ECIP EHCS services the following:

1. Current CSD Weatherization Installation Standards;

2. CSD Weatherization Program Policies;

3. Other applicable policies and procedures; and

4. Official State and Federal Program Notices.

J. OSHA-10 is required for all crews, and OSHA-30 is required for all agency supervisors who are regularly on-site and monitor for field safety.

9.2 Contractor Licensing

Contractors, unless otherwise exempt or their subcontractors performing basic weatherization services under this Agreement shall comply with the following licensing requirements:

A. Possess and maintain an active Class "B" General Building Contractor license, issued by the Contractors' State License Board (CSLB) in the name of the agency/qualifying individual;

B. Fulfill the requirements of, and receive certification pursuant to the Toxic Substances Control Act (TSCA), Section 402;

C. Contractor is responsible for ensuring that all subcontractors have an active licensing and are in good standing for the duration of the subcontract agreement; and

D. Contractor shall immediately notify CSD when any changes in licensing occur.

9.3 Special Licensing - Weatherization

A. Special licensing may also 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.

B. Specialty subcontractors must possess all applicable licenses as required by the CSLB to carry out installation and/or repairs.

C. Contractor is responsible for ensuring that all subcontractors have an active license and are in good standing for the duration of the subcontract agreement.

9.4 Environmental Protection Agency (EPA) Certifications

A. All Contractors shall be certified as an EPA Certified Firm in accordance with EPA's Regulation on Residential Property Renovations requirements (40 CFR 745). Contractors who subcontract all of their weatherization and ECIP EHCS services are exempt from being certified as a firm.

B. Contractors shall have at least one certified renovator on staff that is trained by EPA-approved training providers. Contractors who subcontract all of their weatherization and ECIP EHCS services shall have at least one EPA Certified Renovator on staff for subcontractor oversight purposes.

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

D. Any Contractor or subcontractor (basic and specialty, if applicable) without an EPA Certified Firm certificate on file with CSD will not be allowed to work in the Renovator capacity on pre-1978 buildings.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

E. Any EPA Certified Renovator for a Contractor and subcontractor (basic and specialty, if applicable) without certifications on file with CSD will not be allowed to work in the capacity of a Renovator on pre-1978 buildings.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART D – COMPLIANCE REQUIREMENTS

ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES

10.1 Right to Monitor, Audit, and Investigate

A. 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 Agreement through on-site visits, audits, and any other appropriate means CSD deems necessary.

B. 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 Agreement 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.

C. Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance with Public Law 97-35, as amended.

D. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause 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

A. Auditing Standards

1. *Applicability of new OMB "Super Circular" audit provisions.* The standards set forth in this Article (Auditing Standards and Reports) reflect the updated audit requirements as set forth in 45 CFR Part 75Subpart F – Audit Requirements).

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 Agreement by reference in Part II, Subpart

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

H. The Supplemental Audit Guide may be accessed at http://providers.csd.ca.gov.

B. Audit Reports

1. Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of 45 CFR Part 75 Subpart F – Audit Requirements, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, December 2011 Revision, as amended."

2. *Organizations below audit threshold.* Contractors falling below the federal funding threshold that mandates a single agency-wide audit may be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30-day written notice.

3. The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

C. *Submission of Audit Reports.* Contractor shall submit to CSD one printed copy and 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.

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

Electronic copy:
audits@csd.ca.gov.

Printed copy:
Department of Community Services and Development
Attention: Audit Services Unit
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Mailing Address:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
P.O. Box 942850
Sacramento, CA 94250-5874

Street Address for Fed Ex:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
3301 C Street, Suite 700
Sacramento, CA 95816

E. If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Agreement, CSD may impose additional conditions, as described in §200.207. 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 45 CFR§75.371 - §75.380 *Remedies for Noncompliance*:

1. Temporarily withhold cash payments pending correction of the deficiency by Contractor or more severe enforcement action by the Federal awarding agency;

2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;

3. Wholly or partly suspend or terminate the Federal award;

4. Recommending that suspension or debarment proceedings (as authorized under 2 CFR Part 180) be initiated by the Federal awarding agency;

5. Withhold further federal awards; or

6. Take other remedies that may be legally available.

F. Collection of Disallowed Costs

1. In the event, questioned costs are identified in Contractor's single audit report or in the report of other audit conducted by, or on behalf of, CSD in connection with the implementation of this Agreement, Contractor shall comply with any demand for repayment made, as specified in the Audit

Transmittal Report (TR) or other audit repayment demand document.

2. Contractor shall have no less than 30 days from the date of the TR or comparable document 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.

3. If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided in subparagraph 2, CSD shall, after consideration of Contractor's submission, issue a TR requesting payment of disallowed costs, if any are determined to be owing, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 days from the date of the TR to tender payment or a repayment plan acceptable to CSD. In the alternative, Contractor may request a hearing in accordance with Article 10.4, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

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

10.3 Compliance Monitoring

A. As the recipient of federal LIHEAP block grant funds under this Agreement, Contractor must substantiate that all costs claimed pursuant to this Agreement 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.

B. As the administrator of the LIHEAP block grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHEAP law, and for allowable and allocable costs under the applicable rules of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

C. CSD is required to conduct on-site and follow-up monitoring of Contractor to ensure that Contractor meets the Production and Expenditure Plan, administrative standards, financial management requirements, and other requirements of the federal and State LIHEAP program.

D. CSD shall provide Contractor reasonable advance notice in writing of on-site monitoring reviews of Contractor's program or fiscal performance.

E. In accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), Contractor shall cooperate with CSD program and audit staff and other representatives and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement. 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 effect 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:

1. Upon request, provide a list of clients, jobs or properties to or for which LIHEAP 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."

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., subsection B., access 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 Agreement, or applicable federal and/or State LIHEAP program guidelines.

3. For purposes of this paragraph E:

   a. "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.

   b. 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.

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 LIHEAP 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.

5. In the event Contractor is unable to comply with the provisions of subparagraphs 1. or 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 agreement 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:

   a. Contractor has not submitted duplicate billings to both LIHEAP and Associated Program.

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

F. In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Agreement, CSD shall provide the observations, recommendations, or findings and request for a corrective action plan to Contractor in writing. Contractor shall submit to CSD a specific action plan for correcting the noncompliance.

G. Collection of Disallowed Costs

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.

2. *Time for response.* Contractor shall have no less than 30 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.

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 2, CSD shall, after

consideration of Contractor's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 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, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

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 Agreement

A. General

The authority for CSD Enforcement Actions, as defined in paragraph B, for cost disallowances/ recovery of misused funds, and for de-designation of eligible entity status (collectively "Enforcement Process") is found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), and in state regulations, with particular reference to 22 CCR 100875. In order to facilitate compliance with the cited authorities, the parties to this Agreement agree that: 1) the present article 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. Accordingly, the parties hereto agree as follows:

B. Enforcement Action, "High Risk" – Determination and Notice

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 Agreement is seriously compromised, or if CSD determines that Contractor has not complied with the requirements of this Agreement and that Contractor's noncompliance constitutes a material breach of the Agreement, 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.

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 must be taken and completed.

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

   a. constitutes fraud or gross negligence by Contractor or its agent(s);

   b. is likely to result in significant waste and/or abuse of federal funds;

   c. 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;

   d. violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;

   e. may have serious adverse effects and consequences on the Contractor's customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; OR

   f. may otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.

C. Special Conditions and Sanctions

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 B, above.

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:

   a. The nature of the Special Condition(s) and/or Sanction(s) being imposed;

b. The reason(s) for imposing Special Condition(s) and/or Sanction(s); and

c. The corrective actions that must be taken and the time allowed for completing them before CSD removes the Special Condition(s) and/or Sanction(s).

3. Special Conditions may include, but are not limited to:

a. obtaining training and/or technical assistance;

b. the imposition of special or additional reporting requirements;

c. special or conditional cost reimbursement requirements and procedures;

d. the provision of documentation by Contractor; and/or

e. the requirement to amend or modify systems, procedures, and/or policies;

4. Sanctions may include, but are not limited to:

a. the suspension of advances and/or reimbursements; and/ or

b. the issuance of stop work orders.

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:

a. substantial sums to be paid to Contractor have been or will be used in violation of law or the provisions of this Agreement, or

b. the associated costs are otherwise very likely to be disallowed; and

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

6. Review of Special Conditions and/or Sanctions.

a. if Contractor elects to contest the action to impose Special Conditions and/or Sanctions, Contractor shall have five working days following receipt of Notice of Enforcement Action in which

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

b. CSD shall have five working days following receipt of Contractor's response to accept or reject Contractor's objection and to state in writing the consequences of the decision and Contractor's obligations going forward, if any.

c. Contractor may, within five working 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.

d. 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.

e. 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.

f. Special conditions and sanctions shall remain in effect until the hearing procedure is completed, provided, with respect to sanctions, CSD reasonably determines that subparagraph 5. c. applies.

D. Cost Disallowance

1. If Contractor's non-compliance with the terms of this Agreement 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.

2. The Statement of Questioned Costs shall include:

a. a description of the costs questioned and the specified amount by type or category of costs;

b. the reason the costs are questioned and the information and/ or documentation required to justify payment of the costs; and

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

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 C. 4. or, if feasible, issue a Notice of Disallowed Costs.

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:

   a. the amount of disallowed costs to be repaid, if any; and

   b. the date by which repayment must be made or, in the alternative,

   c. the date by which Contractor must submit a proposed repayment plan for consideration by CSD.

5. Before the expiry of five working 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 C. 6. d. of this section, in a combined proceeding.

6. If Contractor fails to request a hearing to adjudicate cost disallowance, as provided in subparagraph 5, the Notice of Disallowed Costs shall be deemed final and Contractor shall comply with the provisions of the present Paragraph D.

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:

a. federal requirements or conditions applicable to the grant(s) under which the disallowed costs were funded;

b. 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;

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

d. Contractor's financial condition and ability to pay.

E. 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.

F. In the event Contractor's non-compliance with the terms and conditions of this Agreement 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.

G. Lien rights

The State retains lien rights on all funds advanced.

10.5 Expenditure Period of Performance and Production Requirements

A. Service Delivery and Expenditure of Funds

1. Contractor shall, in accordance with Government Code §16367.5, be afforded maximum flexibility and control, within the parameters of federal and state law, in the planning, administration, and delivery of LIHEAP

services. Regardless of the modalities and techniques utilized, Contractor is obligated: a) to ensure that the maximum numbers of persons are served, consistent with the effective and efficient service delivery, with program requirements and with applicable law; and b) to fully expend program funds within the contract term.

2. A substantial failure to expend funds and provide services to readily available qualified applicants, except for compelling reasons beyond Contractor's control, 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 Agreement." 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 future funding to other performing service providers.

B. Contractor **Expenditure Period of Performance** and Reporting Requirements

1. **Contractor shall expend 99% of the contract amount by December 31, 2018, the Period of Performance.**

   a. **CSD will monitor Contractor's expenditures to evaluate compliance with meeting the expenditure requirement by December 31, 2018 for each program category, including capped budget items.**

   b. Contractor shall submit timely expenditure reports, that allow CSD to evaluate Contractor's ability to meet the expenditure requirement. Based upon these reports, CSD may determine that Contractor will not or has not met the required expenditure goals and is out of compliance with this Agreement.

   c. If Contractor's actual expenditure is less than the required expenditure goal by the **Period of Performance** date, CSD may, at its sole option, notify Contractor in writing that CSD will extend the **Period of Performance** date, for a specific period to be determined by CSD, beyond December 31, 2018. **If CSD does not extend the Period of Performance Contractor's allocation may be reduced, including capped budget items, and reallocated to another contractor. CSD shall notice Contractor of its decision regarding the extension of the Period of Performance date by December 20, 2018.**

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART E – CERTIFICATIONS AND ASSURANCES

ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS

11.1 Certifications

A. Contractor's signature affixed to Part I of this Agreement shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:

1. Drug-Free Workplace Requirements, Contract Certification Clauses 04/2017 (CCC-04/2017)

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

3. Expatriate Corporations (CCC-04/2017)

4. Domestic Partners (CCC-04/2017)

5. Labor Code/Worker's Compensation (CCC-04/2017)

6. Americans with Disabilities Act (CCC-04/2017)

7. Contractor Name Change (CCC-04/2017)

8. Resolution (CCC-04/2017)

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

10. Information Integrity and Security (Department of Finance, Budget Letter 04-35)

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

B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit the CSD Providers' website at https://providers.csd.ca.gov.

11.2 Provisions for Federally Funded Grants

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

8621 et seq., as amended.

B. Eligibility to Receive Federally Funded Public Benefits

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

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

D. Federal Funding Accounting Accountability and Transparency Act Reporting Requirement (FFATA)

Pursuant to the Federal Funding Accountability and Transparency Act reporting requirements (45 CFR Part 75) CSD is required to report information regarding Contractors (sub-awardees) receiving LIHEAP funds. Contractor must complete CSD form 279, located in Subpart H, and return with the contract Part I to ensure compliance.

CSD may issue guidance and/or Amendment(s) to this Agreement, 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:

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

B. Have not within a three year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph B above of this certification; and

D. Have not within a three-year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.

E. If any of the above conditions are true for the Contractor or any of its officers, Contractor shall describe such condition and include it as an attachment to Part I of the Contract. Based on the description, CSD in its discretion may decline to execute this Agreement or set further conditions of this Agreement. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Agreement, and CSD may terminate this Agreement for cause immediately pursuant to the termination provisions of State and federal law governing the Low-Income Home Energy Assistance Program.

F. As provided in 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

A. Each Contractor or subcontractor with 50 or more employees and an agreement of $50,000 or more shall be required to develop a written Affirmative Action Compliance Program.

B. The written program shall follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.

C. Each Contractor or subcontractor with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

11.5 Nondiscrimination Compliance

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

B. Contractor hereby certifies compliance with the following:

1. Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity.

2. Title VI and Title VII of the Civil Rights Act of 1964, as amended.

3. Rehabilitation Act of 1973, as amended.

4. Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.

5. Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended.

6. Public Law 101-336, Americans with Disabilities Act of 1990.

11.6 Contractor Fair Hearing - Civil Rights Act Violation

A. In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.

B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Section 81.1 et seq.

11.7 Specific Assurances

A. Pro-Children Act of 1994

1. This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act).

2. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

B. American-Made Equipment/Products

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

C. Federal and State Occupational Safety and Health Statutes

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

D. Political Activities

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

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

E. Lobbying Activities

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

2. If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, Subpart H , as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017

12.1 APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

12.2 AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

12.3 ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

12.4 AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

12.5 INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

12.6 DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

12.7 TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the

State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

12.8 INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

12.9 RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

12.10 NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

12.11 CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12.12 TIMELINESS: Time is of the essence in this Agreement.

12.13 COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

12.14 GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

12.15 ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2. "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

12.16 CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of $100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

12.17 UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

12.18 PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of $200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

12.19 SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all

payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

12.20 LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART G – DEFINITIONS

All terms used in this Agreement shall be those as defined in applicable federal and state law (see 42 U.S.C. § 8621 and Government Code § 16367.5) and regulation (see 45 C.F.R. Part 96 and 22 C.C.R. § 100800), 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.

Agreement: 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.

Amendment: A formal change to the Agreement 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 Agreement.

American Indian (also known as Native American): Any individual who is a member or a descendant of a member of a North American tribe, band, or other organized group of native people who are indigenous to the continental United States or who otherwise have a special relationship with the United States through treaty, agreement, or some other form of recognition, residing within the State. This includes any individual who claims to be an Indian and who is regarded as such by the Indian community of which he or she claims to be a part. This definition also includes Indians of Alaska.

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 Agreement.

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 to inform or direct immediate action to correct a problem or provide relief from an obligation.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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.

Call-Back: A call-back is a visit from Contractor that occurs when a measure fails (either during inspection, or later within the warranty period) and must be corrected by the Contractor. The required warranty periods are defined in CSD's WIS Appendix B. Warranty corrections and apply to both the LIHEAP and DOE weatherization programs.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Health Services, 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.

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 have not attained their 19th birthday.

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 Intake: Includes, but is not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility.

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.

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

CORE: Combined Output Reporting Engine (CORE) System: Software used by CSD's local service providers to submit Utility Assistance, Wood, Propane, and Oil transaction records for validation and further processing.

Created On Date: The date the application/record is transferred into CORE. This date is automatically generated by CORE when a record is uploaded.

Crisis: Weather-related and/or supply-shortage emergencies and other household energy-related emergencies that negatively impact the energy-related economic conditions of low-income households. A crisis can be caused by:

a. Cold or hot weather related events, such as flood, earthquake, tornado, hurricane, ice storm/freeze; or events meeting such other criteria as the Governor, and/or the President of the United States, at their discretion, and/or their designee, including CSD, may determine to be appropriate; or

b. Geopolitical events, such as wars, terrorism, civil disturbances, and embargoes, including geopolitical events that negatively impact the energy-related economic conditions of low-income households.

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

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

Di Minimis Levels: The amount of lead paint disturbed in a dwelling is comprised of 2 square feet per room of interior surfaces, or 20 square feet of exterior surface, or 10% of a small component, e.g., window sill, baseboards, and trim. When calculating the di minimis level, the entire surface of the component must be included in the computation. For example, when replacing a 2 x 3 foot window,

the di minimus level would be 6 square feet and would exceed the maximum allowance for interior surfaces and the unit would be subject to HUD Regulation.

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 Services: The portion of the LIHEAP funding to carry out the provisions of LIHEAP services and activities of this Agreement, to include: Weatherization, Energy Crisis Intervention Program (ECIP) Services (excluding Utility Assistance), and Wood Propane and Oil (WPO).

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 (P.L. 94-385). The federal regulations for this program are in 10 CFR Part 440.

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.

EHA-16: A term used to reference Emergency Crisis Intervention Program, Home Energy Assistance Program and Assurance-16 service components.

Elderly: An individual 60 years of age or older.

Electric Base Load Measure: A subcategory of weatherization measures designed specifically to reduce energy consumption in the areas of lighting and electrical appliances. Allowable electric base load measures include compact and torchiere fluorescent lamps, microwave ovens, refrigerator replacements, and electric water heater timers.

Electric File: The term "electronic file" means a contract or other record created, generated, sent, communicated, received, or stored by electronic means.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Emergency: The term "emergency" under this Agreement shall meet the federal definition at 42 U.S.C. § 8622(1) and shall be defined as being any one or more of the following conditions:

a. A natural disaster (whether or not officially declared);

b. A significant home energy supply shortage or disruption;

c. An official declaration of a significant increase in:

i. Home energy costs;

ii. Home energy disconnection;

iii. Enrollment in public benefit programs; or

iv. Unemployment and layoffs;

d. An official emergency declaration by the Secretary of Health and Human Services.

In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

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

Energy Conservation Measures (also known as Weatherization Measures): A wide variety of measures installed in or applied to the dwelling to increase the energy efficiency or to reduce the total energy expenditures of the dwelling.

Environmental Inspection: A visual assessment and sampling which includes asbestos, lead and radon when allowable per the contract. Environmental inspections shall be in accordance 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 associated with the inspection.

Evaporative Cooler Repairs: Repair or replacement of filter pads, water pumps, belts, motors, or other components that promote efficient operation of the unit.

Excess Income: The difference between "Total Actual LIHEAP Revenue" less "Total Actual LIHEAP Costs." If the amount in "Total Actual LIHEAP Revenues" is less than the amount in "Total Actual LIHEAP Costs," then there is no excess revenue.

Final Allocation: The actual amount of funds available to Contractor under this Agreement, as calculated pursuant to Title 22, California Code of Regulations, § 100830 after CSD receives the notice of grant award for the full annual allocation based on the appropriation by Congress for the Federal Fiscal Year, and as publicly announced by CSD's Director or designee, subsequent to the execution of this Agreement.

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 and furnace filter replacements, shade screens, shutters, 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 and travel 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 Inspection Policies and Procedures.

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.

Health and Safety Measures: A subcategory of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. These measures include CO alarms, smoke alarms, heating/cooling and water heater repairs and replacements, lead-safe weatherization and kitchen cooking appliance repair and replacements.

Highest Home Energy Needs: The home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable

populations, including very young children (0-5), individuals with disabilities, and frail, older individuals (60+).

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 2008 Building Energy Efficiency Standards.

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 done to the point of minimum ventilation requirement or it is no longer cost effective to proceed. Infiltration reduction is best accomplished with shell leakage technology. These measures include caulking, cover plate gaskets, door repairs and replacements, minor envelope repair, and evaporative cooler or air conditioning vent covers.

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

Interim Allocations: Incremental releases of Continuing Resolution appropriations by CSD to fund LIHEAP Direct Services and Utility Assistance program activity under this Agreement.

Interest Income: The interest earned by a Contractor directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. The interest earned by a Contractor is income generated as a result of depositing federal funds in an interest bearing account.

Labor and Material Measures: Those measures where the measure reimbursement is based on the combined total of labor and material and the quantity of the measure itself is not limited to a specific amount per weatherized dwelling.

Labor and Material Single-Quantity Measures: Those weatherization measures where the reimbursement is based on the combined total of labor and material cost and the maximum quantity of the measure is limited to a single item per weatherized dwelling.

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 (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. LHR shall include:

a. Kitchen cabinet repairs and retrofits that are associated with the replacement of a range, cook top, or pre-existing microwave oven. No other cabinet repair or retrofit shall be allowed without a program waiver.

b. Repairs necessary to restore building integrity, and limited to the following repairs:

   i. Floor/platform repair for water heaters;

   ii. Cover plate replacement;

   iii. Minor roof repairs and materials;

   iv. Mobile home skirting repairs to prevent animal infiltration;

   v. Minor exterior appliance access;

   vi. Limited rehabilitation to replace deteriorated wooden window or door frames, to make possible the proper installation of a replacement door or window;

   vii. Repair/installation of an exterior appliance enclosure door that does not close properly or is missing, only when appliance services will be provided under the program.

c. Extension of exhaust fan vents to the outdoors (except kitchen exhausts).

d. Extension of dryer venting to the outdoors.

e. Attic Access Enlargement (in conjunction with insulation installation).

f. Note: Costs to obtain knob-and-tube wiring "Notice of Survey by Electrical Contractor (CSD 543)" and installation of simple overcurrent protection (breakers or S-type fuses) shall be billed to "Mandatory Assessments and Diagnostics - Permits."

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 purchases of vehicles, office equipment and field equipment $5,000 or greater per unit used for the purpose of delivery of direct services. Pre-approval from CSD is required. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

Materials: Materials are those allowable items that are installed in or on the dwelling. All materials shall be in conformance with the CSD Weatherization Installation Standards and CFR Title 10 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 Agreement, as amended to reflect the Final Allocation for the term of this Agreement.

Maximum Average Reimbursement: Represents the maximum average per dwelling investment for related weatherization service and program costs where an energy audit is conducted. The formula for determining the maximum average reimbursement is:

Maximum Average Reimbursement is equal to Program Operations divided by Total Completed Units.

Where Program Operations are defined as:
Program Costs less (Training & Technical Assistance + Liability Insurance + Vehicles & Equipment Purchases Over $5,000)

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 domicile (permanent place of residence) within the same day.

Minor Envelope Repairs: Those repairs that have a direct association with weatherization measures being installed and are necessary 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.

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 under $5,000 per unit used for the purpose of delivery of program services. Purchases must follow all federal and state rules and regulations governing LIHEAP 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.

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 LIHEAP. 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 Agreement that does not require an Amendment.

Multi-Unit Dwellings (MUD) also known as Multi-Family Buildings (MFB): Defined as residential dwelling structures containing more than one residential unit within a single building, including: duplexes, triplexes, fourplexes, and multi-unit apartments. For purposes of travel reimbursement to Contractors and shell leakage testing, Multi-Unit Dwellings are defined as multi-unit dwellings, e.g., apartments, with five or more attached residential units.

Multiple-Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed unit price per measure and which provide for the installation of multiple quantities of the measure in a single weatherized dwelling.

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 as the Secretary of Federal Department of Health and Human Service, in the discretion of the Secretary, may determine to be appropriate. For the purpose of the CSD 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.

Nonassisted Clients: The number of clients who returned an application to the agency for LIHEAP services (Weatherization, ECIP EHCS, ECIP WPO, HEAP WPO, ECIP Fast Track and HEAP) that were denied services, and the number of applications distributed by an agency. This does not include applications taken from the agency's partners, websites (CSD, local agency or agency's partner's website) if they cannot quantified.

Nonprofit charitable organization: Is defined by the U.S. Tax Code as a 501(c) (3). Section 501(c) (3) is a tax law provision granting exemption from the federal income tax to nonprofit organizations. 501(c)(3) exemptions 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.

Period of Performance: The Period of Performance may be different from the contract term end date and is the period during the term of the contract where the Contractor is to provide services under this agreement.

Program: Weatherization, HEAP, ECIP, and Assurance 16 services provided under 42 §§ USC 8621 et seq., as amended.

Reweatherization: Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered reweatherization.

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 Inspection Policies and Procedures.

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 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.

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.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit. For the purposes of travel reimbursement and shell leakage testing, a single-family

dwelling is defined as a one-unit, single-family dwelling or a one-unit, single-residential housing dwelling with one to four attached units.

Single Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed-fee reimbursement and which limit the maximum quantity of the measure/service to a single item per weatherized dwelling.

Site-built Dwelling: A conventional dwelling unit built on location, differentiated from manufactured (mobile) homes. Also known as stick-built.

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

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 Agreement.

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 Agreement.

Useful Life: Useful life means the length of time a Weatherization or ECIP HCS measure is expected to be useable.

Utility Assistance Funding: The portion of LIHEAP funding used to provide utility assistance energy assistance services under ECIP Fast Track and HEAP Electric and Gas. These funds are administered by Contractor, but paid to eligible clients – or to utility companies on the client's behalf – by CSD from Contractor's allocated amount of funding.

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 5 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 Agreement. Training may also include internal Contractor 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 participation and attendance at policy advisory committee meetings and workgroups.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART H – TABLE OF FORMS

The following forms and documents are available on the CSD Providers' website at http://providers.csd.ca.gov/Energy/Contracts.aspx.

H.1. Forms to be returned with signed contract:

A. Certification Regarding Lobbying/Disclosure of Lobbying Activities;

B. Agency Staff and Board Roster (CSD 188);

C. Federal Funding Accountability and Transparency Act Report (CSD 279); and

D. 2018 LIHEAP Production Plan (CSD 622).

H.2 The following documents are hereby incorporated by this reference:

A. 2018 LIHEAP Numbers, Contractors, and Service Territories;

B. Agency Local Plan;

C. State Administrative Manual Section at http://sam.dgs.ca.gov/TOC/5300.aspx;

D. Reimbursement Rates for Weatherization and EHCS Activities;

E. State Information Management Manual at http://www.cio.ca.gov/Government/IT_Policy/SIMM.html;

F. Supplemental Audit Guide; and

G. Training Requirements Matrix.

State of California
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
CSD 622 (Rev. 10/18/17)

2018 LIHEAP PRODUCTION AND EXPENDITURE PLAN

Local Service Provider Name:		Contract #:	Amendment #:	Date:
El Dorado County Health and Human Services Agency		18B-4007	2	7/10/2018
Prepared By: NAME AND TITLE	**Phone Number:**	**E-mail Address:**		
Valerie Ladowski/Department Analyst	(530) 642-7174	valerie.ladowski@edcgov.us		

SECTION 1 - WEATHERIZATION

SECTION 1A - Weatherization Direct Program Expenditures

Enter the name of each county within your service territory on a separate line	Budget Per County	Total WX Direct Program Expenditure	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$526,835		$526,835	240		-240
Alpine	$7,423		$7,423	4		-4
			$0			0
			$0			0
			$0			0
			$0			0
			$0			0
TOTAL	**$534,258**	**$0**	**$534,258**	**244**	**0**	**-244**

SECTION 2 - EHA-16 and Utility Assistance

SECTION 2A - Total ECIP EHCS Expenditures by County

County	Budget Analysis			Unit Analysis		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total ECIP EHCS Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$20,000		$20,000	11		-11
Alpine	$0		$0	0		0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$20,000**	**$0**	**$20,000**	**11**	**0**	**-11**

SECTION 2B - Total WPO (ECIP and HEAP WPO) Expenditures by County						
County	**Budget Analysis**			**Unit Analysis**		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total WPO Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$503,608		$503,608	1007		-1007
Alpine	$7,095		$7,095	14		-14
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$510,703**	**$0**	**$510,703**	**1021**	**0**	**-1021**

SECTION 2C - Total Utility Assistance (ECIP Fast Track and HEAP Gas & Electric) Expenditures by County						
County	**Budget Analysis**			**Unit Analysis**		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total Utility Assistance Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$812,941		$812,941	1814		-1814
Alpine	$11,454		$11,454	15		-15
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$824,395**	**$0**	**$824,395**	**1829**	**0**	**-1829**

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD. 213 A (Rev. 6/03)

RECEIVED
CONTRACT SERVICES UNIT
2018 MAR 30 PM 2:56

265-F1811, A1

AGREEMENT NUMBER	AMENDMENT NUMBER
18B-4007	1
REGISTRATION NUMBER	

1. This Agreement is entered into between the State Agency and the Contractor named below

STATE AGENCY'S NAME
Department of Community Services and Development

CONTRACTOR'S NAME
El Dorado County Health and Human Services Agency

2. The term of this Agreement is : October 1, 2017 through December 31, 2018

3. The maximum amount of this Agreement is: Total $1,796,760.00

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

A. The maximum amount of this Agreement payable to Contractor by the State has changed from $1,083,202.00 to $1,796,760.00, reflecting an increase of $713,558.00.

B. Part I and Part II* are deleted in their entirety and replaced with the attached Part I and Part II*

All other terms and conditions shall remain unchanged.

Items shown with an Asterisk (*) are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be accessed at https://providers.csd.ca.gov/.

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

CONTRACTOR	CALIFORNIA Department of General Services Use Only
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)* **El Dorado County Health and Human Services Agency**	"I hereby certify that all conditions for exemption have been complied with, and this document is exempt from the Department of General Services approval."
BY *(Authorized Signature)* Patricia Charles-Heathers — DATE SIGNED *(Do not type)* 3-28-18	
PRINTED NAME AND TITLE OF PERSON SIGNING Patricia Charles-Heathers, Ph.D., MPA, Director Health and Human Services Agency	
ADDRESS 3057 Briw Road, Suite B, ~~3057 Briw Rd #A~~, Placerville, CA 95667	
STATE OF CALIFORNIA	
AGENCY NAME **Department of Community Services and Development**	
BY *(Authorized Signature)* — DATE SIGNED *(Do not type)* 3/30/18	
PRINTED NAME AND TITLE OF PERSON SIGNING **Brian Dougherty, Deputy Director, Administrative Services**	
ADDRESS **2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833**	☐ Exempt per _____

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Contents

PART I **1**
PREAMBLE **1**
ARTICLE 1 – SCOPE OF WORK **1**
1.1 General **1**
1.2 Service Area **1**
1.3 Term and Amount of Agreement **2**
1.4 Service Area Expenditure Requirements **2**
1.5 Program Authorities – Requirements, Standards and Guidance **2**
1.6 Duplication of Services and Dwelling Interest Booking Services **5**

ARTICLE 2 – Contract Construction, Administration, Procedure **7**
2.1 Base Contract and Whole Agreement **7**
2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017" **8**
2.3 Contractor's Option of Termination **8**
2.4 Budget Contingencies **9**
2.5 Miscellaneous Provisions **10**

PART II **11**
Subpart A – Administrative Requirements **11**
ARTICLE 3 – AGREEMENT CHANGES **11**
3.1 Amendment 11
3.2 Minor Modifications 11

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES **12**
4.1 Board Roster, By Laws, Resolution, and Minutes 12
4.2 Internal Controls Requirements 13
4.3 Record Retention Requirements 13
4.4 Insurance and Fidelity Bond 14

4.5 System Security Requirements....16
4.6 Travel and per diem....18
4.7 Codes of Conduct....19
4.8 Conflict of Interest....19
4.9 Procurement Standards....20
4.10 Use and Disposition of Vehicles and Equipment....22
4.11 Subcontracts (CSD)....25
4.12 Complaint Management Policies and Procedures....26
4.13 Fair Hearing Process for Applications for Denial of Benefits by Contractor:....27
4.14 Fraud, Waste and Abuse....28

Subpart B – FInancial Requirements....29
ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS....29
5.1 Budget Guidelines....29
5.2 Utility Assistance Expenditure Requirements....31
5.3 Working Capital Advance and Major Purchase Advances....31
5.4 Program Income....35
5.5 Wood, Propane and Oil Returned Payments....36
5.6 Allowable Costs....37
5.7 Service Area Expenditures Requirements....44
5.8 Reimbursement Guidelines....46

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES....56
6.1 Reporting Requirements....**56**

SUBPART C – PROGRAMMATIC REQUIREMENTS....61
ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES....61
7.1 LIHEAP Agency Local Plan....**61**
7.2 Program Standards and Regulatory Requirements....**61**

7.3 Prioritization of Services 64
7.4 Service Priority Guidelines 64
7.5 Outreach and Intake Activity Guidelines 65
7.6 Assurance 16 Activity Guidelines 67
7.7 Leveraging Activities 69
7.8 Record-Keeping Responsibilities 69

ARTICLE 8 – PROGRAM IMPLEMENTATION 77
8.1 HEAP/WPO Activity Guidelines 77
8.2 Weatherization Activity Guidelines 78
8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines 89
8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines 95
8.5 Quality Assurance 96

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS 101
9.1 Training Requirements 101
9.2 Contractor Licensing 104
9.3 Special Licensing - Weatherization 105
9.4 Environmental Protection Agency (EPA) Certifications 105

SUBPART D – COMPLIANCE REQUIREMENTS 107
ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES 107
10.1 Right to Monitor, Audit, and Investigate 107
10.2 Auditing Standards and Reports 107
10.3 Compliance Monitoring 110
10.4 Enforcement Process - Noncompliance with Requirement of this Agreement 113
10.5 Expenditure and Production Performance Requirements 118

SUBPART E – CERTIFICATIONS AND ASSURANCES.....120

ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS.....120

11.1 Certifications **.....120**

11.2 Provisions for Federally Funded Grants **.....120**

11.3 Federal Certifications Regarding Debarment, Suspension, and Related Matters**.....121**

11.4 Affirmative Action Compliance**.....122**

11.5 Nondiscrimination Compliance**.....123**

11.6 Contractor Fair Hearing - Civil Rights Act Violation**.....123**

11.7 Specific Assurances**.....123**

SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017 125

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017.....125

SUBPART G – DEFINITIONS 130

SUBPART H – TABLE OF FORMS 144

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
PART I

PREAMBLE

This subvention agreement, for the implementation of the Low-Income Home Energy Assistance Program (LIHEAP) in program year 2018 ("Agreement"), 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, the CSD and Contractor hereby agree as follows:

ARTICLE 1 – SCOPE OF WORK

1.1 General

A. Contractor shall provide Weatherization (WX) assistance, Home Energy Assistance Program (HEAP) assistance, and Energy Crisis Intervention Program (ECIP) assistance to eligible participants residing in the service area described in Section 1.2, pursuant to Title 42 of the United States Code (USC) Section 8621 et seq. (the Low-Income Home Energy Assistance Act of 1981, as amended) and Government Code Section 16367.5 et seq., as amended. Unless otherwise specified in the Contractor's LIHEAP Agency Plan elsewhere in this Agreement, Contractor shall make its services and activities available to the low-income community within its service area throughout the entire term of this Agreement. Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, and that the services and activities funded by this Agreement shall also meet all other assurances specified at 42 U.S.C. § 8624.

B. The LIHEAP Catalog of Federal Domestic Assistance number is 93.568. Award is made available through the United States Department of Health and Human Services.

1.2 Service Area

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

See Part II, Subpart H. The 2018 LIHEAP Numbers, Contractors, and Service Territories listing may be accessed at http://providers.csd.ca.gov.

B. Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Codes listing located at http://providers.csd.ca.gov to determine the zip codes for their respective area.

1.3 Term and Amount of Agreement

A. The term of this Agreement shall be for the period represented on the face sheet (Form STD 213).

B. The contract amount as represented on the face sheet (Form STD. 213) of this Agreement consists of Contractor's total allocation to include the "Direct Services" and "Utility Assistance" portions attributable to Contractor's service area(s).

C. Direct Services and Utility Assistance, as defined in Part II, Subpart G that are allocated to Contractor, shall be expended, reported and accounted for in accordance with the provisions of this Agreement in Part II, Subpart B – Financial Requirements.

1.4 Service Area Expenditure Requirements

Contractor shall be subject to special expenditure requirements as provided in Article 5, Section 5.7 of Part II, if any of the following pertain:

A. This Agreement involves funding for LIHEAP services provided by Contractor in multiple counties or service areas; or

B. Contractor has additional agreements with CSD for the provision of LIHEAP or Department of Energy, Weatherization Assistance Program (DOE WAP) services in counties or service areas other than the county or service area to which this Agreement applies.

1.5 Program Authorities – Requirements, Standards and Guidance

A. 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. The Low-Income Home Energy Assistance Program Act of 1981, 42 U.S.C. §§ 8621 et seq., and 45 Code of Federal Regulation (CFR) Part 96;

2. The California Government Code §§ 16367.5 et seq., as amended, and Title 22, California Code of Regulations (CCR), §§ 100800 et seq.; and

3. The Single Audit Act, 31 U.S.C. §§ 7301 et seq., and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. *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, with respect to procurement, administrative, and other costs claimed under this Agreement, 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 directly conflict with any State law or regulation at Government Code §16367.5 et seq. or 22 CCR §100800 et seq., or any provision of this Agreement, then that law or regulation or provision shall apply, unless, under specified circumstances, a provision of federal law applicable to block grants, such as 45 CFR 96.30, allows for the application of state law.

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

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

C. CSD shall provide Contractor with short-term program guidance to inform or direct immediate action to correct a problem or provide relief from an obligation in the form of a "CSD Program Advisory (CPA) No. XX-XXX" posted at https://providers.csd.ca.gov.

D. 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 LIHEAP program, and as a condition of receipt of funds under the program, PROVIDED:

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://providers.csd.ca.gov.

2. That such guidance shall be issued by CSD in writing in the form of "CSD Program Advisory (CPA) No. XX-XXX posted at https://providers.csd.cs.gov.

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

4. That such guidance shall be reasonably necessary to realize the purposes of LIHEAP;

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 Agreement;

6. Contractor shall notify CSD within 10 working days of issuance of a CPN, if contractor is unable to fulfill its obligations under the new guidance;

7. That the parties' failure to execute a mutually acceptable amendment or CPN, as contemplated in subparagraph C 4 and C 5, in a reasonable period of time, shall result in this Agreement being without force and effect subject only to such provisions contained herein as are intended to survive the Agreement in accordance with the express and implied provisions of applicable federal and state law; and

8. That upon CSD's good faith determination, delivered to the Contractor by written notice that Agreement between the parties to any necessary amendment or CPN as contemplated in subparagraph C 4 and C 5 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.

E. The federal and state laws, regulations and other authorities referenced in this Section are hereby incorporated by reference into this Agreement. Copies may be accessed for reference at www.csd.ca.gov.

F. Contract Elements Integral to Agreement and Enforceability Conditions

1. Contractor shall provide the following documents, satisfactory to CSD in form and substance, together with an executed copy of this Agreement before CSD executes and returns the Agreement to Contractor for implementation:

   a. Federal Funding Accountability and Transparency Act Report (CSD 279)

   b. Certification Regarding Lobbying/Disclosure of Lobbying Activities

   c. Contractor Certification Clause (CCC-04/2017)

d. Current Insurance or Self-Insurance Authority Certification

e. Board Resolution authorizing execution of this Agreement

f. Agency Local Plan (referenced in Part II, Article 7.1)

g. LIHEAP Production Plan, CSD 622 (referenced in Part II, Article 5.7)

h. Agency Staff and Board Roster (CSD 188)

2. The Plan and forms must be completed by Contractor before CSD will execute the Agreement and Contractor is authorized to commence work. CSD will not forbear from executing this Agreement pending its own review and final approval of Contractor's submission, provided Contractor acts in good faith to rectify any outstanding issues associated with the Plan or forms. The approved Plan and forms shall become part of this Agreement.

G. Contractor's signature affixed hereon 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 Part II, Article 11, Section 11.1, "Certifications" of this Agreement.

1.6 Duplication of Services and Dwelling Interest Booking Services

A. Duplication of Services

Dwellings that have received Low Income Weatherization Program (LIWP) funded energy efficiency measures do not qualify for additional energy efficiency measures under this Agreement, except for the following:

1. Assessment and installation of Health and Safety measures not installed through LIWP.

2. Re-weatherization in accordance with LIHEAP program requirements.

3. Call-backs in accordance with LIHEAP program requirements.

4. Emergency Heating and Cooling Services in accordance with the LIHEAP program requirements.

B. Dwelling Interest Booking Service. The Dwelling Interest Booking Service (DIBS) allows Contractor to reserve projects and prevent duplication of efforts by other CSD Service Providers operating within the Contractor's service areas. The

reservation feature will ensure reimbursement of weatherization services in accordance with contract requirements.

1. CSD shall prepare and make available to Contractor a Program Advisory that will include, but not limited to, guidance on weatherization service restriction requirements to prevent the duplication of services, and dwelling reservation restrictions related to the maximum number of reservations, reservation length, reservation removal, and conditions for reimbursement.

2. Contractor herby agrees to comply with the Program Advisory and understands that the advisory shall govern the service restriction requirements and dwelling reservations.

3. Upon implementation of DIBS, Contractor's in specified service areas shall reserve projects and confirm dwelling eligibility in accordance with the Program Advisory to ensure reimbursement of services.

4. Failure to comply with the Program Advisory service restrictions and reservation requirements may result in the loss of the right to reimbursement for dwellings reserved by another CSD Service providers or dwellings that received services under LIWP, except for dwellings that received services under subparagraph A.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

ARTICLE 2 – CONTRACT CONSTRUCTION, ADMINISTRATION, PROCEDURE

2.1 Base Contract and Whole Agreement

A. This Agreement consists of two parts, which together constitute the whole agreement between CSD and Contractor.

B. Part I is the "Base Contract" which consists of the following:

1. The face sheet (Form STD. 213) which specifies:
   a. the parties to the Agreement;
   b. the term of the Agreement;
   c. the maximum dollar amount of the Agreement; and
   d. the authorized signatures and dates of execution.

2. The Preamble, Article 1 and Article 2

3. Zip Code Cross-Reference, if Contractor's Service Area is defined in whole or in part by ZIP Codes.

C. Part II consists of the "Administrative and Programmatic Provisions" which are comprised of Subparts A through H, including specified requirements, obligations, provisions, procedures, guidance, forms and technical materials, necessary for program implementation.

D. Agreed upon Contract Execution Provisions and Procedures

1. Only Part I, the Base Contract, will be exchanged by the parties for execution with original signatures, fully executed copies being retained by each party.

2. Part II, Administrative and Programmatic Provisions is hereby incorporated by reference into this Agreement, is an essential part of the whole Agreement, and is fully binding on the parties.

3. CSD shall maintain a certified date-stamped "hard copy" of Part II for inspection by Contractor during normal business hours, as well as a date-stamped, edit restricted, version of Part II on CSD's "Provider Website," which may be accessed by Contractor, "down-loaded" and printed at Contractor's option.

4. Neither Part I nor Part II of this Agreement may be changed or altered by any party, except by a formal written, fully executed amendment, or as

provided in paragraph C.4 of Section 1.5 with respect to program guidance, or as provided Section 3.2 of Part II, Subpart A, Article 3, with respect to minor modifications. Upon such amendment of any provision of Part II, the amended version shall be date-stamped and locked-down until such time as a subsequent Agreement or amendment is executed by the parties.

2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017"

In accordance with State contracting requirements, specified contracting terms and conditions are made a part of this agreement. The provisions in their entirety are found in Part II, Subpart F of this Agreement and are fully binding on the parties in accordance with state law.

2.3 Contractor's Option of Termination

A. Notwithstanding the provisions of paragraph C of Section 1.5, Contractor may, at Contractor's sole option, elect to terminate this contract in lieu of adherence to the procedures set out in paragraph C of section 1.5, should Contractor determine that any subsequent program guidance or proposed amendment to the contract is unjustifiably onerous or otherwise inimical to Contractor's legitimate business interests and ability to implement the contract in an effective and reasonable manner, PROVIDED:

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

2. 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.

B. 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.

C. Contractor shall, within 60 days of termination, closeout the contract in accordance with contractual closeout procedures.

D. 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.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

2.4 Budget Contingencies

A. State Budget Contingency

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

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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

B. Federal Budget Contingency

1. The parties agree that because of uncertainty in the federal budget process, this Agreement 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 parties further agree that the obligations of the parties under this Agreement are expressly contingent on adequate funding being made available to the State by the United States Government.

2. If federal 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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

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

4. Subject to the provisions of subparagraph B 2, CSD shall authorize expenditures of funds under this Agreement based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.5 Miscellaneous Provisions

A. Assignment. Neither this Agreement nor any of the rights, interests, or obligations under this Agreement 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 Agreement is binding on the agency to which the program is assigned.

B. Merger/Entire Agreement. This Agreement (including the attachments, documents and instruments referred to in this Agreement) constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.

C. Severability. If any provision of this Agreement 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 Agreement will not be in any way impaired and shall remain in full force and effect.

D. 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:

1. To Contractor's address of record; and

2. To CSD at:
   Department of Community Services and Development
   2389 Gateway Oaks Drive, Suite 100
   Sacramento, CA 95833

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

PART II

SUBPART A – ADMINISTRATIVE REQUIREMENTS

ARTICLE 3 – AGREEMENT CHANGES

3.1 Amendment

A. Changes to this Agreement shall be made by formal amendment with exceptions specified in subparagraph D 4 of Section 2.1, Article 2 of Part I and in Section 3.2, below.

B. 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 periods in which to phase-in the mandated change.

3.2 Minor Modifications

A. Contractor may request modifications to make minor adjustments during the contract term. Minor Modifications shall not affect the Maximum Amount payable under this Agreement.

B. Minor Modifications shall not alter the maximum limits established for specific budget line items, i.e., administrative costs, Assurance 16, intake, outreach, and training and technical assistance costs, except as otherwise provided herein.

C. Allowable modifications to this Agreement include the minor budget modifications and expenditure requirements, specified in Article 5.

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES

4.1 Board Roster, By Laws, Resolution, and Minutes

A. Contractor shall submit to CSD an Agency Staff and Board Roster form (CSD 188) listing the current Agency Staff and roster of members of its governing board, 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. The CSD 188 form is listed in Subpart H. If Contractor is a nonprofit or public entity that qualifies as an eligible entity under the federal CSBG Act, then Contractor shall instead submit a CSD 188, including contact information of the tripartite board. Contractor is responsible to notify CSD of any changes to the Executive Director, Program Manager, Chief Financial Officer and board roster within 30 days of such occurrence.

B. Contractor's governing board must authorize the execution of this Agreement. Contractor has the option of demonstrating such authority by the signature of a Board member, affixed to the signature page of Part I, or by any lawful delegation of such authority that is consistent with Contractor's bylaws, the documentation of which has been communicated to CSD.

C. 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 Agreement or a resolution passed by the governing board that applies to any CSD program contract or amendment. Where Contractor provides a general resolution, Contractor shall maintain documentation that the chief executive officer provided timely and effective communication of the execution and terms of this Agreement to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Agreement by CSD.

D. Contractor shall submit to CSD the minutes from regularly scheduled meetings of the governing board and/or tripartite board no later than 30 days after the minutes are approved. Regularly scheduled meetings shall be conducted in accordance with the board's bylaws.

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

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 Agreement and shall include:

A. Segregation of duties appropriate to safeguard state assets;

B. Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;

C. Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;

D. Established practices to be followed in performance of duties and functions;

E. Personnel of a quality commensurate with their responsibilities; and

F. Effective internal reviews.

4.3 Record Retention Requirements

A. All records maintained by Contractor shall meet the requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall maintain all records pertaining to this Agreement 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.

C. Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

D. 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 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

A. General Requirements

1. Contractor agrees that the required insurance policies and bonds, specified below, shall be in effect at all times during the term of this Agreement.

2. Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement and, prior to any lapse or reduction in coverage, provide CSD with documentation, as specified in subparagraph 3, showing substitute coverage has been obtained or alternative measures have been taken to ensure compliance with the requirements of this Agreement.

3. In the event said insurance coverage expires during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.

4. New Certificates of Insurance are subject to review for content and form by CSD.

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

6. With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.

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

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

B. Self-Insurance

1. When Contractor is a self-insured governmental entity, the State, upon 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 Agreement.

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

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 days of coverage.

C. Workers' Compensation Insurance

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

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.

D. Commercial or Government Crime Coverage (Fidelity Bond)

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.

2. Contractor's fidelity bond coverage limits shall not be less than a minimum amount of 4% of the total amount of Direct Services set forth under this agreement.

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.

E. General Liability Insurance

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

2. Contractor 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 as evidence of compliance with general liability insurance requirements.

F. Vehicle Insurance

1. Contractor shall maintain for the term of this Agreement vehicle insurance in the amount of $500,000 for each person and each accident for bodily injury and in the amount of $500,000 for each person and each accident for property damage.

2. When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement non-owned and hired-auto liability insurance in the amount of $500,000 for each person and each accident for bodily injury and $500,000 for each person and each accident for property damage. (Driving to and from work shall not be considered to be within the scope of employment.)

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 the State 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. The parties hereto agree to the following requirements, obligations, and standards in accordance with regulations set in the State Administrative Manual (SAM) and Statewide Information Management Manual (SIMM):

A. General Information/Data Description

The interconnection between CSD and Contractor is a two-way data exchange. The purpose of the data exchange or direct input is to deliver programmatic data for contract oversight.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

B. Services Offered

Data exchange between CSD and Contractor shall be handled through one of two methods: 1) a Contractor user must upload data files or perform data using credentials provided by CSD; or 2) utilize our web services as configured by the Contractor technology vendor.

C. Data Sensitivity

1. Data exchanged between CSD and Contractor must be limited to the data fields included on Data Transfer Rules documents posted at https://providers.csd.ca.gov. No personal financial information, i.e., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.

2. Access to the above-mentioned data included in the Data Transfer Rules must only be given to authorized personnel to complete essential duties.

3. To the extent Contractor utilizes tablet or other internet-based or mobile devises 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.

D. Contractor Systems Security

1. The physical location of the application systems (servers) shall be within controlled access 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.
2. Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption, if applicable.

3. Both CSD and Contractor shall maintain security patches and anti-virus software updates.

E. 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 and Trade Secrets Act (18 U.S. Code 1905) and the Unauthorized Access Act (18 U.S. Code 2701 and 2710). Technology and systems code and functionality are owned by the respective parties and may not be shared with anyone else or used without the consent of the owner.

F. 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 Information Technology Services Help Desk any security incident contemplated herein. Examples include, but are not limited to, stolen or lost equipment, malware/ransomware detection, suspected hacking, etc.

G. 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 actions taken by system administrators.

H. 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 Agreement 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 Agreement. 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

A. 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 requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. 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 with the exception of those conferences pre-approved by CSD and listed on the Out-of-State Travel Form. Contractor must seek pre-approval, prior to travel, for none pre-approved conferences when more than two staff are attending.

C. In the absence of a written travel reimbursement policy, Contractor shall be subject to reimbursement not to exceed federal per diem limits.

4.7 Codes of Conduct

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

B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

4.8 Conflict of Interest

A. 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 LIHEAP and the implementation of this Agreement shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.

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

C. Contractor shall not provide LIHEAP 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 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, such services must be pre-approved in writing by CSD whose approval shall be based on determination that other recipients or potential eligible recipients of services are not prejudiced or adversely affected by the receipt of services by Contractor.

D. To obtain approval by CSD, Contractor must demonstrate that it will:

1. Follow all regular eligibility and prioritization requirements of the federal and State LIHEAP programs, as applicable to each service or activity;

2. Comply with all dwelling eligibility requirements of this Agreement, including but not limited to rent increase and multiple dwelling restrictions;

3. Substantiate the need for weatherization and Energy Heating and Cooling Services (EHCS) by completing a dwelling assessment for each individual dwelling unit served; and

4. Consent to any further conditions required by CSD. Failure to obtain prior written approval by CSD may result in costs being disallowed.

4.9 Procurement Standards

A. Contract Administration

1. *Maintenance of written procurement procedures.* Contractor shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including the Office of Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and amendments thereto, consistent with the general OMB compliance requirement in Section 1.5, Article 1 of this Agreement 45 CFR Part 75. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit

Requirements for HHS Awards (45 CFR Part 75) or any subsequent amendments to these standards, and the applicable provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.

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 requests for proposals shall be excluded from competing for such procurements. Contractor shall only award a subcontract to the bidder or offer or 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 offer or must fulfill in order for the bid or offer to be adequately and fairly evaluated by the recipient.

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

4. Contractor shall provide an open and free competition, to include a cost analysis, in accordance with federal and state law, for the procurement of materials, supplies, equipment, or services.

5. *Non-Competitive bid justification.* If a service or product is of a unique nature, is in response to a public exigency or emergency, or more than one potential vendor/provider cannot reasonably be identified, Contractor shall document adequate justification for the absence of competitive bidding. "Adequate justification" must include but is not limited to:

   a. Explanation of why the acquisition of goods or services is limited to one vendor or supplier;

   b. Description of sole vendor/supplier's unique qualifications to provide the goods or services in question; and

   c. Analysis of cost(s) to demonstrate reasonability.

6. CSD Lease/Purchase Pre-Approval Requirements. To ensure that

significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall obtain prior written approval from CSD of capital expenditures for vehicles and equipment with a unit cost of $5,000 or more through the submission of a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least 15 calendar days prior to executing Transactions without CSD's prior written approval may be disallowed.

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

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

4.10 Use and Disposition of Vehicles and Equipment

A. To ensure compliance with the requirements for vehicles and equipment, Contractor shall comply with Uniform Administrative Requirement, Cost Principles, and Audit Requirements for HHS Awards governing the acquisition of equipment with federal funds set forth in 45 CFR Part 75.

1. Vehicles and equipment purchased with LIHEAP funds must be used by Contractor in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by LIHEAP funds, and Contractor must not encumber the property without prior approval of CSD. When no longer needed for the original program or project, the equipment may be used in other activities supported by CSD, in the following order of priority:

   a. Activities under a Federal award from CSD, then

   b. Activities under Federal awards from other Federal awarding agencies

2. During the time that equipment is used on the project or program for which it was acquired, Contractor must also make the equipment available for use on other projects or programs currently or previously supported by the Federal Government. User fees should be considered, if appropriate, in accordance with federal regulations.

3. Any use fees shall be treated as 'program income' to the LIHEAP program.

4. Contractor may be compensated for the use of its buildings, capital improvements, equipment and software projects capitalized in accordance with generally accepted accounting principles (GAAP), provided they are used, needed in Contractor's program activities, and properly allocated to the LIHEAP grant. Such compensation must be made by allocating and computing depreciation in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall comply with all equipment management requirements outlined in the Uniform Administrative Requirements for HHS Awards (45 CFR §75.320), including, but not limited to:

1. Property Records;

2. Physical inventory of the property;

3. A control system to prevent loss, damage, or theft;

4. Adequate maintenance procedures; and

5. Proper sale procedures.

C. Sale or disposition of LIHEAP-funded Vehicles and Equipment

1. If/when Contractor's LIHEAP program(s) no longer need(s) items of equipment, the equipment may be retained, sold, or otherwise disposed in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

2. Conflict of interest policies and proper sales procedures should be followed to ensure that the best possible value and sale price is realized.

3. Sale proceeds from the sale of real property, equipment, or supplies are not program income. Such proceeds will be handled in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards – Subpart D–Post HHS Award Requirements (45 CFR Part 75).

D. Contractor shall exercise due care in the use, maintenance, protection, and preservation of state-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:

1. Maintaining insurance coverage against loss or damage to such property or equipment.

2. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

E. To ensure compliance with the requirements for equipment and/or vehicles maintenance of property records pursuant to CPN-A 17-01 or as revised, Contractor shall ensure that any property log or similar documentation contains all of the following information:

1. information relevant to any 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;

2. description of the property;

3. a serial number or other identification number;

4. the source of property;

5. who holds title;

6. the acquisition or lease date;

7. the cost of the property;

8. percentage of Federal participation in the cost of the property;

9. the location, use and condition of the property; and

10. any ultimate disposition data, including the date of disposal and sale price of the property or termination of the lease.

F. Contractor shall provide the information specified in subdivision E. above, including any supporting documents, to CSD upon request.

G. Limitation on Use of Funds

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

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

4.11 Subcontracts (CSD)

A. Contractor may enter into subcontract(s) to provide services pursuant to this Agreement in the service area(s) specified in Section 1.2 of Article 1, Part I. Subcontracts must require that parties comply with all applicable provisions of this Agreement. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.

B. If Contractor elects to subcontract for services, the board's authorization and approval must be obtained and communicated to CSD in writing together with notice of execution of the subcontract as provided in paragraph C. Contractor may elect to delegate the signing authority for the approval of subcontractors to the Chief Executive Officer or designated authority through a resolution or other official documentation duly issued by the governing board, unless such delegation is set forth in the bylaws of the agency and a copy of the provision is communicated to CSD.

C. Within 60 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.

D. 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/portal/public/SAM/#1.

E. 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 (EPLS) as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.

F. Contractor must ensure that funds expended pursuant to this Agreement 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 Agreement. Contractor shall ensure that any subcontracts under this Agreement contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the

subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

G. Contractor shall notify subcontractor(s) in writing within five working 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 Agreement.

H. Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse against the State over matters involving subcontracts entered into for the implementation of this Agreement, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.

I. Nothing in this Agreement 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 Agreement. 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.

4.12 Complaint Management Policies and Procedures

A. Contractor shall establish and maintain policies and procedures for handling complaints and provide applicants an opportunity to register a complaint based on their experience with attempts to obtain services under LIHEAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.

B. Contractor shall ensure that all formal complaints are documented and include the date, time, client name and address, and nature of the complaint and the actions undertaken by the Contractor to resolve the issue. For purposes of this section, "formal complaint" means a written complaint filed with the Contractor by the complainant.

C. If the Contractor's efforts did not result in a resolution, the Contractor may refer the client to CSD. The Contractor shall contact CSD and explain the issue, actions taken to resolve the issue, and provide CSD with any supporting documentation that indicates the nature and extent of Contractor's effort to resolve the issue.

D. CSD 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.

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

A. Pursuant to Title 22 of the California Code of Regulations, Section 100805, Applicants that have applied for benefits and/or services provided under a grant award from a contractor or a subcontractor whose application has been denied or not acted upon within 15 working days or has not received satisfactory performance according to the agreed upon program requirements of the contract has the right to first appeal such action to the contractor and, if not satisfied, subsequently appeal to CSD.

B. Contractor shall establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor's process shall include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:

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.

2. Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.

3. Provisions that ensure that Contractor shall notify the applicant in writing of the Contractor's final decision within 15 working days after the appeal is requested. If the appeal is denied, the written notification shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall at the same time provide a copy of the final decision to the Manager of CSD's Energy Services Division.

4. Provisions to track information on denials and appeals.

C. In the event an applicant appeals a denial of benefits or services to CSD, the Department may conduct a hearing in accordance with established procedures. Any decision taken by CSD consequent to such appeal and hearing shall be final.

4.14 Fraud, Waste and Abuse

A. Contractor shall make timely, a written report to CSD of incidents and activities, or suspected incidents and activities, involving fraud, waste and abuse of LIHEAP 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, in a timely manner, inform CSD 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 LIHEAP funds.

B. Contractor shall provide employees, subcontractors, clients and other parties affiliated with the Contractor the information necessary to report fraud, waste and abuse to the U.S. Department of Health and Human Services Office of Inspector General Fraud hotline.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART B – FINANCIAL REQUIREMENTS

ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS

5.1 Budget Guidelines

A. Budget and Allocation Forms

1. Upon execution of this Agreement, CSD shall release 50% of the anticipated annual allocation as reflected in the allocation spreadsheet. The remaining allocation shall be released when CSD receives funds from HHS.

2. If the LIHEAP annual grant award is yet to be determined and CSD must fund this Agreement based on Continuing Resolution appropriations, CSD shall amend the contract and update the allocation spreadsheet to reflect the Final allocation.

B. Minor Modifications

If Contractor intends to request a minor modification to this Agreement, Contractor shall submit a Request for Amendment/Modification Energy, by completing a CSD 509 with a justification supporting the fund 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:

1. Transferring funds to increase or decrease the Utility Assistance total allocation.

2. Transferring funds to increase or decrease the WPO total allocation (ECIP WPO or HEAP WPO).

3. Transferring funds between target service areas, which shall be conditioned upon Contractor meeting its target service areas expenditure requirements, as stated in Article 5.7, section C.

4. Changes to the Agency Local Plan

C. Fund Transfer Requirements

Subject to CSD approval, Contractor may elect to transfer funds between each of the LIHEAP programs, components, i.e., Weatherization and ECIP EHCS.

1. Funding transfers that would increase or decrease amounts available for Weatherization above or below the 25% maximum are prohibited.

2. Fund Transfer in Service Territory with Multi-Service Areas

   If Contractor transfers funds from Administrative, Intake, Outreach and other Support costs to Direct Services and/or Utility Assistance for a specific service area, then later transfer funds from the remaining service areas to replenish the Administrative, Intake, Outreach or other Support costs such transfer of funds should not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

   Subsequent transfer of funds to replenish the Support line(s) with Direct Service(s) and/or Utility Assistance funds shall be limited to fund transfer from Service territory/territories that benefited from the preceding transfer.

D. Fund Transfers Requirements for Surplus Allocation

Contractor shall be given the maximum flexibility to transfer surplus allocation for Utility Assistance between services target areas prior to expending 90% of the target allocation.

The Target Allocation or base allocation designated to a Target Service Area(s) is subject to meeting the minimum expenditure requirements in accordance with Article 5.7 Section C.

E. Sufficient Funds for Crisis Services

Contractor must allocate sufficient funds to offer crisis services through the term of the contract and in accordance with the Agency Local Plan.

F. Weatherization Waiver

Unless and until the Federal Department of Health and Human Services (HHS) grants the State a weatherization waiver, Contractor may not expend or be reimbursed for costs in excess of the amount reflected in the initial WX Program Column of the allocation spreadsheet. If the weatherization waiver is granted, Contractor may, upon written notification from CSD, expend and will be

reimbursed for expenditures up to 100% of the available allocation, as reflected in the WX Program Subtotal Column of the allocation spreadsheet.

5.2 Utility Assistance Expenditure Requirements

A. The Utility Assistance portion of Contractor's grant shall be retained by CSD to enable the State to make direct utility assistance payments to clients and/or to utility companies. Contractor's Administrative and Assurance 16 budget line item shall be based on Contractor's total allocation, including Utility Assistance.

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

   The total amount allocated to the ECIP Fast Track Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

   The total amount allocated to the HEAP Electric and Gas Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

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

C. HEAP Payments - Electric and Gas

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

5.3 Working Capital Advance and Major Purchase Advances

A. Working Capital Advance (WCA)

Contractor may, in accordance with applicable law, receive WCA payments of allowable program costs contemplated under this Agreement, *provided* Contractor shall comply with the provisions of this section and such additional guidance

issued by the State as is needed to implement this section (collectively "WCA Requirements") to ensure that:

1. The time elapsing between the transfer of funds and the disbursement or expenditure of the funds by Contractor is minimized; and

2. Contractor's financial management systems are compliant with the provisions of this Agreement and the standards for fund control and accountability as established in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

3. Working Capital Advance (WCA) Requirements include the following standards:

    a. The WCA shall be for the minimum amounts necessary, timed in accordance with Contractor's immediate cash requirements, which will enable Contractor to carry out the purposes of this Agreement;

    b. The standards are set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

    c. Guidance issued by the State regarding the scheduling of the WCA and the disbursement or expenditure of the funds by Contractor, while conforming to the requirements of subparagraphs A. 1 and 2 of this section, shall also take into account the practical requirements and limitations of efficient administration and the effective implementation of this Agreement by both Contractor and the State.

4. In order to affect the purposes and requirements of subparagraphs A. 1 and 2 above, the State has established the following general provisions in order to give effect to the WCA Requirements set out in this Agreement and in such supplemental guidance as may be issued:

    a. To ensure a minimal lapse of time between the transfer of funds, and the disbursement or expenditure by Contractor, and to effect both the consolidation of advance requests and optimal administration of advance payments, the WCA will be based on Contractor's cash needs for the purpose of implementing this Agreement, with consideration given to the reasonable quarterly projections of anticipated expenditures allowable under the terms of this Agreement;

b. The WCA request shall be: 1) submitted in advance of the beginning of the quarter, in accordance with CSD's guidance; and 2) based on the Direct Service's portion of contract amount, exclusive of the Utility Assistance Portion and 3) is subject to CSD's review and approval;

c. Upon approval of the WCA request, a payment will be issued to Contractor, which shall be limited to 100% of the Contractor's total projected expenditures for the entire quarter, not to exceed 25% of the Contractor's total contract amount, excluding Utility Assistance allocations amount. If the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance;

d. The WCA will be liquidated immediately, and will be reconciled at the end of the third month of each quarter. After issuance of a WCA, the balance will be offset by monthly expenditures in EARS.

e. All WCA requests will be issued and reconciled pursuant to CSD Energy Policy and Procedures number EP 11-01, incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

f. If, at the end of the contract term Contractor has received WCA payments in excess of requests for reimbursement that have been approved by CSD, Contractor shall promptly remit the excess balance owed.

g. Upon receipt of the WCA funds, Contractor shall deposit the advance funds in an interest-bearing account, in accordance with the provisions of this Agreement and Federal and State law. The account shall be sufficiently segregated to enable the tracking and accounting of WCA funds by CSD; and

h. In the event the State determines that Contractor has used the WCA for reimbursement of expenses that are not allowable under the terms of this Agreement and/or under Federal and State law, the State may, in accordance with the applicable provisions of the CFR, compel Contractor to repay any WCA monies wrongfully used and/or may make such adjustments in future payments to Contractor as it deems appropriate in order to rectify such misuse of WCA funds.

5. Major Purchase Advances

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

a. Request must be completed via the Major Purchase Advance Request (CSD 144).

b. Limited to purchase of items in excess of $5,000.

c. No advance will be issued until the Request for Pre-approval of Purchase/Lease (CSD 558) has been approved by CSD.

d. Procurement must comply with the open and competitive bid process, which must be documented through the Request for Pre-approval of Purchase/Lease (CSD 558).

e. Advance repayment for major purchases will be liquidated upon the first expenditure reporting period following the date of the purchase of the item or items identified in the Request for Pre-approval of Purchase/Lease (CSD 558). An Advance Request (CSD 144) must reflect 100% liquidation in the month following the expected date of purchase.

f. Major Purchase advance requests will not be granted until such time as no less than 50% of the current working capital advance has been paid back. The combined total amount of the working capital advance and major purchase advance cannot exceed~~s~~ 25% percent of the contract or the remaining contract balance, whichever is less.

B. Special LIHEAP Provisions

In accordance with 22 CCR § 100840 (a) the total amount advanced to Contractor at any time, whether in the form of a Working Capital Advance (WCA) or a Major Purchase Advance, shall not exceed 25% of Contractor's total contract amount or if the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance. Advance amounts repaid may be replaced by additional advances at any time as allowed in this section and corresponding guidance, so long as the aggregate amount advanced does not exceed the limit set out in sub-paragraph A.

C. Interest on Advances

Contractor should deposit all advances in an interest-bearing account. Any interest earned on LIHEAP advances shall be accounted for and expended

pursuant to 22 CCR § 100855.

D. Non-advance Payments and Offsets

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

5.4 Program Income

A. Contractor shall maintain records of the receipt and disposition of all "program income" defined in 22 CCR § 100855(c) as income that is generated or earned as a result of LIHEAP activities.

B. Determining Net Program Income

1. Except as provided below in paragraph 2, any costs Contractor incurs in generating program income may be deducted from gross program income to determine net program income.

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

C. Expenditure, Reporting, and Rollover of Program Income

1. Program income must be expended in accordance with the requirements for expenditure of regular LIHEAP funds, for allowable program purposes.

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

3. Contractor's unexpended program income at the close-out of this Agreement shall roll over to subsequent LIHEAP Agreement(s).

4. If Contractor has generated program income with leveraged funding source(s) in addition to LIHEAP, the LIHEAP portion of rollover program income must be tracked by Contractor and can be used only for allowable LIHEAP expenditures.

5.5 Wood, Propane and Oil Returned Payments

A. Contractor shall maintain a tracking-log of returned payments for services provided. Returned payments must not be entered into EARS or CORE. Upon receipt of the returned payment Contractor shall make the following attempts to contact client:

1. Make every reasonable attempt to contact client within five (5) working days of receiving the returned payment during the contract term. The following shall constitute a reasonable effort and be maintained in the client file:

   a. One phone call attempt stating the client has the option to reclaim the returned payment and provide Contractor with the updated vendor information to reissue the returned payment amount; or

   b. One letter to the client stating the option to reclaim the repayment and provide Contractor with the updated vendor information to reissue the returned payment amount.

2. Hold the returned payment for the client for 10 business days subsequent to all attempts to contact the client.

3. If the client does not contact Contractor within the above time frames the returned payment shall be added to the current WPO allocation tracking log.

4. If Contractor is unable to identify the client of the returned payment the payment can be added to the current WPO allocation tracking log.

B. Contractor may expend returned payments on WPO services during the term of this Agreement. Contractor shall report all such expenditures, along with remaining unexpended returned payments, at the close-out of this Agreement or at such other time(s) as CSD reasonably requires.

C. Contractor's unexpended returned payments at the close-out of this Agreement shall be returned to CSD.

D. Returned payments received after the close-out of the contract shall be promptly returned to CSD.

E. If Contractor is unable to determine the returned payment is funded from the current contract, the returned payment shall be promptly returned to CSD.

5.6 Allowable Costs

A. Cost Reporting

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

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

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.

B. Administrative

1. General

a. Administrative costs shall not exceed the amounts as set forth in allocation spreadsheet. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

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

2. Contractor shall use Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) as a guide for determining administrative costs.

3. Administrative Equipment More Than $5,000—Acquisition Costs

a. Acquisition costs shall mean the actual costs associated with the purchase of equipment over $5,000 per unit used for administrative purposes.

b. CSD pre-approval shall be required for the purchases or lease-purchase option of equipment with a total value greater than

$5,000 utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

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 the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

C. Program Costs

1. General

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

2. Assurance 16

Assurance 16 costs shall not exceed the total amount set forth in the allocation spreadsheet.

3. Intake

Intake shall be allocated at 8% of the Weatherization Budget and 8% of the ECIP/HEAP Direct Services/ Utility Assistance Budget based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 8% of Final Allocation. Intake in excess of 8% may be charged as an administrative cost not to exceed allowable administrative cost maximum.

4. Outreach

Outreach shall be allocated at 5% each of the Weatherization, ECIP/HEAP and Direct Service/ Utility Assistance, Assistance budgets based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 5% of Final allocation.

5. Training and Technical Assistance Training and technical assistance shall be allocated up to 5% of the total Weatherization allocation and up to 2% of the total ECIP/HEAP allocation based on the Interim Allocations and/or subsequently the Final Allocation. Training and technical assistance shall

not exceed these limits and shall be reimbursed at actual cost. Reimbursement shall be limited to actual cost up to 5% of Weatherization allocation, and 2% of ECIP/HEAP allocation.

a. If Contractor determines that an increase in the allowable allocation for training and technical assistance is needed to cover the cost of the software database collection system or related automation training as specified below, then Contractor must submit a request to, and obtain prior approval from, CSD.

b. Associated training and technical assistance costs may include costs related to: travel, admission, materials, and actual salaries/wages.

c. Training and technical assistance shall include costs associated with the completion of weatherization-related training as specified in the Training Requirement of Article 9.1 of this Agreement. Training may include, but not limited to, internal contractor training, safety training, attendance of weatherization-related training to include the software database collection system or other forms of training to aid in the development and skill of staff in utilizing and supporting internal program automation systems, and/or weatherization-related workshops sponsored by utility companies, Department of Energy (DOE), CSD training may include Local Service Provider's Meeting 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.

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

e. Out-of-State Travel

Staff out-of-state travel costs shall mean cost incurred for out-of-state meeting, conferences or training that is critical to carrying out the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

6. Acquisition Costs

a. Minor Vehicle and Field Equipment Less Than $5,000 – Acquisition Costs.

Minor Vehicle and Field Equipment costs under $5,000 per unit must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

b. Major Vehicle and Field Equipment $5,000 or Greater – Acquisition Costs Must Be Pre-Approved

CSD pre-approval shall be required for the purchases or lease-purchase option of vehicles and field office equipment with a total value of $5,000 or greater, utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

7. Other Program Costs:

a. Other Program Costs

Those 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.

b. 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.

8. Liability Insurance

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

9. General Operating Costs

General Operating Costs may be charged to the program and are for cost that are directly allocable to those activities defined as related facilities, office and computer equipment, office supplies, telephone, and travel as allowable program costs.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

10. Automation Supplemental Allocation

a. Contractor can allocate funds to the Automation Supplemental Allocation (ASA) in an amount not to exceed $50,000, to be used to meet contract program startup requirements such as IT automation needs to comply with updated or new Expenditure Activity Reporting System, Weatherization Database and Core ("CSD System") requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. ASA 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.

b. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds and bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD gives its written approval of the plan and request for variance.

c. In order to qualify for reimbursement of expenditures incurred pursuant to this section, Contractor must fully comply with the following terms, conditions, and obligations:

i. The ASA may be used only for those Contractor's CSD System-related IT expenditures that are programmatic in nature. CSD System-related IT expenditures that are administrative in nature must be charged against Contractor's Administrative Budget.

ii. In delineating the program and administrative expenditures, Contractor shall consider whether the expenditure or cost is primarily used to support: 1) program operations; or 2) agency (organization) operations, as commonly understood under accountancy guidelines, with particular reference to the principles and provisions set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) Programmatic CSD System-related IT expenses are those incurred in connection with allowable program expenses as defined in the LIHEAP Agreement. The delineation between programmatic and administrative CSD System-

related IT activities will be determined in part by the type of IT system elected to interface with CORE and the array of functions the system will perform.

iii. Agencies with multiple LIHEAP contracts for the same contract year are limited to reimbursement up to $50,000 per agency. Contractor shall allocate costs among contracts when permitted and may not charge the same costs to more than one contract.

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

e. CSD System-related IT costs that exceed the maximum ASA amount of $50,000 may not be reimbursed by CSD.

f. If Contractor has previously developed and utilizes its own unique customized automated reporting system to comply with CSD's reporting requirements, such contractor shall be deemed a "Self-Reporting User." The following provisions apply to Self-Reporting Users:

i. If Contractor elects to modify and upgrade its existing IT system so that the system is compatible with and able to interface with the CSD System, it is the Contractor obligation to ensure that the upgraded system is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its consultants and vendors with the applicable system specifications and interface protocols.

ii. Contractor may use its ASA to pay the necessary cost of upgrading its system and interfacing with the CSD System, as well as related and attendant costs. Costs incurred may include necessary training on upgrades to Contractor's system.

iii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD

gives its written approval of the plan and request for variance.

g. Services procured by Contractor in order to implement updates to Contractor's customized automated reporting system shall be conducted in compliance with Contractor's procurement policy and with all applicable contract requirements and the provisions of federal and state law.

h. Upon approval by CSD, if Contractor procures, from a third-party source, a new customized automated reporting system with supplemental functionality beyond basic CSD System reporting requirements, then such Contractor shall be deemed a "Third Party Customized System User." The following provisions apply to Third Party Customized System Users:

i. If Contractor elects to procure a new customized automated IT reporting system, it is the Contractor's obligation to ensure that the system procured is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its vendor with the applicable system specifications, interface and security protocols.

ii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Similarly, Contractor may not use future annual ASA funding for such conversion. Any alteration to this provision requires prior written approval from CSD and must include the submission of a revised ASA plan.

iii. Systems and services procured by Contractor in order to obtain and implement a third party customized system shall be conducted in compliance with Contractor's procurement policy and with all applicable LIHEAP contract requirements and the provisions of federal and state law. Contractor may, at Contractor's option, participate in a consortium of local service providers to procure jointly a customized automated reporting system from a third-party source, provided Contractor's procurement policy is not violated in such a manner as to render the process flawed or unfair. Contractor may rely on any local service provider subject to this Amendment to conduct the procurement on Contractor's behalf provided, however, that: 1) Contractor

shall not be absolved from fulfilling applicable procurement obligations and requirements; 2) Contractor shall review all pertinent procurement documentation for sufficiency; and 3) make such documentation available to CSD upon request.

11. Weatherization Program Activities

Weatherization 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, assessment, diagnostic testing, labor, materials, subcontractors, environmental inspections, permits, Home Energy Rating System (HERS raters), lead-safe weatherization materials, removal of FAFCO Solar Water Heater systems and installation of AET SWH systems.

12. ECIP Emergency Heating and Cooling Services (EHCS)

ECIP EHCS shall mean those costs associated with emergency heating and cooling repair and replacement services and other related costs, including costs associated with labor, materials, subcontractors, permits, HERS raters, lead-safe weatherization materials, and diagnostics all as further defined by the ECIP Policy and Procedures and the SWEATS Policy, when authorized by CSD. The ECIP Policy and Procedures and SWEATS Policy are hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

5.7 Service Area Expenditures Requirements

A. For purposes of this section the following definitions apply:

Service Area means the geographical area for which Contractor receives a discrete grant allocation, whether in a contract pertaining to that geographical area alone, or in a contract covering multiple geographical areas, as for example, multiple counties.

Target Service Area means the service area for which a grant allocation has been designated on the LIHEAP Allocation Spreadsheet attached to this Agreement.

Target Allocation means that sum of money from the LIHEAP state grant designated by CSD for expenditure in a designated Service Area.

Service Territory means the totality of Contractor's Service Area(s), whether: 1) a single county; 2) a portion of a single county; 3) multiple counties; or 4) a single

county in combination with a portion of another county. Accordingly, the single Service Area or combined Service Areas for which Contractor provides services constitutes Contractor's Service Territory.

Note: If Contractor provides only some LIHEAP services to a Service Area, e.g. weatherization services only or utility assistance services only and another contractor provides other LIHEAP services in the same Service Area, the contractors are co-service providers with respect to the Service Area in question and each is responsible for that portion of the grant allocation applicable to the services it provides. Contractor's Service Territory includes a Service Area in which the grant allocation is split with another contractor.

B. This section shall apply to Contractor if any of the following pertain:

1. This Agreement involves funding for LIHEAP services provided by Contractor in multiple Service Areas;

2. Contractor provides only some of the LIHEAP services in multiple Service Areas under the terms of this Agreement; or

3. Some combination of 1 and 2 above.

C. The Target Allocation(s) specified in this Agreement shall be used either: a) to provide services within the geographical boundaries of Target Service Area(s) to which the allocation applies; or b) on behalf of the recipients of benefits who reside within the Target Service Area(s), thereby ensuring that the low-income persons in each Target Service Area receive their appropriate share of the grant award and that direct program funds designated for a particular Target Service Area are not expended for services in another Service Area without good cause.

1. Contractor is required to expend 90% or more of the applicable Target Allocation(s) in each Target Service Area(s).

2. Contractor shall, as requested by CSD, submit an Agency Local Plan showing by which it will expend the designated allocation for each Target Service Area to include how it will conduct targeted outreach activities, identify service needs in Target Service Areas and track expenditures.

3. At the time of closeout, Contractor shall submit a report comparing Contractor's production and expenditure estimates, by Service Area, to actual expenditures, what lessons were learned, and what changes in operations are anticipated in coming years.

4. Contractor may, subject to CSD's written approval, expend a portion of a Target Allocation in another service area in which Contractor provides services pursuant to this Agreement, under the following circumstances:

a. When there is no acute need or ready opportunity for full expenditure of direct program funds in the Target Service Area; and

b. When Contractor can readily expend direct program funds in an alternate service area to avoid under expenditure or a loss of funding.

D. Notwithstanding the provisions of paragraph C, Contractor is authorized under the terms of this Agreement to combine the Administrative, Intake, Outreach, Assurance 16, and other program support costs, including liability insurance, workers' compensation, and general operating portion of grant allocations for multiple Service Areas for purposes of efficiency and effective contract implementation, provided such combining of funds does not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

5.8 Reimbursement Guidelines

A. Claims for Reimbursement

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

B. Assurance 16

1. Assurance 16 costs and its related services include those actual costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services. Assurance 16 costs shall include needs assessment, client education, budget counseling, and coordination with utility companies.

2. Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.

C. Wood, Propane, and Oil Assistance

1. HEAP WPO

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

2. ECIP WPO

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

D. Weatherization and EHCS Specific

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

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

3. All completed units shall be submitted for payment within 90 days of completion or by the due date of the last reporting period of this agreement, whichever is less. A completed unit shall not be carried over into another contract period, except when there are insufficient funds to cover a portion or the entire cost of the dwelling. In the event a completed unit is billed in the subsequent contract, the agency must also ensure that the applicant meets the income eligibility requirements.

4. Maximum Reimbursement

a. Contractor shall be entitled to reimbursement for actual cost, not to exceed the maximum average of $4,055 per dwelling unit weatherized with respect to the energy conservation measures and activities described in Reimbursement Rates for Weatherization and EHCS Activities located on the CSD Providers' website at https://providers.csd.ca.gov. In the event that the Governor declares a State of Emergency or Local Emergency under Article 13 or 14 of the Emergency Services Act or any federal official declares an emergency pursuant to 42 UCS 8622(1), the maximum average reimbursement shall be $7,212 per dwelling unit.

b. If an energy audit is performed, Contractor shall adhere to the investment determinations rendered by the site specific energy

audit not to exceed the maximum average of $7,212 per dwelling unit.

c. The amount of funds, applied to weatherization services in a whole multi-family building shall not exceed the number of eligible dwelling units multiplied by the $7,212 maximum average per unit or by the $7,212 maximum average per unit, if an energy audit is performed.

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

5. Measure Reimbursement

a. Measure Maximums

i. For those Weatherization and EHCS measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor costs of Weatherization or EHCS crew members and the actual cost of the materials, subcontracted services not to exceed the maximum reimbursement allowable.

ii. Weatherization or EHCS measure costs exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, minor envelope repair, or another CSD program.

iii. When costs for a measure exceed the maximum reimbursement allowed, Contractor shall obtain prior written approval from CSD to exceed the maximum cost reimbursement and/or quantity limit for weatherization and ECIP HCS measures as described in Reimbursement Rates for Weatherization and EHCS Activities located in Subpart H. Otherwise, at the Contractor's discretion, Contractor may elect to not provide the weatherization measure/service in the event the total cost exceeds the maximum cost reimbursement.

b. Assessments and Diagnostics

i. Contractor may claim reimbursement for dwelling assessment for each eligible household.

ii. Contractor may claim reimbursement for dwelling assessment for each eligible unit not previously weatherized.

(a) For dwellings weatherized under this Agreement, Contractor may claim reimbursement for a modified dwelling assessment, as defined in Subpart G, to perform reweatherization or callback services during the useful life period of the initial dwelling assessment.

(b) Once the useful life term has expired for the initial or last performed dwelling assessment, Contractor may claim a full dwelling assessment to perform re-weatherization services.

iii. If a dwelling was previously weatherized under a nonfederal program, the dwelling and occupant eligibility must be recertified; therefore, Contractor may claim reimbursement for assessment of dwelling.

iv. In the case of an un-weatherized dwelling where the installation of measures was not feasible and/or the dwelling was not accessible to install measures, Contractor may claim reimbursement for any related assessments and/or diagnostic checks that were performed.

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

vi. HERS rater and permit fees are acceptable expenses and may be charged only once per measure to ECIP EHCS or LIHEAP weatherization or DOE weatherization per weatherized dwelling. HERS rater fee and permit reimbursement includes subcontractor cost, staff time on job site, and fees that will be reimbursed based on the actual cost.

c. Labor Reimbursement

i. 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 raters.

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

iii. Actual labor hours and costs for weatherization and EHCS services shall not exceed the cumulative number of hours on the job site and shall be substantiated with client file documentation, job schedules, and payroll time records.

iv. When the installation of a measure is subcontracted and there are billable labor hours for weatherization and/or Contractor's EHCS 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.

v. 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 in subsection e Other Program Costs.

vi. Lead Safe Weatherization

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

d. Heating and Cooling Services (HCS/EHCS)

i. If, during the course of repairing a defective unit, additional problems are found that would increase the cost of repairs to an amount beyond the established limits for repairs, Contractor may claim reimbursement for incurred costs related to the repair in addition to those costs associated with the replacement of the heating/cooling appliance.

ii. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization and/or ECIP EHCS component, or under a call-back, Contractor may claim reimbursement for both the repair and the replacement of the appliance. Contractor shall report the single appliance as both a repaired and replaced appliance.

iii. For multi-unit dwellings with a common water heater, Contractor may claim reimbursement for only one water heater. Contractor may claim reimbursement for the actual number of water heater blankets used to wrap the common water heater. Contractor shall prorate the cost among all dwelling units within that building envelope.

iv. Duct repairs and replacements can only be charged to ECIP EHCS when provided in conjunction with emergency heating/cooling services performed under EHCS.

e. Other Program Costs

i. 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.

ii. Wages – Program Management and Support

(a) 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 LIHEAP Weatherization and EHCS program activity or providing direct support to ensure the successful delivery of weatherization services.

(b) Reported costs may include labor costs associated with performing direct support in coordinating the delivery and tracking of LIHEAP Weatherization and EHCS program activity, 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.

iii. 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 Article 4.6 of this Agreement.

iv. Disposal Fees

Disposal fees are acceptable expenses and may be charged only once to ECIP EHCS, or LIHEAP Weatherization per appliance and building material waste. Disposal fee reimbursement includes the actual cost of the fee.

v. Vehicle and Equipment Repair, Maintenance and Fuel

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

(b) Contractor shall maintain records for fuel expenditures, vehicle maintenance and vehicle usage to substantiate allowable travel costs related to and allocable to LIHEAP weatherization.

vi. Historic Preservation Reviews

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

to Historic Preservation Review requirements.

vii. Waste Breakage

Waste breakage are those expenses associated with weatherization materials that have been damaged and are part of Contractors' 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**.**

viii. 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.

ix. Solar Water Heating Maintenance

Solar Water Heating Maintenance are scheduled maintenance service, as established by the manufacture, in order to maintain the SWH system in good working condition.

6. Dwelling Status

a. Completed Units

i. Except as otherwise provided in subsection ii below. 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 Quality Assurance Inspector, and all inspection fails have been resolved.

ii. In accordance with the CSD Weatherization Field Guide, a dwelling shall also be considered complete if:

(a) The entire dwelling was required to be deferred;

(b) The dwelling had limited deferrals or the client refused feasible measures but all other feasible measures were installed; or

(c) The dwelling received an assessment and /or diagnostics and no other weatherization measures.

iii. 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, the job shall be reported as completed in accordance with subparagraph i.

iv. ECIP EHCS

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

v. If Contractor is not able to complete weatherization or ECIP HCS direct services during the contract term, Contractor may complete the dwelling in the next contract year. If Contractor completes the dwelling in the next contract year, Contractor must verify the client meets the income eligibility requirements for the following year in order for the measures and dwelling to be eligible for reimbursement.

b. Building Permits

i. Contractor shall obtain all required permits 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.

ii. Any penalties or fines imposed on Contractor or subcontractor by the local authority or building department are not allowable costs.

c. Previously Weatherized Dwellings

If the previous weatherization was performed under a nonfederal program or under this Agreement, the occupant eligibility must be verified and Contractor may seek reimbursement for the associated outreach and intake costs.

d. Leveraging Funds

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, provided:

i. Reimbursement for Weatherization or EHCS activities is claimed only once when LIHEAP and DOE WAP, or any other funding source, are used concurrently in the same unit.

ii. Contractor may divide materials and labor cost of a single measure among LIHEAP, DOE, or other CSD programs when the single measure in question is installed in a dwelling where Weatherization or EHCS services are provided concurrently under these programs.

iii. 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.

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

Reimbursement shall be in accordance with the SWEATS Policy when specifically authorized by CSD. The SWEATS Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

A. General

1. Contractor shall submit data and information concerning LIHEAP activity in the CSD's Weatherization Database. Reimbursement requests for expenditures associated with all related activity shall be reported in Expenditure Activity Reporting System (EARS).

2. Contractor must ensure that the activity reported in the Weatherization Database and the request for reimbursement reported in EARS, are aligned. CSD will not issue payment for reimbursement unless and until any disparity between the data entered in the Weatherization Database and EARS has been reconciled by Contractor.

3. Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly reimbursement/activity report.

4. Reporting Requirements

   a. 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 days. Minor changes are those that are routine in nature to begin the contract such as but not limited to adjustments to the Expenditure Activity Report layout, adding or deleting measures and adjusting eligibility guidelines.

   b. Major reporting changes, upon receipt of the specifications, shall be implemented in Contractors 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 Data Transfer Rules and/or new field lines as outlined in the Data Transfer Reference Document (Schema-Breakdown). The most current Weatherization Data Transfer Rules and Data Transfer Reference Document (Schema-Breakdown) are located on the CSD Providers' Website on the System Specification website page.

B. Monthly Reports

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

1. Contractor shall submit a request for reimbursement of expenditures to CSD (excluding ECIP Fast Track and HEAP Electric and Gas) by entry into EARS, in accordance with the following provisions:

   a. Monthly reports shall be submitted on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.

   b. Adjustments must be reported through EARS according to the Database Transfer Rules by the seventh of each month.

      Contractor may at any time submit detailed information and date for services rendered, utilizing the Weatherization Database, provided the total submissions for any given month correspond to the EARS reimbursement request for the same month. The reports must be reconciled by Contractor before the monthly reimbursement request will be paid by CSD.

   c. Expenditures for Assurance 16, Intake, ECIP WPO, ECIP EHCS, SWEATS, and HEAP program costs shall be reimbursed through the LIHEAP Monthly EHA 16 Expenditure Activity Report via EARS.

   d. Expenditures for Weatherization shall be reimbursed through the LIHEAP Monthly Weatherization Expenditure Activity Report via EARS.

2. Contractor shall also submit to CSD client/job detailed data for services rendered under LIHEAP Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO for the monthly period in which the service activity occurred and for which reimbursement for the service activity is requested.

   a. Utilizing an approved front end data collection system Contractor shall submit monthly detailed client/job data separately from the EARS monthly activity reimbursement reporting.

   b. The client/job detailed data shall be sent electronically on or before the fifteenth calendar day following the reporting period in which direct service activity occurred.

   c. Adjustments must be reported through weatherization database according to the Database Transfer Rules by the seventh of each month.

d. CSD must receive the Monthly Client/Job Detailed Data Report before the monthly EHA 16 and Weatherization Expenditure Activity Reports will be processed.

3. Reporting for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO

Contractor shall submit to CSD, client/job detailed data electronically to CORE for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO.

C. Solar Warranty and Maintenance Reporting

Contractors participating in the Solar Water Heating (SWH) Project shall report to CSD whenever warranty work and/or maintenance are required on any Solar Water Heating Systems installed under the SWH Program and CSD's Low-Income Weatherization Program (LIWP). The SWH Warranty and Maintenance Report shall include a written description of the following:

1. Dwelling address at which warranty and/or maintenance work was provided;

2. Reason for warranty and/or maintenance work (what was the problem);

3. The date (or dates) on which warranty and/or maintenance work was provided; and

4. List of the costs charged to the LIHEAP contract for the warranty and/or maintenance work.

The SWH Warranty and Maintenance Report shall be submitted no later than 30 days after the month in which reimbursement for the warranty and/or maintenance work is requested.

The SWH Warranty and Maintenance Report shall be submitted, via email, to wx@csd.ca.gov with the words "SWH Warranty and Maintenance Reports" in the Subject line.

Contractor shall retain all warranty and maintenance reports for the life of the warranty.

D. CSD Review

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 and fiscal operations and its demonstrated ability to effectively utilize all funds available under this Agreement.

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

E. Close-out Report

1. Contractor shall submit on appropriate CSD forms, a close-out report, verifying all actual, allowable, and allocable costs earned during the term of this Agreement and return all unexpended funds to the State within 90 calendar days after expiration of this Agreement.

   a. Administrative costs, outreach, intake, Assurance 16, Training and Technical Assistance shall not exceed the maximum allowable amounts.

   b. Administrative and Assurance 16 costs shall remain proportionate to the cumulative allowable program expenditures for Direct Services and Utility Assistance. Any Administrative and Assurance 16 costs that exceed these limits shall be disallowed and returned to CSD within 90 calendar days after expiration of this Agreement.

   c. Subsequent payments, including advance payments, for LIHEAP or other CSD contracts may be withheld, absent timely receipt of the close-out report of this Agreement.

2. 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 90 days from the end of the contract term.

3. The close-out report shall include the following completed forms:

   a. Close-out checklist with authorized signature (CSD 733);

   b. Interest and Program Income Earned Reconciliation Report and Excess Revenue (CSD 733F);

   c. Equipment Inventory Schedule (CSD 733G);

d. Equipment Disposition (CSD 553); and

e. LIHEAP Production Plan, CSD 622.

4. Interest and Program Income-Earned and Excess Revenue

Contractor shall use a CSD 733F, LIHEAP Interest and Program Income Earned Close-out Reconciliation, to report actual costs and/or interest income earned and expended. Pursuant to CCR § 100855, program income earned and expended are subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART C – PROGRAMMATIC REQUIREMENTS

ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 LIHEAP Agency Local Plan

A. Contractor shall submit an annual LIHEAP Agency Local Plan to CSD by a date as determined by CSD. The LIHEAP Agency Local Plan is intended to systematize the gathering of planning information to assist CSD with its obligations under federal statute to provide programmatic assurances to the Secretary of the U.S. Department of Health and Human Services under the LIHEAP block grant and to enable the Contractor to plan and propose an annual budget that is consistent with the purposes of the Low-Income Home Energy Assistance Program and reflective of the needs of the local low-income population.

B. CSD will review the annual LIHEAP Agency Local Plan to ensure compliance with federal and state laws and departmental requirements.

If the LIHEAP Agency Local Plan documents do not indicate that the Contractor's proposed services and activities are in compliance with federal and State law governing the LIHEAP block grant, CSD may require Contractor to amend or supplement the responses or documentation, prior to execution of this Agreement by CSD.

C. CSD's approval of the LIHEAP Agency Local Plan documents submitted by Contractor shall not be construed as approval of any costs expended under this Agreement. The approval of all expenditures remains subject to the federal and state requirements that the actual costs be allowable and allocable in accordance with applicable statutes, regulations, and the provisions of this Agreement.

7.2 Program Standards and Regulatory Requirements

A. Program Standards

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

a. Upon release, CSD Weatherization Policies and Procedures;

b. CSD Weatherization Installation Standards (WIS);

c. CSD Weatherization Field Guide

d. CSD Inspection Policies and Procedures;

e. CSD LIHEAP/DOE Program Health and Safety Appliance Replacement Policy;

f. ECIP Policy and Procedures;

g. CSD Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy;

h. Official State and Federal Program Notices and Guidance Documents; and

i. Current Eligibility and Verification Guide; and

j. Weatherization Data Transfer Rules

k. Utility Assistance Business Data Transfer Rules

Upon signing the CSD contract, Contractor is acknowledging receipt of all current technical manuals, policies and protocols.

2. In the event of inconsistencies between policies and field protocols contained within the Weatherization Installation Standard Manual and/or the Weatherization Policies and Procedures and this Agreement, Contractor shall abide by the terms of this Agreement.

B. Regulations

1. Standards contained in the most current Uniform Building Code and local city and county codes shall take precedence over the CSD WIS if the code requirement is not included in the manual and/or is more stringent.

2. All work performed by Contractor shall be in compliance with most current and applicable provisions of the California Energy Commission Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, California Home Energy Rating System (HERS) Program regulations.

3. Services provided to all covered pre-1978 dwellings shall be in compliance with the most current Environmental Protection Agency rules in 40 CFR 745, Lead-Based Paint Poisoning Prevention in Certain Residential Structures and the Housing and Urban Development rules in

24 CFR 35, Lead-Based Paint Poisoning Prevention in Certain Residential Structures.

4. All materials utilized for weatherization and ECIP EHCS purposes shall be in conformance with the Department of Housing and Human Services rules in 45 CFR Part 75, Uniform Administrative Requirements for Cost Principles, and Audit Requirements for HHS Awards or 45 CFR Part 74, Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations.

5. All materials used must be in compliance with Department of Energy rules in 10 CFR 440.

C. Title 24

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.

2. The Title 24 energy conservation measure requirements to be applied are those applicable to the California Energy Commission (CEC) Climate Zone where the dwelling is located. For a listing of the CEC climate zones, refer to the CSD Providers' website at https://providers.csd.ca.gov.

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

4. Contractor shall obtain the services of a certified HERS Rater to perform the required field verification and diagnostic testing. The HERS Rater shall be an independent entity from the builder 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.

D. Pre-1978 Dwellings

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.

2. HUD units not previously certified to be lead free, built prior to 1978, and receiving weatherization services in which painted surfaces exceeding di 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.

3. 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.

7.3 Prioritization of Services

A. Contractor assures that ECIP, HEAP, and Weatherization activities are conducted in accordance with the Agency Local Plan in Subpart H.

B. Activities shall be designed to provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, and that such methods to be utilized shall assure that eligible households, particularly those households with elderly individuals, disabled individuals, or children five years (5) and under are made aware of the assistance available under this Agreement.

7.4 Service Priority Guidelines

A. Contractor shall give first priority for services to those households with the highest energy burden, or high residential energy users, and shall factor into its first priority for services those households with the following vulnerable populations: young children (ages 5 years or under), disabled, and elderly persons (ages 60 years or older).

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

C. For the ECIP Fast Track, HEAP Gas and Electric, ECIP WPO and HEAP WPO program components, Contractor shall assign prioritization points for Energy Burden, Vulnerable Populations, Household Income, and any Optional Agency-Defined categories as referenced in the Agency Local Plan in Subpart H.

D. Due to limited funding, Contractors are discouraged from providing either:

1. Energy assistance benefits to households with substantial credit(s) on its utility bills; and/or

2. Weatherization services to dwellings previously weatherized under LIHEAP within the past four years. Contractors shall prioritize services to previously weatherized dwellings in accordance with the Agency Local Plan in Subpart H.

E. Equitable Treatment

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

F. See Section 11.2 B, "Eligibility to Receive Federally Funded Public Benefits" concerning Federal restrictions on receipt of benefits.

7.5 Outreach and Intake Activity Guidelines

A. Outreach

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

B. Intake

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

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.

2. Ensure applicants have access to applications, whether in hardcopy or electronic format, during regular business hours. Contractors whose offices are not staffed Monday through Friday must arrange for alternative points of access to LIHEAP applications. Contractor may satisfy this requirement by posting their application for download on their website or at CSD's website at www.csd.ca.gov or at alternate location(s).

3. Accept applications for assistance during regular business hours.

4. Accept applications for ECIP Fast Track and WPO at sites that are geographically accessible to all households in the area served by Contractor.

5. Provide low-income individuals who are physically infirm with the means to submit applications for HEAP and ECIP without leaving their residences.

6. All sites where intake is conducted must be accessible to the disabled.

7. Contractor shall utilize the Energy Intake Form (CSD 43), or approved Contractor's equivalent, as a multipurpose form for referrals to the LIHEAP Weatherization program, the ECIP EHCS program, HEAP program, and Department of Energy (DOE) program.

8. 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 Priority Plan 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 a potential client upon request, whether or not a prescreening process is employed.

C. Applicant Written Notification of Benefits

Within 15 working days of receiving an application Contractor shall provide the applicant written or electronic notification of the application status, indicating whether the application has been: approved, denied, deemed incomplete or is still pending review.

1. If approved, the notice shall indicate the nature and an approximate timeframe in which the utility assistance payment will be provided and when weatherization services may be scheduled or if a referral was made to for weatherization services. The name of the utility company and the amount of the benefits also shall be included in the notification, if applicable.

2. If denied, the notice shall indicate the reason for the denial and information regarding the appeal process.

3. If incomplete, the notice shall indicate what additional information or documentation is required.

4. If pending review, the notice shall provide a revised estimate of when the status of the application will be determined. Contractor must follow-up with a notification when a determination has been made.

5. If added to the waitlist for weatherization and the application is not processed, the notice shall provide the amount of time the application will be kept on file, disclaimer that the applicant is not guaranteed services and how applications are prioritized for services.

7.6 Assurance 16 Activity Guidelines

Assurance 16 program funds shall be used for services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance such as needs assessment, client education and budget counseling, and coordination with utility companies. These funds may not be used to identify, develop, and/or demonstrate leveraging programs.

A. Needs Assessment

Contractor must conduct a needs assessment for each client who submits an application that shall include computing the energy burden of each applicant's household and prioritizing households in accordance with Agency Local Plan in Subpart H.

B. Client Education/Budget Counseling – General Requirements

Contractor shall provide all recipients of energy assistance under this Agreement with applicable energy conservation information and budget counseling in accordance with the Contractor's approved Agency Local Plan in Subpart H. As a minimum Contractor shall include the following:

1. Information regarding the importance of applying for energy assistance prior to falling behind in utility payments and information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State.

2. Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household.

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

C. Client Education/Budget Counseling – Weatherization and ECIP EHCS Specific

1. In addition to the above provisions, Contractor shall place in the client's file the Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided with energy conservation, budget counseling, and mold, radon and lead-based paint education.

2. Contractor shall provide the EPA pamphlet, "Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and School."

3. Contractor shall provide to all clients the EPA pamphlet, "A Brief Guide to Mold, Moisture, and Your Home."

4. Contractor shall provide the client with 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.

5. Contractor shall provide the client with an explanation of the effect of each measure in terms of preventing air infiltration or the escape of heated or cooled air from the dwelling and how to maximize the effect of such measures.

6. Contractor shall provide all clients with the EPA pamphlet, "A Citizen's Guide to Radon."

D. Coordination

1. Contractor shall refer all potentially eligible applicants, including HEAP applicants, to the LIHEAP Weatherization Program, ECIP EHCS, CARE/RRP, DOE, or other energy or conservation programs. Contractor shall coordinate its activities with other federal, state, or local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.

2. Contractor shall provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company. Contractor may also perform other coordinative activities with energy vendors/utility companies to provide input relative to the energy assistance needs of California's low-income and a proactive educational concept in serving clients. This includes attending the California Public Utilities Commission's Low-Income Oversight Board Committee meeting.

7.7 Leveraging Activities

A. When ECIP EHCS services are provided contractor shall refer, schedule or recommend a subsequent weatherization assessment, in accordance with the CSD Weatherization Field Guide.

B. Leveraging weatherization funds may be used to install mandatory and/or optional measures in a dwelling in accordance with the CSD Weatherization Field Guide. Client files shall be documented accordingly.

C. If Contractor is leveraging with non-CSD funded programs to meet CSD program requirements, then Contractor shall ensure that any non-CSD leveraged-funded activity performed in conjunction with the Weatherization and/or the ECIP EHCS program, is in conformance with weatherization guidelines. If permitted by the leveraged-funding source, Contractor shall document within the Weatherization and/or ECIP client file the activity performed, date of the activity performed, and the source of the leveraged funds. If the leveraged-funding source prohibits the disclosure of such information, Contractor shall as a minimum make reference to the leveraged activity within the weatherization and/or ECIP client file.

D. Ensure usage of DOE approved priority list and/or audit tools on projects leveraged with DOE.

E. CSD may use information about leveraged activities paid for with funds from leveraged-funding source 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 LIHEAP standards and practices.

7.8 Record-Keeping Responsibilities

A. Contractor shall maintain client intake/needs assessment form(s) for Weatherization, HEAP, and ECIP, 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.

B. Contractor shall ensure that the ECIP Home Energy Supplier Assurance (CSD 416) or approved Contractor's equivalent is completed by each nonregulated utility company, e.g., propane suppliers, wood suppliers, etc., providing services to clients of this Agreement.

C. 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.

D. All Client Files – General Requirements

Contractor shall maintain a separate file for each applicant by either a hard copy or electronic file, or a combination of both. Contractor must ensure that the method selected to maintain files does not impose unreasonable effort in CSD's ability to review any files. These files shall include, the following documentation, when applicable:

1. For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits, (CSD 600) and supporting documents;

2. Energy Intake Form (CSD 43) or approved Contractor's equivalent. Priority points must be written in the designated space on the Intake form;

3. Utility/energy bill(s) for all sources of energy used by qualified households;

4. Documentation supporting eligibility in accordance with the Eligibility and Verification Guide;

5. Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided services in accordance with Assurance 16 requirements; and

6. Client denial or approval letter in accordance with Eligibility and Verification Guide.

7. Client/Customer Consent Form and Authorization (CSD 081) – Only requested when the client is not the account holder of the utility bill.

E. Client Files - ECIP Fast Track, ECIP WPO, HEAP, and WPO

Contractor shall maintain the following documents for each applicant receiving cash assistance services, as applicable:

1. Documentation that substantiates the requested ECIP Fast Track supplemental payment including the total amount due (at the time of intake) to the utility company, reconnection fees, and any other assessed utility fees/surcharges; it shall provide the condition(s) that establishes eligibility for benefits in accordance with ECIP Fast Track Benefit Determination Article 8.3 in subsection C. 3; and

2. Documentation substantiating the portion of rent that is allocated toward energy costs (HEAP and ECIP: Utilities included in rent and WPO only).

F. Client Files - Weatherization and/or ECIP EHCS Specific

Contractor shall maintain the following documents for each applicant receiving weatherization and/or ECIP EHCS services, if applicable:

1. CSD Dwelling Assessment (CSD 540 series) or approved Contractor's equivalent;

2. Combustion Appliance Safety Inspection (CASIF) (CSD 700 or CSD 702 series);

3. Shell Leakage Data Sheet (CSD 704);

4. Duct Test Data Sheet (CSD 706);

5. CSD Weatherization Deferral (CSD 542) and other source documentation supporting deferrals and appeals;

6. Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent;

7. ECIP EHCS Assessment (CSD 57);

8. Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent;

9. Energy Service Agreement for Occupants (CSD 515A) or approved Contractor's equivalent;

10. Energy Service Agreement for Rental Property Owners (CSD 515B) or Contractor's equivalent;

11. Contractor Post-Weatherization Inspection Report (CSD 611);

12. Weatherization Inspection Report (WIR) (CSD 581);

13. Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent;

14. Client confirmation of work completed;

15. Required building permits or buildings permit applications, or documentation of permit cost; and documentary evidence of final permit;

16. Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1978 HUD units;

17. Waivers from CSD to exceed maximum costs of weatherization measures;

18. Documentation that substantiates all actual labor hours including a time and activity log associated with each job;

19. Documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;

20. Documentation that substantiates the criteria and basis for replacement of gas and electric appliances, including results of required diagnostic tests, and the non-feasibility of mandatory measures not performed or installed;

21. Documentation indicating the manufacturer, manufacture date, make, and model and metering information for all refrigerator replacements;

22. Documentation referring to CSD or non-CSD weatherization;

23. Documentation of HERS inspection report and a copy of the invoice from the HERS rater, in addition to the Residential Compliance Form (CF-1R, CF-4R and CR-6R);

24. Documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster;

25. All Historic Preservation Online (HPO) review documentation, including copies of the printed Project Description sheet (PDS) and HPO site e-mails;

26. Photographic documentation as required by WIS and CSD Weatherization Field Guide;

27. Building File Report (BFR) and Improvement Analysis Report (IAR) in each client file and retention of electronic audit file;

28. Documentation of attempts to schedule post-weatherization inspection appointments if inspection could not be performed;

29. Lead Safe Weatherization and Lead Renovation, Repair and Painting Compliance Report (CSD 708);

30. Notice of Survey by Electrical (CSD 543);

31. REM Energy Audit Entry Form (CSD 544);

32. Insulation Certificate (CSD 610); and

33. REM/Design Multi-Family Input Sheet (CSD 808).

G. Client Files – Severe Weather Energy Assistance and Transportation Services (SWEATS) Specific

1. Contractor shall maintain the following documents for each applicant receiving services under SWEATS, as applicable:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43; and

   b. Temporary Emergency Portable Appliance Loan Agreement and Waiver (CSD 52).

2. Contractor shall maintain the following documents for each applicant receiving Utility Assistance services under SWEATS:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43;

   b. Documentation of utility/energy bills at the time of intake; and

   c. Documentation that substantiates that the household's economic hardship is a direct result of the disaster.

H. 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.

I. Weatherization and ECIP EHCS Specific

1. Labor and Materials

   a. 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 and ECIP EHCS programs can be substantiated.

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

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

2. Training

Contractors who perform weatherization and ECIP EHCS services are required to input, update, and maintain employee data in the CSD Training Database. The Training Database is located and maintained on the CSD Providers' Website and is a repository for Contractor and their subcontractors to track and monitor employees' completed trainings as they progress through the CSD training curriculum. The Training Database shall also document all training received for each employee and shall include for each training session/course the source/location, type/content, and completion date.

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

b. Contractors shall maintain all training records in the Training Database for trainings provided by third-parties for OSHA 10, OSHA 30, and EPA Renovator certifications as designated by CSD.

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

d. Contractors shall update the Training Database employee information on or before the first day of each subsequent month.

3. Equipment

a. Contractor 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.

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

c. Contractor and subcontractors who keep an inventory of portable appliances for the SWEATS program shall maintain a log documenting the location of all portable appliances on loan and in reserve. The log shall document the retirement or loss of the equipment.

4. Energy Audits

a. Contractor shall maintain electronic records generated from the REM/Design audit software for the 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.

b. Contractor shall make all records generated from the REM/Design 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.

J. Automation

1. Contractor shall use an automated application system capable of supporting LIHEAP's (Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO) 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 WX Data Transfer Rules layout found at http://providers.csd.ca.gov/ReportingSystems/WXDatabase.aspx. Contractor shall exercise best practice and perform a daily backup of all client data/application systems that capture LIHEAP service detail. Contractor shall assure that adequate files are maintained as required in Article 7.8.

2. Contractor shall also be responsible for monitoring the CORE online reports and for resolving payment issue(s) related to the delivery of

benefits. The Agency Allocations/System Maintenance screen shall display historical and current detail level of program allocation information, summarizing agency's annual program allocation, expenditures, and returned benefits eligible for reissuance, if any. The Variance Report shall display the detail level of benefit information whereby the eligible benefit amount differs from the paid benefit amount. For resolution of partial credit returns, Contractor shall be responsible for following up with the client to resolve payment issue(s) and for providing the State with the necessary information to reissue benefit(s). For full credit returns and warrant redeposits, Contractor shall be responsible for resolving and updating client data in CORE to reissue benefit(s).

3. Utilizing reporting options available within the CORE On-Line System, Contractor shall be responsible for generating HEAP and ECIP (Fast Track) reports to attain data specific to the following: rejected records, intake data, client and payment status, expenditures and current allocation balance, returned benefits, summarized county energy costs and burden, and a year-to-date goal status.

ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 HEAP/WPO Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation and processing timeframes, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

3. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for WPO to determine the client's energy burden.

B. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. However, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment and/or supplemental program income benefit payment, eligible households may receive ECIP EHCS services and/or other weatherization services.

C. Contractor may establish a maximum benefit for HEAP WPO payments; such maximum shall be consistently applied. ECIP WPO payments cannot exceed $1,000.

D. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

E. Once applicants meet the eligibility and prioritization criteria and funds are available:

1. Contractor shall complete the ECIP/HEAP Payment Request Confirmation (CSD 415) or approved Contractor's equivalent.

2. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

3. CSD will not make payments to clients for WPO assistance.

4. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

F. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

G. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

8.2 Weatherization Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

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

4. 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 client's energy burden.

5. The income certification shall remain in effect for a period of 120 days from the date applicants are deemed eligible for services.

B. Dwelling Eligibility

1. Contractor shall perform the assessment of weatherized dwellings within 120 days of the certification date to receive weatherization assistance services. In the event the Contractor is unable to perform the weatherization dwelling assessment within the 120-day period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility, prior to commencing the delivery of any form of weatherization assistance service including the dwelling assessment.

2. 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.

3. Contractor shall complete weatherization services within six months from the date of the original assessment of a dwelling. In the event the Contractor is unable to perform all weatherization services within the six-month period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility.

4. Permission to Provide Services

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

   b. If during the course of performing weatherization services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall re-obtain written permission of the owner-occupant dwelling from the owner of a rental unit prior to continuing with the scheduled work.

5. Rent Increase Restrictions

   a. 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.

   b. 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.

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

6. Multi-Unit Dwellings

a. In accordance with 10 CFR 440.22(b) (2), Contractor may weatherize the whole building containing rental dwelling units when 66% (50% for duplexes and four-unit buildings) or more of the dwelling units in the building are income eligible:

i. Are eligible dwelling units, or

ii. 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.

b. 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.

c. Contractor shall complete a Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent for each building and shall maintain a copy in each individual client file.

d. 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.

e. The owner signed a copy of the Energy Service Agreement for Occupant (CSD 515A) or approved Contractor's equivalent or the Service Agreement for Rental Property Owner (CSD 515B) or approved Contractor's equivalent, authorizing the weatherization

work, accepting conditions protecting the interests of tenants, and other provisions required by CSD;

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

7. Previously Weatherized Dwellings

a. Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered re-weatherization.

b. A previously applied measure may be reinstalled during its useful life term, as described on Subpart H Reimbursement Rates for Weatherization and EHCS Activities, due to premature failure or if the measure was destroyed by the prior-occupying household. Justification for the replacement must be documented in the client file.

c. Unoccupied multi-unit dwellings previously weatherized in accordance with this Agreement and which receive appliance repair and/or replacement services upon occupation by an eligible tenant, shall be deemed re-weatherized dwellings.

e. If a dwelling has been previously weatherized under a CSD or another federal or non-federal program, Contractor may provide previously unapplied mandatory and optional measures within the dollar limits of this Agreement. The dwelling and occupant eligibility must be recertified.

f. Services provided in a previously weatherized dwelling to correct a previously installed measure within the warranty period or as a result of a CSD inspection finding is a call-back and is allowable. Demographics for a callback are not included for reporting purposes.

8. Ineligible Dwellings

a. 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.

b. Contractor shall not weatherize any dwelling under this Agreement 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 (CSD 515A) or Service Agreement for Rental Property Owner (CSD 515B).

c. No institutional or commercial building including, but not limited to, universities, schools, nursing homes, hospital, shelters, or group homes, may be weatherized under this Agreement.

C. Minimum Requirements for Weatherization Services

1. Single-family detached and other single-story dwellings that have not been previously weatherized under a CSD program or other program may be weatherized under this Agreement only if:

   a. Ceiling Insulation plus two additional Mandatory Measures are installed, or

   b. In the event Ceiling Insulation is already installed or otherwise not feasible, at least three Mandatory Measures are installed.

   c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

2. Multi-unit dwellings that have not been previously weatherized under a CSD program or other program may qualify for weatherization services only if ceiling insulation plus two additional Mandatory measures are installed or, in the event ceiling insulation is already installed or otherwise not feasible,-at least three Mandatory measures are installed.

   a. Installation of ceiling insulation shall be counted as a ceiling insulation measure for each unit within that building envelope.

   b. Installation of a common water heater shall qualify as a Mandatory measure for each unit served by the same water heater.

   c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

3. If the required minimum number of weatherization measures cannot be installed due to the deferral of measures, then the entire unit shall be deferred in accordance with the CSD Weatherization Field Guide.

4. The minimum number of weatherization measures may be leveraged with other weatherization programs. All leveraged measures used to fulfill the minimum number of required weatherization measures shall meet CSD installation standards.

5. Contractor may complete weatherization services on agriculture housing units or multi-family units if each unit is separately metered and the services will result in a cost savings to the tenant.

D. Dwelling Assessments

1. Contractor shall assess the dwelling of each eligible applicant to determine if the unit is structurally sound and not in need of extensive repairs.

2. Contractor shall determine whether the dwelling meets the criteria for a Historic Preservation Review pursuant to subparagraph 6. b.

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. In addition, Assessors must complete all required online based training courses to include: Environmental Hazard, Lead Safe Weatherization, and Worksite Safety.

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.

5. 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.

6. Dwelling Assessment Performance

a. Dwelling assessments shall include the following required activities:

i. 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 Agreement.

Assessor shall disclose all noted safety and structural hazard conditions to the property owner and tenant, where applicable.

ii. 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.

iii. 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.

b. Historic Preservation Review of Dwellings

i. To ensure compliance with Section 106 of the National Historic Preservation Act (16 U.S.C. 470), 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 LIHEAP on dwellings that are 45 years or older. For purposes of this Agreement, the historic review shall be known as the Historic Preservation Review.

ii. 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.

iii. When a dwelling assessment is performed and the dwelling is determined to meet any of the criteria specified in subparagraph ii, Contractor shall initiate the Historic Preservation Review process as specified in CSD Historic Preservation Review Policy incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

c. Combustion Appliance Safety (CAS) Tests

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

ii. 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, infiltration reduction measures may not be installed until the hazard has been corrected; however, Contractor may install non-infiltration reduction measures.

d. 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.

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

ii. 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.

7. Contractor shall ensure the health and safety of weatherization personnel in carrying out activities funded under this Agreement. In the event the weatherization of a dwelling threatens the general health and safety of weatherization 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.

E. Diagnostic Testing

1. Contractor shall perform the shell leakage diagnostic testing only for shell sealing purposes on a minimum of 20% of the total SFD (one to four units) including mobile homes**,** and a minimum of 5% of MUD (five or more units) weatherized under this Agreement. Shell leakage diagnostic

testing shall be proportionate to the number of completed units for each quarterly period.

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.

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

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.

5. If an unvented space heater is being utilized, infiltration reduction measures shall not be applied unless venting is installed or the unit is replaced.

F. Health and Safety Measures

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.

2. Contractor is authorized to mitigate health and safety hazards in accordance with the CSD Weatherization Field Guide. In addition to all provisions in this Agreement regarding Health and Safety Measures, Contractor must adhere to the Health and Safety Appliance Replacement Policy, to seek reimbursement for replacing specified appliances. The Health and Safety Appliance Replacement Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

3. Health and Safety Measures and Mandatory Insulation Measures must be installed in priority order. Other Mandatory Measures must be installed before optional measures, and no measure shall be excluded, unless the:

   a. Shell leakage and/or pressurized duct diagnostic test indicates that installation of the measure is not necessary;

   b. Dwelling already has that measure in place;

   c. Measure cannot be properly installed;

d. Client refuses installation (client refusal is to be documented and placed in file);

e. Maximum dollar limit is reached; or

f. Measure is not needed or required.

4. After Health and Safety Measures have been addressed, Insulation Measures, if feasible, must be installed prior to the installation of any other Mandatory and Optional Measures. Non-Mandatory Measures including Infiltration Reduction, General Heat Waste, and Electric Base Load Measures need not be installed in priority order.

5. If a health and safety hazard is found to exist that requires replacing or repairing a combustion appliance, the cost of which will preclude the installation of the required number of Mandatory Measures for a unit to be weatherized, the dwelling may qualify for weatherization under the following conditions:

   a. The combustion appliance is repaired or replaced; and

   b. All remaining feasible Mandatory Measures are installed up to the maximum dollar limit.

6. If the dollar limit has not been reached in installing feasible Mandatory measures, Contractor may install optional measures.

7. Health and Safety Measures

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

      i. A 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.

      ii. 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.

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

i. 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.

ii. All such appliance replacements are further subject to the Health and Safety Appliance Replacement Policy.

iii. For those conditions where a true crisis exists and the heating and/or cooling needs cannot be remedied by the installation of a permanent repair or new appliance installation, Contractor shall provide such dwellings with temporary portable devices to support the means of providing adequate cooling and/or heating to occupants of the residence to alleviate the crisis situation and to meet basic heating/cooling needs.

(a) Occupant shall be advised of the higher energy consumption associated with portable heating/cooling devices.

(b) Occupant shall certify that all of the manufacturer's safety instructions will be abided by.

(c) Contractor shall make all attempts to purchase Energy Star-rated portable devices if available.

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

c. Prior to the performance of any heating/cooling appliance service, a qualified technician must perform a diagnostic inspection of the primary heating/cooling appliance to assess operational performance. If the inspection discloses a problem related to the appliance's operational performance Contractor shall proceed in accordance with the CSD Weatherization Field Guide.

d. 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.

e. 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.

f. 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.

G. Energy Audit Requirements

1. If all feasible measures classified under Health and Safety, Infiltration Reduction and other Mandatory Measures have been assessed, Contractor may assess additional measures utilizing the Energy Audit Requirements by conducting a REM/Design or Targeted Retrofit Energy Analysis Tool (TREAT) audit in accordance with CSD Single-Family/Small Multi-Family Energy Audit Protocol, CSD Multi-Family Energy Audit Protocol.

2. Energy audits shall be conducted as specified in the *CSD Single-Family/Small Multi-Family Energy Audit Protocol (CSD Weatherization Field Guide, Appendix D and Appendix F)* incorporated by reference to this Agreement and available on the CSD Providers' website at http://providers.csd.ca.gov.

a. REM/Design energy audit tool may be applied to single-family dwellings, mobile homes, and multi-unit dwellings containing 24 or fewer dwelling units where each unit is independently heated and cooled and has its own domestic hot water heater.

b. Targeted Retrofit Energy Analysis Tool (TREAT) may be applied to all multi-unit dwellings except for those multi-unit dwellings that are qualified to use REM/Design.

H. 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.

8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines

A. Purpose of ECIP Funds

ECIP funds may only be used to resolve emergencies that fit the federal definition

[42 U.S.C. § 8622(1)], including:

1. A natural disaster (whether or not officially declared),

2. A significant home energy supply shortage or disruption,

3. An official declaration of a significant increase in:

   a. Home energy costs,

   b. Home energy disconnections,

   c. Enrollment in public benefit programs, or

   d. Unemployment and layoffs, or

4. An official emergency declaration by the Secretary of Health and Human Services.

5. In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

B. Capacity and Responsibility to Provide Emergency Assistance

1. In accordance with federal and state law, Contractor must be qualified and capable of carrying out an energy crisis intervention program that provides timely and effective emergency assistance, not later than the timeframes stated in 42 USC 8622(c), that resolves the energy crisis. Contractor must meet minimum program requirements for timing and ensuring accessibility to eligible applicants as further defined at 42 USC § 8623(c).

   Once applicants meet the eligibility and prioritization criteria and funds are available, Contractor shall:

   a. Within 48 hours after a household applies and is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO payment that will resolve the energy crisis.

   b. Within 18 hours after a household applies and is determined to be

eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO that will resolve the energy crisis if such household is in a life-threatening situation.

2. Contractor agrees to provide all reasonable information requested by CSD during the term of this Agreement in order to enable CSD to assess the adequacy of Contractor's current energy crisis intervention program and Contractor's ability to implement the program.

3. Federal and state law permit the allowability of costs to the ECIP only where the costs are used to provide emergency assistance in an energy crisis. In addition to all other provisions in this Agreement permitting, restricting, or otherwise relating to ECIP costs, such costs are allowable only upon adequate demonstration by the Contractor that the related activities meet the definition of "emergency" as specified in federal law and this Agreement.

C. ECIP Fast Track and WPO

1. ECIP Fast Track and WPO Services shall be provided in accordance with the Agency Local Plan in Subpart H.

2. Applicant Eligibility

a. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

b. Income verification must be for one month and current within six weeks of the application intake date or an annual award letter. For acceptable types of documentation, refer to the LIHEAP Eligibility and Verification Guide. Contractor shall maintain appropriate documents in each applicant's file.

c. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for (WPO) to determine the client's energy burden.

d. Conditions for ECIP services must meet the criteria for an emergency as defined in 42 USC §8622 (1), ECIP Policy and Procedures and Subpart F, DEFINITIONS.

e. ECIP Fast Track Utility Assistance

i. The applicant must receive energy services and be billed directly by one of the following energy providers: a utility company (-ies) and/or a mobile home park that owns its own power source(s) or a submetering billing service with the statutory authority to shut off utility services.

ii. For purposes of the present paragraph C, an emergency energy-related crisis does not exist if the cost of energy is included in the applicant's rent, and Contractor may not make ECIP Fast Track payment(s).

f. In addition to the applicant eligibility criteria listed above, services for ECIP Fast Track and ECIP WPO may not be provided unless at least one of the following criteria pursuant to Government Code §16367.5 (e) pertains and is documented or certified by Contractor:

i. Proof of utility shutoff notice;

ii. Proof of energy termination;

iii. Insufficient funds to establish a new energy account;

iv. Insufficient funds to pay a delinquent utility bill; or

v. Insufficient funds to pay for essential firewood, oil, or propane.

3. ECIP Fast Track Benefit Determination

ECIP Fast Track benefits shall be determined using the base benefit amount and, when applicable, an agency-determined supplemental benefit amount. Contractors shall issue ECIP Fast Track benefits in accordance with the following:

a. Contractor shall ensure that the total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) is limited to and does not exceed the total amount due (at the time of intake) to the utility company for energy charges, reconnection fees, and other assessed utility fees/surcharges in order to alleviate the crisis situation.

b. When only issuing the base benefit amount (no supplemental payment), Contractor may exceed the total amount due to the utility company in energy charges, reconnection fees, delinquent utility bill establishing arrearages and/or past due balances, and

other assessed utility fees/surcharges to alleviate the crisis situation.

c. Contractor shall ensure that the maximum total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP Fast Track payment, the total payment cannot exceed $1,000.

d. Contractor shall provide full justification for benefits paid by documenting the client file(s) to include the amount of charges and verification by the utility company.

e. Contractor shall review, check for duplicates, and approve applications in accordance with Contractor's approved Agency Local Plan in Subpart H and the current LIHEAP Eligibility and Verification Guide.

4. ECIP Fast Track/WPO Payment Guidelines

a. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year; however, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP EHCS services and/or other weatherization services, if needed.

b. Contractor shall ensure that the maximum total ECIP WPO benefit does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP WPO payment, the total payment cannot exceed $1,000.

c. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

d. When a HEAP payment or ECIP Fast Track payment has been made directly to an energy vendor, notification of payment(s) shall be shown as a credit on the utility bill(s).

5. ECIP WPO Payment Guidelines Specific

a. Contractor shall complete the ECIP/HEAP Payment Request

Confirmation (CSD 415) or approved Contractor's equivalent.

b. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

c. CSD will not make payments to clients for WPO assistance.

d. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

e. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

f. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

D. ECIP Emergency Heating and Cooling Services (EHCS)

1. Applicant Eligibility

Eligibility of the applicant shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

2. Dwelling Eligibility

Eligibility of the dwelling shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

3. Dwelling Assessments

a. Assessment of the dwelling shall meet all requirements as described in the Weatherization Activity Guidelines specified in Article 8.2.

b. Work crews of Contractor who are only performing heating and cooling services shall not be required to perform the entire CAS test and may limit the testing to only the heating and cooling appliances to be repaired or replaced.

4. Allowable Services

ECIP EHCS may be used for the repair, replacement, and new installation of heating/cooling and water heating appliances identified in the ECIP Policy and Procedures and must meet the following criteria:

a. The applicant is income eligible and submits the required documentation to complete the eligibility of the dwelling;

b. The applicant has insufficient funds to pay the cost of repairing or replacing an eligible heating or cooling appliance or for a new heating or cooling appliance;

c. The appliance condition meets one of the appliance repair/replacement criteria as defined in the ECIP Policies and Procedures; and

d. The services to mitigate and completely resolve the emergency and satisfy the relevant emergency assistance meet the timeframes as defined in the ECIP Policies and Procedures.

E. Natural Disasters

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.

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

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.

8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines

A. The Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy was developed by CSD to facilitate the delivery of allowable LIHEAP services, including utility assistance and weatherization, during a bona fide emergency. The policy includes guidelines and other criteria which, if followed, will authorize the Contractor to expend LIHEAP funds to respond to eligible beneficiaries impacted by the emergency. The SWEATS Policy is incorporated

by reference to this Agreement and is available on the CSD Providers' website at https://providers.csd.ca.gov.

B. The activation of SWEATS services is at CSD's sole discretion and will be time-limited according to CSD's official notification. In the event a bona fide emergency occurs during CSD non-business hours, Contractor at its discretion may elect to activate the terms and conditions of SWEATS. The local activation of SWEATS will remain in effect until CSD's next official business day.

C. Eligible households may receive the following SWEATS emergency services:

1. Utility Assistance

2. Temporary Shelter, Coats, and Blankets

3. Transportation Services

4. Portable Heating and Cooling Appliances and Generators

D. For Applicant Eligibility, Service Provisions, Reimbursements, Reporting, and Record-keeping requirements, refer to the SWEATS Policy.

8.5 Quality Assurance

A. Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization and ECIP EHCS work performed under this Agreement. Such assurance will be documented on the CSD Dwelling Assessment Form (CSD 540) or approved Contractor's equivalent and shall be signed and dated by a certifying agency representative.

B. Post-Weatherization Inspections

1. Contractor shall perform Post-Weatherization Inspections on 100% of the total weatherized dwellings under this Agreement. Weatherization jobs where measures installed are limited to lightbulbs, water measures and alarms are exempt from receiving a post-inspection.

2. If Contractor is unable to perform a post-inspection, Contractor must demonstrate that a reasonable attempt was made to schedule or perform the post-inspection. Attempts must be fully documented on the CSD Post-Weatherization Inspection (CSD 611) and maintained in the client file. The following shall constitute a reasonable effort:

a. One phone call attempt plus one correspondence to client stating an attempt was made to inspect and offering client to reschedule; or

b. One missed appointment or a client refusal plus one correspondence stating an attempt was made to inspect and offering client to reschedule.

3. 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. At a minimum, the post-inspection shall:

a. Review the CSD Dwelling Assessment Form (CSD 540) to ensure that all feasible weatherization measures identified during the assessment were installed.

b. In the event weatherization crews identified and performed additional weatherization measure installations that are not disclosed during the dwelling assessment, then the Inspector shall ensure that these measures conform to CSD weatherization guidelines and are notated on the CSD Dwelling Assessment Form (CSD 540).

c. Verify that all measures were completely installed in accordance with said terms and conditions of this Agreement.

d. 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 Agreement.

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

f. 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; and

g. 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.

4. Contractor shall ensure that Post-Weatherization Inspections are performed by trained staff successfully completing all required training as specified in Article 9.1., Training Requirements.

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 Agreement.

6. An assessment and post-inspection shall not be performed by the same staff member within the same dwelling. Exemptions to this requirement may be granted for agencies where it is economically challenging and/or operationally impractical to achieve the desired job separation between weatherization field staff. In order to receive an exemption, Contractor must submit a written request to CSD for review and approval. Upon approval, Contractor may have the same staff perform unit dwelling assessment and post-inspection activities and may be subject to an increased percentage of Third-Party Inspections.

7. The Quality Assurance Inspector 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.

C. Third-Party Inspections

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

2. Unless Contractor assumes the task of arranging third-party inspection visits with the selected weatherization clients, Contractor shall provide the use of a telephone to the inspector.

3. 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.

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

5. Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation. The immediate hazard shall be

eliminated within 24 hours, and hazardous conditions shall be completely resolved within five working days of written notification. The time period may be extended for circumstances beyond the Contractor's control; however, the time extension must be approved in writing by CSD prior to the expiration of the five working day period.

D. Noncompliance

1. Contractor shall be subject to the withholding of any or all reimbursements for failure to completely resolve a Hazardous Condition within five working days or within the modified completion date for units receiving a time period extension. 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.

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.

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.

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:

   a. Contractor has a history of unsatisfactory performance.

   b. Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.

c. Failure to remedy an identified Hazardous Condition in a timely manner (elimination of immediate hazard within 24 hours and complete resolution correction within five working days of written notification).

d. Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS

9.1 Training Requirements

A. All training, as indicated by employee classification in the Training Matrix located in Subpart H shall be provided through a CSD-approved training mechanism utilizing CSD-approved training curricula. In-house training shall no longer be an acceptable form of training to meet any CSD training requirements for weatherization services with the exception of EPA or HUD-approved Lead-Safe Weatherization Training or unless otherwise noted. Training coursework must be successfully completed according to the terms of each course. Certificates of completion shall be issued by the CSD-approved training entity upon successful completion of each course, unless where otherwise noted below.

B. Training Provisions for Staff of Contractor and Subcontractors:

1. For the purposes of this section, subcontractors must have prior experience providing basic weatherization services pursuant to a CSD program. Subcontractors who do not have prior basic weatherization experience pursuant to a CSD program must follow the training provisions in Article 9.1 subsection D.

2. Within 30 days of employment, weatherization employees of Contractor and subcontractors shall receive Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training. An Assessor, Energy Auditor, Worker, Supervisor, or Inspector shall not be allowed to enter, assess, conduct an audit on, weatherize, or inspect a dwelling unit until the required Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training has been completed.

3. Within 90 days of employment, all weatherization employees of Contractor and subcontractors shall receive Basic Weatherization Training.

C. Training Provisions Based Upon Job Duties:

1. When job duties included duct leakage and shell leakage diagnostics, weatherization employees of Contractor and subcontractors shall receive Duct Leakage/Shell Leakage Diagnostic Training. No employee of Contractor and subcontractor shall perform diagnostic testing without having completed the required training.

a. Subsequent to successful completion of the Duct Leakage/Shell Leakage Diagnostic Training, Contractor and subcontractor

employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee knowledge and skill in this area of diagnostic testing.

b. Contractor and subcontract employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

2. When job duties include Combustion Appliance Safety, weatherization employees of Contractor and subcontractors shall receive Combustion Appliance Safety Training. No employee of Contractor and subcontractors shall perform combustion appliance safety checks without having completed the required CSD-approved training.

a. Subsequent to successful completion of Combustion Appliance Safety Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Combustion Appliance Testing.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

3. When job duties include performing Assessments and/or Field Supervision, weatherization employees of Contractor and subcontractors who perform Assessments and/or Field Supervision shall receive Field Assessment and Field Supervision Training. No employee of Contractor and subcontractors shall perform assessments or supervision without having completed the required training. Certificates of Completion shall be issued following successful completion of the second phase ("field portion") of the training.

a. Subsequent to successful completion of Field Assessment and/ or Field Supervision Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Assessments and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

4. Weatherization employees of Contractor and subcontractors who perform Quality Assurance Inspections and/or Field Supervision shall receive Quality Assurance/Inspector Training. No employee of Contractor and subcontractor shall perform inspections without having completed the required training.

a. Subsequent to successful completion of Quality Assurance/Inspector Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in Quality Assurance Inspections and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

D. Subcontractors who have never provided basic weatherization services pursuant to a CSD program are required to have all staff complete the entire required course of training, relative to their job classification, as detailed in the Training Matrix located in Subpart H, prior to commencing unit production work.

E. Training and technical assistance funds may also be used to train Contractor's subcontractors participating in the program and excludes on-the-job training. In making the determination to pay for subcontractor training, Contractor should secure a retention agreement in exchange for the training. The subcontract agreement should stipulate that the subcontractors will work in the program, for a minimum of 12 months. The training costs are limited to travel, admission and materials.

F. Training Provisions for Staff of Subcontractors Who Provide Specialty Services

All field employees of subcontractors who perform HVAC work for a Contractor are strongly encouraged to receive the required CSD-approved training. If the subcontractor does not receive the training, it shall be the responsibility of the Contractor to perform all pre-and post-combustion appliance safety diagnostic

testing for all HVAC services performed by subcontractors.

G. For weatherization services performed on HUD units, all work crews of Contractor and subcontractors who perform basic weatherization or specialty services are required to be trained in HUD-approved Lead-Safe Weatherization, although certification is not required. No employee of Contractor and subcontractors shall perform work in a pre-1978 HUD dwelling until the required training has been received. Although a crew supervisor can be certified as a HUD Lead Abatement Supervisor or Worker, it is not a substitute for the requirement of trained work crews.

H. EPA Lead Renovator training is required per the EPA for all Contractors and subcontractors performing work on pre-1978 homes, where the work could potentially disturb lead-based paint.

For weatherization services performed on pre-1978 units, all work crews of Contractor and subcontractors who provide basic weatherization or specialty services are required to be trained in EPA-approved Lead Renovator practices, and firm certification is required. No employee of Contractor and/or subcontractors shall perform such work on a pre-1978 dwelling until the required training has been received.

I. Contractor shall maintain and make available for reference to Contractor's employees and subcontractors who perform weatherization and ECIP EHCS services the following:

1. Current CSD Weatherization Installation Standards;

2. CSD Weatherization Program Policies;

3. Other applicable policies and procedures; and

4. Official State and Federal Program Notices.

J. OSHA-10 is required for all crews, and OSHA-30 is required for all agency supervisors who are regularly on-site and monitor for field safety.

9.2 Contractor Licensing

Contractors, unless otherwise exempt or their subcontractors performing basic weatherization services under this Agreement shall comply with the following licensing requirements:

A. Possess and maintain an active Class "B" General Building Contractor license, issued by the Contractors' State License Board (CSLB) in the name of the agency/qualifying individual;

B. Fulfill the requirements of, and receive certification pursuant to the Toxic Substances Control Act (TSCA), Section 402;

C. Contractor is responsible for ensuring that all subcontractors have an active licensing and are in good standing for the duration of the subcontract agreement; and

D. Contractor shall immediately notify CSD when any changes in licensing occur.

9.3 Special Licensing - Weatherization

A. Special licensing may also 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.

B. Specialty subcontractors must possess all applicable licenses as required by the CSLB to carry out installation and/or repairs.

C. Contractor is responsible for ensuring that all subcontractors have an active license and are in good standing for the duration of the subcontract agreement.

9.4 Environmental Protection Agency (EPA) Certifications

A. All Contractors shall be certified as an EPA Certified Firm in accordance with EPA's Regulation on Residential Property Renovations requirements (40 CFR 745). Contractors who subcontract all of their weatherization and ECIP EHCS services are exempt from being certified as a firm.

B. Contractors shall have at least one certified renovator on staff that is trained by EPA-approved training providers. Contractors who subcontract all of their weatherization and ECIP EHCS services shall have at least one EPA Certified Renovator on staff for subcontractor oversight purposes.

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

D. Any Contractor or subcontractor (basic and specialty, if applicable) without an EPA Certified Firm certificate on file with CSD will not be allowed to work in the Renovator capacity on pre-1978 buildings.

E. Any EPA Certified Renovator for a Contractor and subcontractor (basic and specialty, if applicable) without certifications on file with CSD will not be allowed to work in the capacity of a Renovator on pre-1978 buildings.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART D – COMPLIANCE REQUIREMENTS

ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES

10.1 Right to Monitor, Audit, and Investigate

A. 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 Agreement through on-site visits, audits, and any other appropriate means CSD deems necessary.

B. 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 Agreement 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.

C. Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance with Public Law 97-35, as amended.

D. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause 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

A. Auditing Standards

1. *Applicability of new OMB "Super Circular" audit provisions.* The standards set forth in this Article (Auditing Standards and Reports) reflect the updated audit requirements as set forth in 45 CFR Part 75Subpart F – Audit Requirements).

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 Agreement by reference in Part II, Subpart

H. The Supplemental Audit Guide may be accessed at http://providers.csd.ca.gov.

B. Audit Reports

1. Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of 45 CFR Part 75 Subpart F – Audit Requirements, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, December 2011 Revision, as amended."

2. *Organizations below audit threshold.* Contractors falling below the federal funding threshold that mandates a single agency-wide audit may be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30-day written notice.

3. The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

C. *Submission of Audit Reports.* Contractor shall submit to CSD one printed copy and 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.

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

Electronic copy:
audits@csd.ca.gov.

Printed copy:
Department of Community Services and Development
Attention: Audit Services Unit
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

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

Mailing Address:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
P.O. Box 942850
Sacramento, CA 94250-5874

Street Address for Fed Ex:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
3301 C Street, Suite 700
Sacramento, CA 95816

E. If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Agreement, CSD may impose additional conditions, as described in §200.207. 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 45 CFR§75.371 - §75.380 *Remedies for Noncompliance*:

1. Temporarily withhold cash payments pending correction of the deficiency by Contractor or more severe enforcement action by the Federal awarding agency;

2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;

3. Wholly or partly suspend or terminate the Federal award;

4. Recommending that suspension or debarment proceedings (as authorized under 2 CFR Part 180) be initiated by the Federal awarding agency;

5. Withhold further federal awards; or

6. Take other remedies that may be legally available.

F. Collection of Disallowed Costs

1. In the event, questioned costs are identified in Contractor's single audit report or in the report of other audit conducted by, or on behalf of, CSD in connection with the implementation of this Agreement, Contractor shall comply with any demand for repayment made, as specified in the Audit

Transmittal Report (TR) or other audit repayment demand document.

2. Contractor shall have no less than 30 days from the date of the TR or comparable document 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.

3. If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided in subparagraph 2, CSD shall, after consideration of Contractor's submission, issue a TR requesting payment of disallowed costs, if any are determined to be owing, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 days from the date of the TR to tender payment or a repayment plan acceptable to CSD. In the alternative, Contractor may request a hearing in accordance with Article 10.4, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

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

10.3 Compliance Monitoring

A. As the recipient of federal LIHEAP block grant funds under this Agreement, Contractor must substantiate that all costs claimed pursuant to this Agreement 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.

B. As the administrator of the LIHEAP block grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHEAP law, and for allowable and allocable costs under the applicable rules of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

C. CSD is required to conduct on-site and follow-up monitoring of Contractor to ensure that Contractor meets the Production and Expenditure Plan, administrative standards, financial management requirements, and other requirements of the federal and State LIHEAP program.

D. CSD shall provide Contractor reasonable advance notice in writing of on-site monitoring reviews of Contractor's program or fiscal performance.

E. In accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), Contractor shall cooperate with CSD program and audit staff and other representatives and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement. 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 effect 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:

1. Upon request, provide a list of clients, jobs or properties to or for which LIHEAP 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."

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., subsection B., access 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 Agreement, or applicable federal and/or State LIHEAP program guidelines.

3. For purposes of this paragraph E:

   a. "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.

   b. 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.

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 LIHEAP 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.

5. In the event Contractor is unable to comply with the provisions of subparagraphs 1. or 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 agreement 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:

   a. Contractor has not submitted duplicate billings to both LIHEAP and Associated Program.

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

F. In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Agreement, CSD shall provide the observations, recommendations, or findings and request for a corrective action plan to Contractor in writing. Contractor shall submit to CSD a specific action plan for correcting the noncompliance.

G. Collection of Disallowed Costs

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.

2. *Time for response.* Contractor shall have no less than 30 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.

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 2, CSD shall, after

consideration of Contractor's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 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, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

A. General

The authority for CSD Enforcement Actions, as defined in paragraph B, for cost disallowances/ recovery of misused funds, and for de-designation of eligible entity status (collectively "Enforcement Process") is found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), and in state regulations, with particular reference to 22 CCR 100875. In order to facilitate compliance with the cited authorities, the parties to this Agreement agree that: 1) the present article 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. Accordingly, the parties hereto agree as follows:

B. Enforcement Action, "High Risk" – Determination and Notice

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 Agreement is seriously compromised, or if CSD determines that Contractor has not complied with the requirements of this Agreement and that Contractor's noncompliance constitutes a material breach of the Agreement, 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.

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 must be taken and completed.

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

   a. constitutes fraud or gross negligence by Contractor or its agent(s);

   b. is likely to result in significant waste and/or abuse of federal funds;

   c. 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;

   d. violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;

   e. may have serious adverse effects and consequences on the Contractor's customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; OR

   f. may otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.

C. Special Conditions and Sanctions

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 B, above.

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:

   a. The nature of the Special Condition(s) and/or Sanction(s) being imposed;

   b. The reason(s) for imposing Special Condition(s) and/or Sanction(s); and

c. The corrective actions that must be taken and the time allowed for completing them before CSD removes the Special Condition(s) and/or Sanction(s).

3. Special Conditions may include, but are not limited to:

   a. obtaining training and/or technical assistance;

   b. the imposition of special or additional reporting requirements;

   c. special or conditional cost reimbursement requirements and procedures;

   d. the provision of documentation by Contractor; and/or

   e. the requirement to amend or modify systems, procedures, and/or policies;

4. Sanctions may include, but are not limited to:

   a. the suspension of advances and/or reimbursements; and/ or

   b. the issuance of stop work orders.

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:

   a. substantial sums to be paid to Contractor have been or will be used in violation of law or the provisions of this Agreement, or

   b. the associated costs are otherwise very likely to be disallowed; and

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

6. Review of Special Conditions and/or Sanctions.

   a. if Contractor elects to contest the action to impose Special Conditions and/or Sanctions, Contractor shall have five working days following receipt of Notice of Enforcement Action in which to show cause, in writing, why the Special Conditions or Sanctions should not be enforced;

b. CSD shall have five working days following receipt of Contractor's response to accept or reject Contractor's objection and to state in writing the consequences of the decision and Contractor's obligations going forward, if any.

c. Contractor may, within five working 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.

d. 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.

e. 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.

f. Special conditions and sanctions shall remain in effect until the hearing procedure is completed, provided, with respect to sanctions, CSD reasonably determines that subparagraph 5. c. applies.

D. Cost Disallowance

1. If Contractor's non-compliance with the terms of this Agreement 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.

2. The Statement of Questioned Costs shall include:

a. a description of the costs questioned and the specified amount by type or category of costs;

b. the reason the costs are questioned and the information and/ or documentation required to justify payment of the costs; and

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

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 C. 4. or, if feasible, issue a Notice of Disallowed Costs.

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:

   a. the amount of disallowed costs to be repaid, if any; and

   b. the date by which repayment must be made or, in the alternative,

   c. the date by which Contractor must submit a proposed repayment plan for consideration by CSD.

5. Before the expiry of five working 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 C. 6. d. of this section, in a combined proceeding.

6. If Contractor fails to request a hearing to adjudicate cost disallowance, as provided in subparagraph 5, the Notice of Disallowed Costs shall be deemed final and Contractor shall comply with the provisions of the present Paragraph D.

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:

a. federal requirements or conditions applicable to the grant(s) under which the disallowed costs were funded;

b. 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;

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

d. Contractor's financial condition and ability to pay.

E. 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.

F. In the event Contractor's non-compliance with the terms and conditions of this Agreement 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.

G. Lien rights

The State retains lien rights on all funds advanced.

10.5 Expenditure and Production Performance Requirements

A. Service Delivery and Expenditure of Funds

1. Contractor shall, in accordance with Government Code §16367.5, be afforded maximum flexibility and control, within the parameters of federal and state law, in the planning, administration, and delivery of LIHEAP services. Regardless of the modalities and techniques utilized, Contractor is obligated: a) to ensure that the maximum numbers of persons are served, consistent with the effective and efficient service delivery, with

program requirements and with applicable law; and b) to fully expend program funds within the contract term.

2. A substantial failure to expend funds and provide services to readily available qualified applicants, except for compelling reasons beyond Contractor's control, 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 Agreement." 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 future funding to other performing service providers.

B. Contractor Performance Benchmark and Reporting Requirements

1. If Contractor fails to expend at least 99% of its grant allocation, to include Direct Services and Utility Assistance allocations, by December 31, 2018 the Performance Benchmark date, then CSD may give Contractor notice of its intent to reduce Contractor's grant allocation in the following contract year.

2. If Contractor's actual expenditure is less than the required expenditure goal by the Performance Benchmark date, CSD may, at its sole option, notify Contractor in writing that CSD will extend the Performance Benchmark date, for a specific period to be determined by CSD, beyond December 31, 2018.

3. Contractor shall submit timely expenditure reports, that allow CSD to evaluate Contractor's ability to meet the Performance Benchmark. Based upon these reports, CSD may determine that Contractor will not or has not met the required expenditure goals and is out of compliance with this Agreement.

4. In recognition of the fact that service providers sometimes face adverse circumstances, making satisfactory expenditure of the grant allocation problematical, CSD will consider Contractor's cooperation in the reallocation of funds during the contract term, together with Contractor's demonstrated ability to resume effective contract implementation, to be indicators that Contractor's funding should be restored, in whole or in part, in the next contract year.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART E – CERTIFICATIONS AND ASSURANCES

ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS

11.1 Certifications

A. Contractor's signature affixed to Part I of this Agreement shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:

1. Drug-Free Workplace Requirements, Contract Certification Clauses 04/2017 (CCC-04/2017)

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

3. Expatriate Corporations (CCC-04/2017)

4. Domestic Partners (CCC-04/2017)

5. Labor Code/Worker's Compensation (CCC-04/2017)

6. Americans with Disabilities Act (CCC-04/2017)

7. Contractor Name Change (CCC-04/2017)

8. Resolution (CCC-04/2017)

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

10. Information Integrity and Security (Department of Finance, Budget Letter 04-35)

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

B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit the CSD Providers' website at https://providers.csd.ca.gov.

11.2 Provisions for Federally Funded Grants

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

8621 et seq., as amended.

B. Eligibility to Receive Federally Funded Public Benefits

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

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

D. Federal Funding Accounting Accountability and Transparency Act Reporting Requirement (FFATA)

Pursuant to the Federal Funding Accountability and Transparency Act reporting requirements (45 CFR Part 75) CSD is required to report information regarding Contractors (sub-awardees) receiving LIHEAP funds. Contractor must complete CSD form 279, located in Subpart H, and return with the contract Part I to ensure compliance.

CSD may issue guidance and/or Amendment(s) to this Agreement, 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:

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

B. Have not within a three year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph B above of this certification; and

D. Have not within a three year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.

E. If any of the above conditions are true for the Contractor or any of its officers, Contractor shall describe such condition and include it as an attachment to Part I of the Contract. Based on the description, CSD in its discretion may decline to execute this Agreement or set further conditions of this Agreement. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Agreement, and CSD may terminate this Agreement for cause immediately pursuant to the termination provisions of State and federal law governing the Low-Income Home Energy Assistance Program.

F. As provided in 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

A. Each Contractor or subcontractor with 50 or more employees and an agreement of $50,000 or more shall be required to develop a written Affirmative Action Compliance Program.

B. The written program shall follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.

C. Each Contractor or subcontractor with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

11.5 Nondiscrimination Compliance

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

B. Contractor hereby certifies compliance with the following:

1. Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity.

2. Title VI and Title VII of the Civil Rights Act of 1964, as amended.

3. Rehabilitation Act of 1973, as amended.

4. Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.

5. Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended.

6. Public Law 101-336, Americans with Disabilities Act of 1990.

11.6 Contractor Fair Hearing - Civil Rights Act Violation

A. In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.

B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Section 81.1 et seq.

11.7 Specific Assurances

A. Pro-Children Act of 1994

1. This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act).

2. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

B. American-Made Equipment/Products

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

C. Federal and State Occupational Safety and Health Statutes

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

D. Political Activities

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

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

E. Lobbying Activities

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

2. If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, Subpart H , as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT
SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017

12.1 APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

12.2 AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

12.3 ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

12.4 AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

12.5 INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

12.6 DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

12.7 TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the

State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

12.8 INDEPENDENT CONTRACTOR*:* Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

12.9 RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

12.10 NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

12.11 CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

12.12 TIMELINESS: Time is of the essence in this Agreement.

12.13 COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

12.14 GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

12.15 ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

   1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

   2. "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

12.16 CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of $100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

12.17 UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

12.18 PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of $200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

12.19 SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS**:**

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all

payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

12.20 LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART G – DEFINITIONS

All terms used in this Agreement shall be those as defined in applicable federal and state law (see 42 U.S.C. § 8621 and Government Code § 16367.5) and regulation (see 45 C.F.R. Part 96 and 22 C.C.R. § 100800), 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.

Agreement: 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.

Amendment: A formal change to the Agreement 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 Agreement.

American Indian (also known as Native American): Any individual who is a member or a descendant of a member of a North American tribe, band, or other organized group of native people who are indigenous to the continental United States or who otherwise have a special relationship with the United States through treaty, agreement, or some other form of recognition, residing within the State. This includes any individual who claims to be an Indian and who is regarded as such by the Indian community of which he or she claims to be a part. This definition also includes Indians of Alaska.

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 Agreement.

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 to inform or direct immediate action to correct a problem or provide relief from an obligation.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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.

Call-Back: A call-back is a visit from Contractor that occurs when a measure fails (either during inspection, or later within the warranty period) and must be corrected by the Contractor. The required warranty periods are defined in CSD's WIS Appendix B. Warranty corrections and apply to both the LIHEAP and DOE weatherization programs.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Health Services, 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.

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 have not attained their 19th birthday.

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 Intake: Includes, but is not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility.

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.

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

CORE: Combined Output Reporting Engine (CORE) System: Software used by CSD's local service providers to submit Utility Assistance, Wood, Propane, and Oil transaction records for validation and further processing.

Created On Date: The date the application/record is transferred into CORE. This date is automatically generated by CORE when a record is uploaded.

Crisis: Weather-related and/or supply-shortage emergencies and other household energy-related emergencies that negatively impact the energy-related economic conditions of low-income households. A crisis can be caused by:

a. Cold or hot weather related events, such as flood, earthquake, tornado, hurricane, ice storm/freeze; or events meeting such other criteria as the Governor, and/or the President of the United States, at their discretion, and/or their designee, including CSD, may determine to be appropriate; or

b. Geopolitical events, such as wars, terrorism, civil disturbances, and embargoes, including geopolitical events that negatively impact the energy-related economic conditions of low-income households.

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

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

Di Minimis Levels: The amount of lead paint disturbed in a dwelling is comprised of 2 square feet per room of interior surfaces, or 20 square feet of exterior surface, or 10% of a small component, e.g., window sill, baseboards, and trim. When calculating the di minimis level, the entire surface of the component must be included in the computation. For example, when replacing a 2 x 3 foot window,

the di minimus level would be 6 square feet and would exceed the maximum allowance for interior surfaces and the unit would be subject to HUD Regulation.

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 Services: The portion of the LIHEAP funding to carry out the provisions of LIHEAP services and activities of this Agreement, to include: Weatherization, Energy Crisis Intervention Program (ECIP) Services (excluding Utility Assistance), and Wood Propane and Oil (WPO).

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 (P.L. 94-385). The federal regulations for this program are in 10 CFR Part 440.

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.

EHA-16: A term used to reference Emergency Crisis Intervention Program, Home Energy Assistance Program and Assurance-16 service components.

Elderly: An individual 60 years of age or older.

Electric Base Load Measure: A subcategory of weatherization measures designed specifically to reduce energy consumption in the areas of lighting and electrical appliances. Allowable electric base load measures include compact and torchiere fluorescent lamps, microwave ovens, refrigerator replacements, and electric water heater timers.

Electric File: The term “electronic file" means a contract or other record created, generated, sent, communicated, received, or stored by electronic means.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

Emergency: The term "emergency" under this Agreement shall meet the federal definition at 42 U.S.C. § 8622(1) and shall be defined as being any one or more of the following conditions:

a. A natural disaster (whether or not officially declared);

b. A significant home energy supply shortage or disruption;

c. An official declaration of a significant increase in:

i. Home energy costs;

ii. Home energy disconnection;

iii. Enrollment in public benefit programs; or

iv. Unemployment and layoffs;

d. An official emergency declaration by the Secretary of Health and Human Services.

In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

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

Energy Conservation Measures (also known as Weatherization Measures): A wide variety of measures installed in or applied to the dwelling to increase the energy efficiency or to reduce the total energy expenditures of the dwelling.

Environmental Inspection: A visual assessment and sampling which includes asbestos, lead and radon when allowable per the contract. Environmental inspections shall be in accordance 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 associated with the inspection.

Evaporative Cooler Repairs: Repair or replacement of filter pads, water pumps, belts, motors, or other components that promote efficient operation of the unit.

Excess Income: The difference between "Total Actual LIHEAP Revenue" less "Total Actual LIHEAP Costs." If the amount in "Total Actual LIHEAP Revenues" is less than the amount in "Total Actual LIHEAP Costs," then there is no excess revenue.

Final Allocation: The actual amount of funds available to Contractor under this Agreement, as calculated pursuant to Title 22, California Code of Regulations, § 100830 after CSD receives the notice of grant award for the full annual allocation based on the appropriation by Congress for the Federal Fiscal Year, and as publicly announced by CSD's Director or designee, subsequent to the execution of this Agreement.

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 and furnace filter replacements, shade screens, shutters, 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 and travel 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 Inspection Policies and Procedures.

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.

Health and Safety Measures: A subcategory of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. These measures include CO alarms, smoke alarms, heating/cooling and water heater repairs and replacements, lead-safe weatherization and kitchen cooking appliance repair and replacements.

Highest Home Energy Needs: The home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable

populations, including very young children (0-5), individuals with disabilities, and frail, older individuals (60+).

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 2008 Building Energy Efficiency Standards.

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 done to the point of minimum ventilation requirement or it is no longer cost effective to proceed. Infiltration reduction is best accomplished with shell leakage technology. These measures include caulking, cover plate gaskets, door repairs and replacements, minor envelope repair, and evaporative cooler or air conditioning vent covers.

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

Interim Allocations: Incremental releases of Continuing Resolution appropriations by CSD to fund LIHEAP Direct Services and Utility Assistance program activity under this Agreement.

Interest Income: The interest earned by a Contractor directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. The interest earned by a Contractor is income generated as a result of depositing federal funds in an interest bearing account.

Labor and Material Measures: Those measures where the measure reimbursement is based on the combined total of labor and material and the quantity of the measure itself is not limited to a specific amount per weatherized dwelling.

Labor and Material Single-Quantity Measures: Those weatherization measures where the reimbursement is based on the combined total of labor and material cost and the maximum quantity of the measure is limited to a single item per weatherized dwelling.

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 (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. LHR shall include:

a. Kitchen cabinet repairs and retrofits that are associated with the replacement of a range, cook top, or pre-existing microwave oven. No other cabinet repair or retrofit shall be allowed without a program waiver.

b. Repairs necessary to restore building integrity, and limited to the following repairs:

   i. Floor/platform repair for water heaters;

   ii. Cover plate replacement;

   iii. Minor roof repairs and materials;

   iv. Mobile home skirting repairs to prevent animal infiltration;

   v. Minor exterior appliance access;

   vi. Limited rehabilitation to replace deteriorated wooden window or door frames, to make possible the proper installation of a replacement door or window;

   vii. Repair/installation of an exterior appliance enclosure door that does not close properly or is missing, only when appliance services will be provided under the program.

c. Extension of exhaust fan vents to the outdoors (except kitchen exhausts).

d. Extension of dryer venting to the outdoors.

e. Attic Access Enlargement (in conjunction with insulation installation).

f. Note: Costs to obtain knob-and-tube wiring "Notice of Survey by Electrical Contractor (CSD 543)" and installation of simple overcurrent protection (breakers or S-type fuses) shall be billed to "Mandatory Assessments and Diagnostics - Permits."

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 purchases of vehicles, office equipment and field equipment $5,000 or greater per unit used for the purpose of delivery of direct services. Pre-approval from CSD is required. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

Materials: Materials are those allowable items that are installed in or on the dwelling. All materials shall be in conformance with the CSD Weatherization Installation Standards and CFR Title 10 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 Agreement, as amended to reflect the Final Allocation for the term of this Agreement.

Maximum Average Reimbursement: Represents the maximum average per dwelling investment for related weatherization service and program costs where an energy audit is conducted. The formula for determining the maximum average reimbursement is:

Maximum Average Reimbursement is equal to Program Operations divided by Total Completed Units.

Where Program Operations are defined as:
Program Costs less (Training & Technical Assistance + Liability Insurance + Vehicles & Equipment Purchases Over $5,000)

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 domicile (permanent place of residence) within the same day.

Minor Envelope Repairs: Those repairs that have a direct association with weatherization measures being installed and are necessary 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.

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 under $5,000 per unit used for the purpose of delivery of program services. Purchases must follow all federal and state rules and regulations governing LIHEAP 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.

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 LIHEAP. 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 Agreement that does not require an Amendment.

Multi-Unit Dwellings (MUD) also known as Multi-Family Buildings (MFB): Defined as residential dwelling structures containing more than one residential unit within a single building, including: duplexes, triplexes, fourplexes, and multi-unit apartments. For purposes of travel reimbursement to Contractors and shell leakagetesting, Multi-Unit Dwellings are defined as multi-unit dwellings, e.g., apartments, with five or more attached residential units.

Multiple-Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed unit price per measure and which provide for the installation of multiple quantities of the measure in a single weatherized dwelling.

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 as the Secretary of Federal Department of Health and Human Service, in the discretion of the Secretary, may determine to be appropriate. For the purpose of the CSD 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.

Nonassisted Clients: The number of clients who returned an application to the agency for LIHEAP services (Weatherization, ECIP EHCS, ECIP WPO, HEAP WPO, ECIP Fast Track and HEAP) that were denied services, and the number of applications distributed by an agency. This does not include applications taken from the agency's partners, websites (CSD, local agency or agency's partner's website) if they cannot quantified.

Nonprofit charitable organization: Is defined by the U.S. Tax Code as a 501(c) (3). Section 501(c) (3) is a tax law provision granting exemption from the federal income tax to nonprofit organizations. 501(c)(3) exemptions 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.

Program: Weatherization, HEAP, ECIP, and Assurance 16 services provided under 42 §§ USC 8621 et seq., as amended.

Reweatherization: Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered reweatherization.

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 Inspection Policies and Procedures.

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 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.

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.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit. For the purposes of travel reimbursement and shell leakage testing, a single-family dwelling is defined as a one-unit, single-family dwelling or a one-unit, single-residential housing dwelling with one to four attached units.

**STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT**

Single Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed-fee reimbursement and which limit the maximum quantity of the measure/service to a single item per weatherized dwelling.

Site-built Dwelling: A conventional dwelling unit built on location, differentiated from manufactured (mobile) homes. Also known as stick-built.

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

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 Agreement.

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 Agreement.

Useful Life: Useful life means the length of time a Weatherization or ECIP HCS measure is expected to be useable.

Utility Assistance Funding: The portion of LIHEAP funding used to provide utility assistance energy assistance services under ECIP Fast Track and HEAP Electric and Gas. These funds are administered by Contractor, but paid to eligible clients – or to utility companies on the client's behalf – by CSD from Contractor's allocated amount of funding.

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 5 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 Agreement. Training may also include internal Contractor 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 participation and attendance at policy advisory committee meetings and workgroups.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART H – TABLE OF FORMS

The following forms and documents are available on the CSD Providers' website at http://providers.csd.ca.gov/Energy/Contracts.aspx.

H.1. Forms to be returned with signed contract:

A. Certification Regarding Lobbying/Disclosure of Lobbying Activities;

B. Agency Staff and Board Roster (CSD 188);

C. Federal Funding Accountability and Transparency Act Report (CSD 279); and

D. 2018 LIHEAP Production Plan (CSD 622).

H.2 The following documents are hereby incorporated by this reference:

A. 2018 LIHEAP Numbers, Contractors, and Service Territories;

B. Agency Local Plan;

C. State Administrative Manual Section at http://sam.dgs.ca.gov/TOC/5300.aspx;

D. Reimbursement Rates for Weatherization and EHCS Activities;

E. State Information Management Manual at http://www.cio.ca.gov/Government/IT_Policy/SIMM.html;

F. Supplemental Audit Guide; and

G. Training Requirements Matrix.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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State of California
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
CSD 622 (Rev. 10/18/17)

2018 LIHEAP PRODUCTION AND EXPENDITURE PLAN

Local Service Provider Name:		Contract #:	Amendment #:	Date:
El Dorado County Health and Human Services Agency		18B-4007	1	2/26/2018
Prepared By: NAME AND TITLE	**Phone Number:**	**E-mail Address:**		
Maki Ganno/Department Analyst	(530) 642-4893	maki.ganno@edcgov.us		

SECTION 1 - WEATHERIZATION

SECTION 1A - Weatherization Direct Program Expenditures

Enter the name of each county within your service territory on a separate line	Budget Per County	Total WX Direct Program Expenditure	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$372,112		$372,112	170		-170
Alpine	$5,242		$5,242	3		-3
			$0			0
			$0			0
			$0			0
			$0			0
			$0			0
TOTAL	**$377,354**	**$0**	**$377,354**	**172**	**0**	**-172**

SECTION 2 - EHA-16 and Utility Assistance

SECTION 2A - Total ECIP EHCS Expenditures by County

County	Budget Analysis			Unit Analysis		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total ECIP EHCS Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$20,000		$20,000	11		-11
Alpine	$0		$0	0		0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$20,000**	**$0**	**$20,000**	**11**	**0**	**-11**

SECTION 2B - Total WPO (ECIP and HEAP WPO) Expenditures by County						
County	**Budget Analysis**			**Unit Analysis**		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total WPO Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$401,763		$401,763	804		-804
Alpine	$5,956		$5,956	12		-12
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$407,719**	**$0**	**$407,719**	**815**	**0**	**-815**

SECTION 2C - Total Utility Assistance (ECIP Fast Track and HEAP Gas & Electric) Expenditures by County						
County	**Budget Analysis**			**Unit Analysis**		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total Utility Assistance Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$538,833		$538,833	1202		-1202
Alpine	$4,546		$4,546	6		-6
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$543,379**	**$0**	**$543,379**	**1208**	**0**	**-1208**

County of El Dorado
265-F1811

STATE OF CALIFORNIA
STANDARD AGREEMENT
STD. 213 (Rev. 6/03)

RECEIVED
CONTRACT SERVICES UNIT
2017 NOV 13 PM 3:06

AGREEMENT NUMBER	AMENDMENT NUMBER
18B-4007	0
REGISTRATION NUMBER	

1. This Agreement is entered into between the State Agency and the Contractor named below

STATE AGENCY'S NAME
Department of Community Services and Development

CONTRACTOR'S NAME
El Dorado County Health and Human Services Agency

2. The term of this Agreement is: October 1, 2017 through December 31, 2018

3. The maximum amount of this Agreement is: Total $1,083,202.00

4. The parties agree to comply with the terms and conditions of the following exhibits that are by this reference made a part of the Agreement:

Part I
- Preamble
- Article 1 - Scope of Work
- Article 2 - Contract Construction, Administration, Procedure

Part II*
- Subpart A - Administrative Requirements*
- Subpart B - Financial Requirements*
- Subpart C - Programmatic Requirements*
- Subpart D - Compliance Requirements*
- Subpart E - Certifications and Assurances*
- Subpart F - State Contracting Requirements*
- Subpart G - Definitions*
- Subpart H - Table of Forms*

Items shown with an Asterisk (*) are hereby incorporated by reference and made a part of this agreement as if attached hereto. These documents can be accessed at https://providers.csd.ca.gov/.

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

CONTRACTOR		**CALIFORNIA Department of General Services Use Only**
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)* **El Dorado County Health and Human Services Agency**		"I hereby certify that all conditions for exemption have been complied with, and this document is exempt from the Department of General Services approval."
BY *(Authorized Signature)* Patricia Charles-Heathers	DATE SIGNED *(Do not type)* 11-8-17	Monica Clark
PRINTED NAME AND TITLE OF PERSON SIGNING Patricia Charles-Heathers, Ph.D., Director, Health and Human Services Agency		
ADDRESS #B 3057 Briw Rd #A, Placerville, CA 95667		
STATE OF CALIFORNIA		
AGENCY NAME **Department of Community Services and Development**		
BY *(Authorized Signature)*	DATE SIGNED *(Do not type)* 11/14/17	
PRINTED NAME AND TITLE OF PERSON SIGNING **Brian Dougherty, Deputy Director, Administrative Services**		
ADDRESS **2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833**		☐ Exempt per _____

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Contents

PART I **1**

PREAMBLE **1**

ARTICLE 1 – SCOPE OF WORK **1**

1.1 General 1

1.2 Service Area 1

1.3 Term and Amount of Agreement 2

1.4 Service Area Expenditure Requirements 2

1.5 Program Authorities – Requirements, Standards and Guidance 2

ARTICLE 2 – CONTRACT CONSTRUCTION, ADMINISTRATION, PROCEDURE **6**

2.1 Base Contract and Whole Agreement 6

2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017" 7

2.3 Contractor's Option of Termination 7

2.4 Budget Contingencies 8

2.5 Miscellaneous Provisions 9

PART II **10**

SUBPART A – ADMINISTRATIVE REQUIREMENTS **10**

ARTICLE 3 – AGREEMENT CHANGES **10**

3.1 Amendment 10

3.2 Minor Modifications 10

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES **11**

4.1 Board Roster, By Laws, Resolution, and Minutes 11

4.2 Internal Controls Requirements 12

4.3 Record Retention Requirements 12

4.4 Insurance and Fidelity Bond 13

4.5 System Security Requirements 15

4.6 Travel and per diem 17
4.7 Codes of Conduct 18
4.8 Conflict of Interest 18
4.9 Procurement Standards 19
4.10 Use and Disposition of Vehicles and Equipment 21
4.11 Subcontracts (CSD) 24
4.12 Complaint Management Policies and Procedures 25
4.13 Fair Hearing Process for Applications for Denial of Benefits by Contractor: 26
4.14 Fraud, Waste and Abuse 27

SUBPART B – FINANCIAL REQUIREMENTS 28
ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS 28
5.1 Budget Guidelines 28
5.2 Utility Assistance Expenditure Requirements 29
5.3 Working Capital Advance and Major Purchase Advances 30
5.4 Program Income 34
5.5 Wood, Propane and Oil Returned Payments 34
5.6 Allowable Costs 35
5.7 Service Area Expenditures Requirements 43
5.8 Reimbursement Guidelines 45

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES 55
6.1 Reporting Requirements 55

SUBPART C – PROGRAMMATIC REQUIREMENTS 60
ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES 60
7.1 LIHEAP Agency Local Plan 60
7.2 Program Standards and Regulatory Requirements 60
7.3 Prioritization of Services 63
7.4 Service Priority Guidelines 63

7.5 Outreach and Intake Activity Guidelines 64
7.6 Assurance 16 Activity Guidelines 66
7.7 Leveraging Activities 68
7.8 Record-Keeping Responsibilities 68

ARTICLE 8 – PROGRAM IMPLEMENTATION 76
8.1 HEAP/WPO Activity Guidelines 76
8.2 Weatherization Activity Guidelines 77
8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines 88
8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines 94
8.5 Quality Assurance 95

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS 100
9.1 Training Requirements 100
9.2 Contractor Licensing 103
9.3 Special Licensing - Weatherization 104
9.4 Environmental Protection Agency (EPA) Certifications 104

SUBPART D – COMPLIANCE REQUIREMENTS 105
ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES 105
10.1 Right to Monitor, Audit, and Investigate 105
10.2 Auditing Standards and Reports 105
10.3 Compliance Monitoring 108
10.4 Enforcement Process - Noncompliance with Requirement of this Agreement 111
10.5 Expenditure and Production Performance Requirements 116

SUBPART E – CERTIFICATIONS AND ASSURANCES 118
ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS 118
11.1 Certifications 118

11.2 Provisions for Federally Funded Grants 118
11.3 Federal Certifications Regarding Debarment, Suspension, and Related Matters 119
11.4 Affirmative Action Compliance 120
11.5 Nondiscrimination Compliance 121
11.6 Contractor Fair Hearing - Civil Rights Act Violation 121
11.7 Specific Assurances 121

SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017 123
ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017 123
SUBPART G – DEFINITIONS 128
SUBPART H – TABLE OF FORMS 141

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

PART I

PREAMBLE

This subvention agreement, for the implementation of the Low-Income Home Energy Assistance Program (LIHEAP) in program year 2018 ("Agreement"), 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, the CSD and Contractor hereby agree as follows:

ARTICLE 1 – SCOPE OF WORK

1.1 General

A. Contractor shall provide Weatherization (WX) assistance, Home Energy Assistance Program (HEAP) assistance, and Energy Crisis Intervention Program (ECIP) assistance to eligible participants residing in the service area described in Section 1.2, pursuant to Title 42 of the United States Code (USC) Section 8621 et seq. (the Low-Income Home Energy Assistance Act of 1981, as amended) and Government Code Section 16367.5 et seq., as amended. Unless otherwise specified in the Contractor's LIHEAP Agency Plan elsewhere in this Agreement, Contractor shall make its services and activities available to the low-income community within its service area throughout the entire term of this Agreement. Contractor shall ensure that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, and that the services and activities funded by this Agreement shall also meet all other assurances specified at 42 U.S.C. § 8624.

B. The LIHEAP Catalog of Federal Domestic Assistance number is 93.568. Award is made available through the United States Department of Health and Human Services.

1.2 Service Area

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

See Part II, Subpart H. The 2018 LIHEAP Numbers, Contractors, and Service Territories listing may be accessed at http://providers.csd.ca.gov.

B. Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Codes listing located at http://providers.csd.ca.gov to determine the zip codes for their respective area.

1.3 Term and Amount of Agreement

A. The term of this Agreement shall be for the period represented on the face sheet (Form STD 213).

B. The contract amount as represented on the face sheet (Form STD. 213) of this Agreement consists of Contractor's total allocation to include the "Direct Services" and "Utility Assistance" portions attributable to Contractor's service area(s).

C. Direct Services and Utility Assistance, as defined in Part II, Subpart G that are allocated to Contractor, shall be expended, reported and accounted for in accordance with the provisions of this Agreement in Part II, Subpart B – Financial Requirements.

1.4 Service Area Expenditure Requirements

Contractor shall be subject to special expenditure requirements as provided in Article 5, Section 5.7 of Part II, if any of the following pertain:

A. This Agreement involves funding for LIHEAP services provided by Contractor in multiple counties or service areas; or

B. Contractor has additional agreements with CSD for the provision of LIHEAP or Department of Energy, Weatherization Assistance Program (DOE WAP) services in counties or service areas other than the county or service area to which this Agreement applies.

1.5 Program Authorities – Requirements, Standards and Guidance

A. 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. The Low-Income Home Energy Assistance Program Act of 1981, 42 U.S.C. §§ 8621 et seq., and 45 Code of Federal Regulation (CFR) Part 96;

2. The California Government Code §§ 16367.5 et seq., as amended, and Title 22, California Code of Regulations (CCR), §§ 100800 et seq.; and

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

3. The Single Audit Act, 31 U.S.C. §§ 7301 et seq., and Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. *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, with respect to procurement, administrative, and other costs claimed under this Agreement, 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 directly conflict with any State law or regulation at Government Code §16367.5 et seq. or 22 CCR §100800 et seq., or any provision of this Agreement, then that law or regulation or provision shall apply, unless, under specified circumstances, a provision of federal law applicable to block grants, such as 45 CFR 96.30, allows for the application of state law.

1. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

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

C. CSD shall provide Contractor with short-term program guidance to inform or direct immediate action to correct a problem or provide relief from an obligation in the form of a "CSD Program Advisory (CPA) No. XX-XXX" posted at https://providers.csd.ca.gov.

D. 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 LIHEAP program, and as a condition of receipt of funds under the program, PROVIDED:

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://providers.csd.ca.gov.

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

3. That such guidance shall be reasonably necessary to realize the purposes of LIHEAP;

4. That major and material changes in the program and/or requirements which substantially affect the Contractor's and/or CSD's ability to fulfill

their obligations or otherwise serve to create a substantial hardship on either the Contractor or CSD shall be subject to an amendment to this Agreement;

5. Contractor shall notify CSD within 10 working days of issuance of a CPN, if contractor is unable to fulfill its obligations under the new guidance;

6. That the parties' failure to execute a mutually acceptable amendment or CPN, as contemplated in subparagraph C 4 and C 5, in a reasonable period of time, shall result in this Agreement being without force and effect subject only to such provisions contained herein as are intended to survive the Agreement in accordance with the express and implied provisions of applicable federal and state law; and

7. That upon CSD's good faith determination, delivered to the Contractor by written notice that Agreement between the parties to any necessary amendment or CPN as contemplated in subparagraph C 4 and C 5 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.

E. The federal and state laws, regulations and other authorities referenced in this Section are hereby incorporated by reference into this Agreement. Copies may be accessed for reference at www.csd.ca.gov.

F. Contract Elements Integral to Agreement and Enforceability Conditions

1. Contractor shall provide the following documents, satisfactory to CSD in form and substance, together with an executed copy of this Agreement before CSD executes and returns the Agreement to Contractor for implementation:

a. Federal Funding Accountability and Transparency Act Report (CSD 279)

b. Certification Regarding Lobbying/Disclosure of Lobbying Activities

c. Contractor Certification Clause (CCC-04/2017)

d. Current Insurance or Self-Insurance Authority Certification

e. Board Resolution authorizing execution of this Agreement

f. Agency Local Plan (referenced in Part II, Article 7.1)

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

g. LIHEAP Production and Expenditure Plan, CSD 622 (referenced in Part II, Article 5.7)

h. Agency Staff and Board Roster (CSD 188)

2. The Plan and forms must be completed by Contractor before CSD will execute the Agreement and Contractor is authorized to commence work. CSD will not forbear from executing this Agreement pending its own review and final approval of Contractor's submission, provided Contractor acts in good faith to rectify any outstanding issues associated with the Plan or forms. The approved Plan and forms shall become part of this Agreement.

G. Contractor's signature affixed hereon 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 Part II, Article 11, Section 11.1, "Certifications" of this Agreement.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 2 – CONTRACT CONSTRUCTION, ADMINISTRATION, PROCEDURE

2.1 Base Contract and Whole Agreement

A. This Agreement consists of two parts, which together constitute the whole agreement between CSD and Contractor.

B. Part I is the "Base Contract" which consists of the following:

1. The face sheet (Form STD. 213) which specifies:
   a. the parties to the Agreement;
   b. the term of the Agreement;
   c. the maximum dollar amount of the Agreement; and
   d. the authorized signatures and dates of execution.

2. The Preamble, Article 1 and Article 2

3. Zip Code Cross-Reference, if Contractor's Service Area is defined in whole or in part by ZIP Codes.

C. Part II consists of the "Administrative and Programmatic Provisions" which are comprised of Subparts A through H, including specified requirements, obligations, provisions, procedures, guidance, forms and technical materials, necessary for program implementation.

D. Agreed upon Contract Execution Provisions and Procedures

1. Only Part I, the Base Contract, will be exchanged by the parties for execution with original signatures, fully executed copies being retained by each party.

2. Part II, Administrative and Programmatic Provisions is hereby incorporated by reference into this Agreement, is an essential part of the whole Agreement, and is fully binding on the parties.

3. CSD shall maintain a certified date-stamped "hard copy" of Part II for inspection by Contractor during normal business hours, as well as a date-stamped, edit restricted, version of Part II on CSD's "Provider Website," which may be accessed by Contractor, "down-loaded" and printed at Contractor's option.

4. Neither Part I nor Part II of this Agreement may be changed or altered by any party, except by a formal written, fully executed amendment, or as

provided in paragraph C.4 of Section 1.5 with respect to program guidance, or as provided Section 3.2 of Part II, Subpart A, Article 3, with respect to minor modifications. Upon such amendment of any provision of Part II, the amended version shall be date-stamped and locked-down until such time as a subsequent Agreement or amendment is executed by the parties.

2.2 State Contracting Requirements – "General Terms and Conditions, GTC 04/2017"

In accordance with State contracting requirements, specified contracting terms and conditions are made a part of this agreement. The provisions in their entirety are found in Part II, Subpart F of this Agreement and are fully binding on the parties in accordance with state law.

2.3 Contractor's Option of Termination

A. Notwithstanding the provisions of paragraph C of Section 1.5, Contractor may, at Contractor's sole option, elect to terminate this contract in lieu of adherence to the procedures set out in paragraph C of section 1.5, should Contractor determine that any subsequent program guidance or proposed amendment to the contract is unjustifiably onerous or otherwise inimical to Contractor's legitimate business interests and ability to implement the contract in an effective and reasonable manner, PROVIDED:

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

2. 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.

B. 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.

C. Contractor shall, within 60 days of termination, closeout the contract in accordance with contractual closeout procedures.

D. 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

2.4 Budget Contingencies

A. State Budget Contingency

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

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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

B. Federal Budget Contingency

1. The parties agree that because of uncertainty in the federal budget process, this Agreement 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 parties further agree that the obligations of the parties under this Agreement are expressly contingent on adequate funding being made available to the State by the United States Government.

2. If federal 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 Agreement 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 obligation by either party except for contract closeout obligations and final settlement.

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

4. Subject to the provisions of subparagraph B 2, CSD shall authorize expenditures of funds under this Agreement based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.5 Miscellaneous Provisions

A. Assignment. Neither this Agreement nor any of the rights, interests, or obligations under this Agreement 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 Agreement is binding on the agency to which the program is assigned.

B. Merger/Entire Agreement. This Agreement (including the attachments, documents and instruments referred to in this Agreement) constitutes the entire agreement and understanding of the parties with respect to the subject matter of this Agreement and supersedes all prior understandings and agreements, whether written or oral, among the parties with respect to such subject matter.

C. Severability. If any provision of this Agreement 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 Agreement will not be in any way impaired and shall remain in full force and effect.

D. 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:

1. To Contractor's address of record; and

2. To CSD at:
Department of Community Services and Development
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

PART II

SUBPART A – ADMINISTRATIVE REQUIREMENTS

ARTICLE 3 – AGREEMENT CHANGES

3.1 Amendment

A. Changes to this Agreement shall be made by formal amendment with exceptions specified in subparagraph D 4 of Section 2.1, Article 2 of Part I and in Section 3.2, below.

B. 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 periods in which to phase-in the mandated change.

3.2 Minor Modifications

A. Contractor may request modifications to make minor adjustments during the contract term. Minor Modifications shall not affect the Maximum Amount payable under this Agreement.

B. Minor Modifications shall not alter the maximum limits established for specific budget line items, i.e., administrative costs, Assurance 16, intake, outreach, and training and technical assistance costs, except as otherwise provided herein.

C. Allowable modifications to this Agreement include the minor budget modifications and expenditure requirements, specified in Article 5.

ARTICLE 4 – ADMINISTRATIVE POLICIES AND PROCEDURES

4.1 Board Roster, By Laws, Resolution, and Minutes

A. Contractor shall submit to CSD an Agency Staff and Board Roster form (CSD 188) listing the current Agency Staff and roster of members of its governing board, 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. The CSD 188 form is listed in Subpart H. If Contractor is a nonprofit or public entity that qualifies as an eligible entity under the federal CSBG Act, then Contractor shall instead submit a CSD 188, including contact information of the tripartite board. Contractor is responsible to notify CSD of any changes to the Executive Director, Program Manager, Chief Financial Officer and board roster within 30 days of such occurrence.

B. Contractor's governing board must authorize the execution of this Agreement. Contractor has the option of demonstrating such authority by the signature of a Board member, affixed to the signature page of Part I, or by any lawful delegation of such authority that is consistent with Contractor's bylaws, the documentation of which has been communicated to CSD.

C. 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 Agreement or a resolution passed by the governing board that applies to any CSD program contract or amendment. Where Contractor provides a general resolution, Contractor shall maintain documentation that the chief executive officer provided timely and effective communication of the execution and terms of this Agreement to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Agreement by CSD.

D. Contractor shall submit to CSD the minutes from regularly scheduled meetings of the governing board and/or tripartite board no later than 30 days after the minutes are approved. Regularly scheduled meetings shall be conducted in accordance with the board's bylaws.

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

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 Agreement and shall include:

A. Segregation of duties appropriate to safeguard state assets;

B. Limited access to agency assets to authorized personnel who require these assets in the performance of their assigned duties;

C. Authorization and recordkeeping procedures adequate to provide effective accounting controls over assets, liabilities, revenues, and expenditures;

D. Established practices to be followed in performance of duties and functions;

E. Personnel of a quality commensurate with their responsibilities; and

F. Effective internal reviews.

4.3 Record Retention Requirements

A. All records maintained by Contractor shall meet the requirements contained in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall maintain all records pertaining to this Agreement 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.

C. Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

D. 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 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.4 Insurance and Fidelity Bond

A. General Requirements

1. Contractor agrees that the required insurance policies and bonds, specified below, shall be in effect at all times during the term of this Agreement.

2. Contractor shall provide the State with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less than that required in this Agreement and, prior to any lapse or reduction in coverage, provide CSD with documentation, as specified in subparagraph 3, showing substitute coverage has been obtained or alternative measures have been taken to ensure compliance with the requirements of this Agreement.

3. In the event said insurance coverage expires during the term of this Agreement, Contractor agrees to provide, at least 30 calendar days prior to said expiration date, a new Certificate of Insurance (ACORD 25) evidencing insurance coverage as provided herein for not less than the remainder of the term of this Agreement. The Certificate of Insurance (ACORD 25) shall identify and name the State as the Certificate Holder.

4. New Certificates of Insurance are subject to review for content and form by CSD.

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

6. With the exception of workers' compensation and fidelity bond, the State shall be named as additional insured on all certificates of insurance required under this Agreement.

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

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

B. Self-Insurance

1. When Contractor is a self-insured governmental entity, the State, upon 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 Agreement.

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

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 days of coverage.

C. Workers' Compensation Insurance

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

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.

D. Commercial or Government Crime Coverage (Fidelity Bond)

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.

2. Contractor's fidelity bond coverage limits shall not be less than a minimum amount of 4% of the total amount of Direct Services set forth under this agreement.

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.

E. General Liability Insurance

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

2. Contractor 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 as evidence of compliance with general liability insurance requirements.

F. Vehicle Insurance

1. Contractor shall maintain for the term of this Agreement vehicle insurance in the amount of $500,000 for each person and each accident for bodily injury and in the amount of $500,000 for each person and each accident for property damage.

2. When employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Agreement non-owned and hired-auto liability insurance in the amount of $500,000 for each person and each accident for bodily injury and $500,000 for each person and each accident for property damage. (Driving to and from work shall not be considered to be within the scope of employment.)

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 the State 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. The parties hereto agree to the following requirements, obligations, and standards in accordance with regulations set in the State Administrative Manual (SAM) and Statewide Information Management Manual (SIMM):

A. General Information/Data Description

The interconnection between CSD and Contractor is a two-way data exchange. The purpose of the data exchange or direct input is to deliver programmatic data for contract oversight.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

B. Services Offered

Data exchange between CSD and Contractor shall be handled through one of two methods: 1) a Contractor user must upload data files or perform data using credentials provided by CSD; or 2) utilize our web services as configured by the Contractor technology vendor.

C. Data Sensitivity

1. Data exchanged between CSD and Contractor must be limited to the data fields included on Data Transfer Rules documents posted at https://providers.csd.ca.gov. No personal financial information, i.e., credit card, bank account numbers, shall be stored or exchanged in the data exchange sessions.

2. Access to the above-mentioned data included in the Data Transfer Rules must only be given to authorized personnel to complete essential duties.

3. To the extent Contractor utilizes tablet or other internet-based or mobile devises 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.

D. Contractor Systems Security

1. The physical location of the application systems (servers) shall be within controlled access 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.
2. Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption, if applicable.

3. Both CSD and Contractor shall maintain security patches and anti-virus software updates.

E. 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 and Trade Secrets Act (18 U.S. Code 1905) and the Unauthorized Access Act (18 U.S. Code 2701 and 2710). Technology and systems code and functionality are owned by the respective parties and may not be shared with anyone else or used without the consent of the owner.

F. 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 Information Technology Services Help Desk any security incident contemplated herein. Examples include, but are not limited to, stolen or lost equipment, malware/ransomware detection, suspected hacking, etc.

G. 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 actions taken by system administrators.

H. 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 Agreement 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 Agreement. 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

A. 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 requirements of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. 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 with the exception of those conferences pre-approved by CSD and listed on the Out-of-State Travel Form. Contractor must seek pre-approval, prior to travel, for none pre-approved conferences when more than two staff are attending.

C. In the absence of a written travel reimbursement policy, Contractor shall be subject to reimbursement not to exceed federal per diem limits.

4.7 Codes of Conduct

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

B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agent, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

4.8 Conflict of Interest

A. 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 LIHEAP and the implementation of this Agreement shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.

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

C. Contractor shall not provide LIHEAP 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 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, such services must be pre-approved in writing by CSD whose approval shall be based on determination that other recipients or potential eligible recipients of services are not prejudiced or adversely affected by the receipt of services by Contractor.

D. To obtain approval by CSD, Contractor must demonstrate that it will:

1. Follow all regular eligibility and prioritization requirements of the federal and State LIHEAP programs, as applicable to each service or activity;

2. Comply with all dwelling eligibility requirements of this Agreement, including but not limited to rent increase and multiple dwelling restrictions;

3. Substantiate the need for weatherization and Energy Heating and Cooling Services (EHCS) by completing a dwelling assessment for each individual dwelling unit served; and

4. Consent to any further conditions required by CSD. Failure to obtain prior written approval by CSD may result in costs being disallowed.

4.9 Procurement Standards

A. Contract Administration

1. *Maintenance of written procurement procedures.* Contractor shall administer this Agreement in accordance with all federal and state rules and regulations governing LIHEAP block grants pertaining to procurement, including the Office of Budget's (OMB) Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards and amendments thereto, consistent with the general OMB compliance requirement in Section 1.5, Article 1 of this Agreement 45 CFR Part 75. Contractor shall establish, maintain, and follow written procurement procedures consistent with the procurement standards in the Uniform Administrative Requirements, Cost Principles, and Audit

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Requirements for HHS Awards (45 CFR Part 75) or any subsequent amendments to these standards, and the applicable provisions in this Agreement, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.

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 requests for proposals shall be excluded from competing for such procurements. Contractor shall only award a subcontract to the bidder or offer or 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 offer or must fulfill in order for the bid or offer to be adequately and fairly evaluated by the recipient.

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

4. Contractor shall provide an open and free competition, to include a cost analysis, in accordance with federal and state law, for the procurement of materials, supplies, equipment, or services.

5. *Non-Competitive bid justification.* If a service or product is of a unique nature, is in response to a public exigency or emergency, or more than one potential vendor/provider cannot reasonably be identified, Contractor shall document adequate justification for the absence of competitive bidding. "Adequate justification" must include but is not limited to:

   a. Explanation of why the acquisition of goods or services is limited to one vendor or supplier;

   b. Description of sole vendor/supplier's unique qualifications to provide the goods or services in question; and

   c. Analysis of cost(s) to demonstrate reasonability.

6. CSD Lease/Purchase Pre-Approval Requirements. To ensure that

significant procurement transactions are conducted in an open and freely competitive manner, Contractor shall obtain prior written approval from CSD of capital expenditures for vehicles and equipment with a unit cost of $5,000 or more through the submission of a Request for Purchase/Lease Pre-Approval (CSD 558) to CSD at least 15 calendar days prior to executing Transactions without CSD's prior written approval may be disallowed.

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

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

4.10 Use and Disposition of Vehicles and Equipment

A. To ensure compliance with the requirements for vehicles and equipment, Contractor shall comply with Uniform Administrative Requirement, Cost Principles, and Audit Requirements for HHS Awards governing the acquisition of equipment with federal funds set forth in 45 CFR Part 75.

1. Vehicles and equipment purchased with LIHEAP funds must be used by Contractor in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by LIHEAP funds, and Contractor must not encumber the property without prior approval of CSD. When no longer needed for the original program or project, the equipment may be used in other activities supported by CSD, in the following order of priority:

   a. Activities under a Federal award from CSD, then

   b. Activities under Federal awards from other Federal awarding agencies

2. During the time that equipment is used on the project or program for which it was acquired, Contractor must also make the equipment available for use on other projects or programs currently or previously supported by the Federal Government. User fees should be considered, if appropriate, in accordance with federal regulations.

3. Any use fees shall be treated as 'program income' to the LIHEAP program.

4. Contractor may be compensated for the use of its buildings, capital improvements, equipment and software projects capitalized in accordance with generally accepted accounting principles (GAAP), provided they are used, needed in Contractor's program activities, and properly allocated to the LIHEAP grant. Such compensation must be made by allocating and computing depreciation in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

B. Contractor shall comply with all equipment management requirements outlined in the Uniform Administrative Requirements for HHS Awards (45 CFR §75.320), including, but not limited to:

1. Property Records;

2. Physical inventory of the property;

3. A control system to prevent loss, damage, or theft;

4. Adequate maintenance procedures; and

5. Proper sale procedures.

C. Sale or disposition of LIHEAP-funded Vehicles and Equipment

1. If/when Contractor's LIHEAP program(s) no longer need(s) items of equipment, the equipment may be retained, sold, or otherwise disposed in accordance with the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

2. Conflict of interest policies and proper sales procedures should be followed to ensure that the best possible value and sale price is realized.

3. Sale proceeds from the sale of real property, equipment, or supplies are not program income. Such proceeds will be handled in accordance with the requirements of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards – Subpart D–Post HHS Award Requirements (45 CFR Part 75).

D. Contractor shall exercise due care in the use, maintenance, protection, and preservation of state-owned property in Contractor's possession or any other property or equipment procured by Contractor with State funds. Such care shall include, but is not limited to, the following:

1. Maintaining insurance coverage against loss or damage to such property or equipment.

2. Ensuring that the legal ownership of any motor vehicle or trailer is in the name of the Contractor.

E. To ensure compliance with the requirements for equipment and/or vehicles maintenance of property records pursuant to CPN-A 17-01 or as revised, Contractor shall ensure that any property log or similar documentation contains all of the following information:

1. information relevant to any 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;

2. description of the property;

3. a serial number or other identification number;

4. the source of property;

5. who holds title;

6. the acquisition or lease date;

7. the cost of the property;

8. percentage of Federal participation in the cost of the property;

9. the location, use and condition of the property; and

10. any ultimate disposition data, including the date of disposal and sale price of the property or termination of the lease.

F. Contractor shall provide the information specified in subdivision E. above, including any supporting documents, to CSD upon request.

G. Limitation on Use of Funds

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.11 Subcontracts (CSD)

A. Contractor may enter into subcontract(s) to provide services pursuant to this Agreement in the service area(s) specified in Section 1.2 of Article 1, Part I. Subcontracts must require that parties comply with all applicable provisions of this Agreement. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.

B. If Contractor elects to subcontract for services, the board's authorization and approval must be obtained and communicated to CSD in writing together with notice of execution of the subcontract as provided in paragraph C. Contractor may elect to delegate the signing authority for the approval of subcontractors to the Chief Executive Officer or designated authority through a resolution or other official documentation duly issued by the governing board, unless such delegation is set forth in the bylaws of the agency and a copy of the provision is communicated to CSD.

C. Within 60 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.

D. 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/portal/public/SAM/#1.

E. 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 (EPLS) as of the effective date of the subcontract, costs Contractor has incurred under the subcontract may be disallowed.

F. Contractor must ensure that funds expended pursuant to this Agreement 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 Agreement. Contractor shall ensure that any subcontracts under this Agreement contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the

subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

G. Contractor shall notify subcontractor(s) in writing within five working 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 Agreement.

H. Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Agreement, without recourse against the State over matters involving subcontracts entered into for the implementation of this Agreement, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.

I. Nothing in this Agreement 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 Agreement. 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.

4.12 Complaint Management Policies and Procedures

A. Contractor shall establish and maintain policies and procedures for handling complaints and provide applicants an opportunity to register a complaint based on their experience with attempts to obtain services under LIHEAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.

B. Contractor shall ensure that all formal complaints are documented and include the date, time, client name and address, and nature of the complaint and the actions undertaken by the Contractor to resolve the issue. For purposes of this section, "formal complaint" means a written complaint filed with the Contractor by the complainant.

C. If the Contractor's efforts did not result in a resolution, the Contractor may refer the client to CSD. The Contractor shall contact CSD and explain the issue, actions taken to resolve the issue, and provide CSD with any supporting documentation that indicates the nature and extent of Contractor's effort to resolve the issue.

D. CSD 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.

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

A. Pursuant to Title 22 of the California Code of Regulations, Section 100805, Applicants that have applied for benefits and/or services provided under a grant award from a contractor or a subcontractor whose application has been denied or not acted upon within 15 working days or has not received satisfactory performance according to the agreed upon program requirements of the contract has the right to first appeal such action to the contractor and, if not satisfied, subsequently appeal to CSD.

B. Contractor shall establish a written appeals process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor's process shall include, at a minimum, all of the requirements of Section 100805 subdivision (b), plus:

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.

2. Provisions that ensure that Contractor will make a good faith effort to resolve each appeal.

3. Provisions that ensure that Contractor shall notify the applicant in writing of the Contractor's final decision within 15 working days after the appeal is requested. If the appeal is denied, the written notification shall include instructions on how to appeal the decision to CSD. Whenever Contractor notifies an applicant of a denial of an appeal, Contractor shall at the same time provide a copy of the final decision to the Manager of CSD's Energy Services Division.

4. Provisions to track information on denials and appeals.

C. In the event an applicant appeals a denial of benefits or services to CSD, the Department may conduct a hearing in accordance with established procedures. Any decision taken by CSD consequent to such appeal and hearing shall be final.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

4.14 Fraud, Waste and Abuse

A. Contractor shall make timely, a written report to CSD of incidents and activities, or suspected incidents and activities, involving fraud, waste and abuse of LIHEAP 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, in a timely manner, inform CSD 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 LIHEAP funds.

B. Contractor shall provide employees, subcontractors, clients and other parties affiliated with the Contractor the information necessary to report fraud, waste and abuse to the U.S. Department of Health and Human Services Office of Inspector General Fraud hotline.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART B – FINANCIAL REQUIREMENTS

ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES REQUIREMENTS

5.1 Budget Guidelines

A. Budget and Allocation Forms

1. Upon execution of this Agreement, CSD shall release 50% of the anticipated annual allocation as reflected in the allocation spreadsheet. The remaining allocation shall be released when CSD receives funds from HHS.

2. If the LIHEAP annual grant award is yet to be determined and CSD must fund this Agreement based on Continuing Resolution appropriations, CSD shall amend the contract and update the allocation spreadsheet to reflect the Final allocation.

B. Minor Modifications

If Contractor intends to request a minor modification to this Agreement, Contractor shall submit a Request for Amendment/Modification Energy, by completing a CSD 509 with a justification supporting the fund 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:

1. Transferring funds to increase or decrease the Utility Assistance total allocation.

2. Transferring funds to increase or decrease the WPO total allocation (ECIP WPO or HEAP WPO).

3. Transferring funds between target service areas, which shall be conditioned upon Contractor meeting its target service areas expenditure requirements, as stated in Article 5.7, section C.

4. Changes to the Agency Local Plan

C. Fund Transfer Requirements

Subject to CSD approval, Contractor may elect to transfer funds between each of the LIHEAP programs, components, i.e., Weatherization and ECIP EHCS.

1. Funding transfers that would increase or decrease amounts available for Weatherization above or below the 25% maximum are prohibited.

2. Fund Transfer in Service Territory with Multi-Service Areas

If Contractor transfers funds from Administrative, Intake, Outreach and other Support costs to Direct Services and/or Utility Assistance for a specific service area, then later transfer funds from the remaining service areas to replenish the Administrative, Intake, Outreach or other Support costs such transfer of funds should not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

Subsequent transfer of funds to replenish the Support line(s) with Direct Service(s) and/or Utility Assistance funds shall be limited to fund transfer from Service territory/territories that benefited from the preceding transfer.

D. Sufficient Funds for Crisis Services

Contractor must allocate sufficient funds to offer crisis services through the term of the contract and in accordance with the Agency Local Plan.

E. Weatherization Waiver

Unless and until the Federal Department of Health and Human Services (HHS) grants the State a weatherization waiver, Contractor may not expend or be reimbursed for costs in excess of the amount reflected in the initial WX Program Column of the allocation spreadsheet. If the weatherization waiver is granted, Contractor may, upon written notification from CSD, expend and will be reimbursed for expenditures up to 100% of the available allocation, as reflected in the WX Program Subtotal Column of the allocation spreadsheet.

5.2 Utility Assistance Expenditure Requirements

A. The Utility Assistance portion of Contractor's grant shall be retained by CSD to enable the State to make direct utility assistance payments to clients and/or to utility companies. Contractor's Administrative and Assurance 16 budget line item shall be based on Contractor's total allocation, including Utility Assistance.

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

   The total amount allocated to the ECIP Fast Track Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

   The total amount allocated to the HEAP Electric and Gas Program shall be administered by Contractor in accordance with the terms of this Agreement, with payments to recipients issued by the State.

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

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

C. HEAP Payments - Electric and Gas

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

5.3 Working Capital Advance and Major Purchase Advances

A. Working Capital Advance (WCA)

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

1. The time elapsing between the transfer of funds and the disbursement or expenditure of the funds by Contractor is minimized; and

2. Contractor's financial management systems are compliant with the provisions of this Agreement and the standards for fund control and accountability as established in the Uniform Administrative Requirements,

Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

3. Working Capital Advance (WCA) Requirements include the following standards:

   a. The WCA shall be for the minimum amounts necessary, timed in accordance with Contractor's immediate cash requirements, which will enable Contractor to carry out the purposes of this Agreement;

   b. The standards are set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75); and

   c. Guidance issued by the State regarding the scheduling of the WCA and the disbursement or expenditure of the funds by Contractor, while conforming to the requirements of subparagraphs A. 1 and 2 of this section, shall also take into account the practical requirements and limitations of efficient administration and the effective implementation of this Agreement by both Contractor and the State.

4. In order to affect the purposes and requirements of subparagraphs A. 1 and 2 above, the State has established the following general provisions in order to give effect to the WCA Requirements set out in this Agreement and in such supplemental guidance as may be issued:

   a. To ensure a minimal lapse of time between the transfer of funds, and the disbursement or expenditure by Contractor, and to effect both the consolidation of advance requests and optimal administration of advance payments, the WCA will be based on Contractor's cash needs for the purpose of implementing this Agreement, with consideration given to the reasonable quarterly projections of anticipated expenditures allowable under the terms of this Agreement;

   b. The WCA request shall be: 1) submitted in advance of the beginning of the quarter, in accordance with CSD's guidance; and 2) based on the Direct Service's portion of contract amount, exclusive of the Utility Assistance Portion and 3) is subject to CSD's review and approval;

   c. Upon approval of the WCA request, a payment will be issued to Contractor, which shall be limited to 100% of the Contractor's total projected expenditures for the entire quarter, not to exceed

25% of the Contractor's total contract amount, excluding Utility Assistance allocations amount. If the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance;

d. The WCA will be liquidated immediately, and will be reconciled at the end of the third month of each quarter. After issuance of a WCA, the balance will be offset by monthly expenditures in EARS.

e. All WCA requests will be issued and reconciled pursuant to CSD Energy Policy and Procedures number EP 11-01, incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

f. If, at the end of the contract term Contractor has received WCA payments in excess of requests for reimbursement that have been approved by CSD, Contractor shall promptly remit the excess balance owed.

g. Upon receipt of the WCA funds, Contractor shall deposit the advance funds in an interest-bearing account, in accordance with the provisions of this Agreement and Federal and State law. The account shall be sufficiently segregated to enable the tracking and accounting of WCA funds by CSD; and

h. In the event the State determines that Contractor has used the WCA for reimbursement of expenses that are not allowable under the terms of this Agreement and/or under Federal and State law, the State may, in accordance with the applicable provisions of the CFR, compel Contractor to repay any WCA monies wrongfully used and/or may make such adjustments in future payments to Contractor as it deems appropriate in order to rectify such misuse of WCA funds.

5. Major Purchase Advances

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

a. Request must be completed via the Major Purchase Advance Request (CSD 144).

b. Limited to purchase of items in excess of $5,000.

c. No advance will be issued until the Request for Pre-approval of Purchase/Lease (CSD 558) has been approved by CSD.

d. Procurement must comply with the open and competitive bid process, which must be documented through the Request for Pre-approval of Purchase/Lease (CSD 558).

e. Advance repayment for major purchases will be liquidated upon the first expenditure reporting period following the date of the purchase of the item or items identified in the Request for Pre-approval of Purchase/Lease (CSD 558). An Advance Request (CSD 144) must reflect 100% liquidation in the month following the expected date of purchase.

f. Major Purchase advance requests will not be granted until such time as no less than 50% of the current working capital advance has been paid back. The combined total amount of the working capital advance and major purchase advance cannot exceeds 25% percent of the contract or the remaining contract balance, whichever is less.

B. Special LIHEAP Provisions

In accordance with 22 CCR § 100840 (a) the total amount advanced to Contractor at any time, whether in the form of a Working Capital Advance (WCA) or a Major Purchase Advance, shall not exceed 25% of Contractor's total contract amount or if the WCA request exceeds the remaining balance, then Contractor will only receive the amount of the remaining balance. Advance amounts repaid may be replaced by additional advances at any time as allowed in this section and corresponding guidance, so long as the aggregate amount advanced does not exceed the limit set out in sub-paragraph A.

C. Interest on Advances

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

D. Non-advance Payments and Offsets

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

5.4 Program Income

A. Contractor shall maintain records of the receipt and disposition of all "program income" defined in 22 CCR § 100855(c) as income that is generated or earned as a result of LIHEAP activities.

B. Determining Net Program Income

1. Except as provided below in paragraph 2, any costs Contractor incurs in generating program income may be deducted from gross program income to determine net program income.

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

C. Expenditure, Reporting, and Rollover of Program Income

1. Program income must be expended in accordance with the requirements for expenditure of regular LIHEAP funds, for allowable program purposes.

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

3. Contractor's unexpended program income at the close-out of this Agreement shall roll over to subsequent LIHEAP Agreement(s).

4. If Contractor has generated program income with leveraged funding source(s) in addition to LIHEAP, the LIHEAP portion of rollover program income must be tracked by Contractor and can be used only for allowable LIHEAP expenditures.

5.5 Wood, Propane and Oil Returned Payments

A. Contractor shall maintain a tracking-log of returned payments for services provided. Returned payments must not be entered into EARS or CORE. Upon receipt of the returned payment Contractor shall make the following attempts to contact client:

1. Make every reasonable attempt to contact client within five (5) working days of receiving the returned payment during the contract term. The following shall constitute a reasonable effort and be maintained in the

client file:

a. One phone call attempt stating the client has the option to reclaim the returned payment and provide Contractor with the updated vendor information to reissue the returned payment amount; or

b. One letter to the client stating the option to reclaim the repayment and provide Contractor with the updated vendor information to reissue the returned payment amount.

2. Hold the returned payment for the client for 10 business days_subsequent to all attempts to contact the client.

3. If the client does not contact Contractor within the above time frames the returned payment shall be added to the current WPO allocation tracking log.

4. If Contractor is unable to identify the client of the returned payment the payment can be added to the current WPO allocation tracking log.

B. Contractor may expend returned payments on WPO services during the term of this Agreement. Contractor shall report all such expenditures, along with remaining unexpended returned payments, at the close-out of this Agreement or at such other time(s) as CSD reasonably requires.

C. Contractor's unexpended returned payments at the close-out of this Agreement shall be returned to CSD.

D. Returned payments received after the close-out of the contract shall be promptly returned to CSD.

E. If Contractor is unable to determine the returned payment is funded from the current contract, the returned payment shall be promptly returned to CSD.

5.6 Allowable Costs

A. Cost Reporting

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

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

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.

B. Administrative

1. General

a. Administrative costs shall not exceed the amounts as set forth in allocation spreadsheet. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred in the Community Services Block Grant (CSBG) in excess of the CSBG contractual limitations.

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

2. Contractor shall use Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) as a guide for determining administrative costs.

3. Administrative Equipment More Than $5,000—Acquisition Costs

a. Acquisition costs shall mean the actual costs associated with the purchase of equipment over $5,000 per unit used for administrative purposes.

b. CSD pre-approval shall be required for the purchases or lease-purchase option of equipment with a total value greater than $5,000 utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

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 the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

C. Program Costs

1. General

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

2. Assurance 16

Assurance 16 costs shall not exceed the total amount set forth in the allocation spreadsheet.

3. Intake

Intake shall be allocated at 8% of the Weatherization Budget and 8% of the ECIP/HEAP Direct Services/ Utility Assistance Budget based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 8% of Final Allocation. Intake in excess of 8% may be charged as an administrative cost not to exceed allowable administrative cost maximum.

4. Outreach

Outreach shall be allocated at 5% each of the Weatherization, ECIP/HEAP and Direct Service/ Utility Assistance, Assistance budgets based on the Interim Allocations and/or subsequently the Final Allocation. Reimbursement shall be limited to actual cost up to 5% of Final allocation.

5. Training and Technical Assistance Training and technical assistance shall be allocated up to 5% of the total Weatherization allocation and up to 2% of the total ECIP/HEAP allocation based on the Interim Allocations and/or subsequently the Final Allocation. Training and technical assistance shall not exceed these limits and shall be reimbursed at actual cost. Reimbursement shall be limited to actual cost up to 5% of Weatherization allocation, and 2% of ECIP/HEAP allocation.

   a. If Contractor determines that an increase in the allowable allocation for training and technical assistance is needed to cover the cost of the software database collection system or related automation training as specified below, then Contractor must submit a request to, and obtain prior approval from, CSD.

b. Associated training and technical assistance costs may include costs related to: travel, admission, materials, and actual salaries/wages.

c. Training and technical assistance shall include costs associated with the completion of weatherization-related training as specified in the Training Requirement of Article 9.1 of this Agreement. Training may include, but not limited to, internal contractor training, safety training, attendance of weatherization-related training to include the software database collection system or other forms of training to aid in the development and skill of staff in utilizing and supporting internal program automation systems, and/or weatherization-related workshops sponsored by utility companies, Department of Energy (DOE), CSD training may include Local Service Provider's Meeting 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.

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

e. Out-of-State Travel

Staff out-of-state travel costs shall mean cost incurred for out-of-state meeting, conferences or training that is critical to carrying out the LIHEAP program. Travel expenses are limited to transportation, subsistence and related items incurred by traveling on official business on behalf of the agency.

6. Acquisition Costs

a. Minor Vehicle and Field Equipment Less Than $5,000 – Acquisition Costs.

Minor Vehicle and Field Equipment costs under $5,000 per unit must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

b. Major Vehicle and Field Equipment $5,000 or Greater – Acquisition Costs Must Be Pre-Approved

CSD pre-approval shall be required for the purchases or lease-purchase option of vehicles and field office equipment with a total value of $5,000 or greater, utilizing the Request for Pre-approval of Purchase/Lease (CSD 558).

7. Other Program Costs:

   a. Other Program Costs

      Those 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.

   b. 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.

8. Liability Insurance

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

9. General Operating Costs

   General Operating Costs may be charged to the program and are for cost that are directly allocable to those activities defined as related facilities, office and computer equipment, office supplies, telephone, and travel as allowable program costs.

10. Automation Supplemental Allocation

    a. Contractor can allocate funds to the Automation Supplemental Allocation (ASA) in an amount not to exceed $50,000, to be used to meet contract program startup requirements such as IT automation needs to comply with updated or new Expenditure Activity Reporting System, Weatherization Database and Core ("CSD System") requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. ASA

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.

b. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds and bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD gives its written approval of the plan and request for variance.

c. In order to qualify for reimbursement of expenditures incurred pursuant to this section, Contractor must fully comply with the following terms, conditions, and obligations:

i. The ASA may be used only for those Contractor's CSD System-related IT expenditures that are programmatic in nature. CSD System-related IT expenditures that are administrative in nature must be charged against Contractor's Administrative Budget.

ii. In delineating the program and administrative expenditures, Contractor shall consider whether the expenditure or cost is primarily used to support: 1) program operations; or 2) agency (organization) operations, as commonly understood under accountancy guidelines, with particular reference to the principles and provisions set out in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75) Programmatic CSD System-related IT expenses are those incurred in connection with allowable program expenses as defined in the LIHEAP Agreement. The delineation between programmatic and administrative CSD System-related IT activities will be determined in part by the type of IT system elected to interface with CORE and the array of functions the system will perform.

iii. Agencies with multiple LIHEAP contracts for the same contract year are limited to reimbursement up to $50,000 per agency. Contractor shall allocate costs among contracts when permitted and may not charge the same costs to more than one contract.

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

e. CSD System-related IT costs that exceed the maximum ASA amount of $50,000 may not be reimbursed by CSD.

f. If Contractor has previously developed and utilizes its own unique customized automated reporting system to comply with CSD's reporting requirements, such contractor shall be deemed a "Self-Reporting User." The following provisions apply to Self-Reporting Users:

   i. If Contractor elects to modify and upgrade its existing IT system so that the system is compatible with and able to interface with the CSD System, it is the Contractor obligation to ensure that the upgraded system is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its consultants and vendors with the applicable system specifications and interface protocols.

   ii. Contractor may use its ASA to pay the necessary cost of upgrading its system and interfacing with the CSD System, as well as related and attendant costs. Costs incurred may include necessary training on upgrades to Contractor's system.

   iii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Contractor may be granted a variance from this requirement provided Contractor's ASA plan is appropriately revised and CSD gives its written approval of the plan and request for variance.

g. Services procured by Contractor in order to implement updates to Contractor's customized automated reporting system shall be conducted in compliance with Contractor's procurement policy and with all applicable contract requirements and the provisions of federal and state law.

h. Upon approval by CSD, if Contractor procures, from a third-party source, a new customized automated reporting system with

supplemental functionality beyond basic CSD System reporting requirements, then such Contractor shall be deemed a "Third Party Customized System User." The following provisions apply to Third Party Customized System Users:

i. If Contractor elects to procure a new customized automated IT reporting system, it is the Contractor's obligation to ensure that the system procured is fully compliant with CSD System requirements. CSD's responsibility is limited to providing Contractor or its vendor with the applicable system specifications, interface and security protocols.

ii. If Contractor expended funds in prior year for a system and now wants to purchase a new system with ASA funds, Contractor must utilize unrestricted funds, bear the full cost of the conversion to such an alternative system. Similarly, Contractor may not use future annual ASA funding for such conversion. Any alteration to this provision requires prior written approval from CSD and must include the submission of a revised ASA plan.

iii. Systems and services procured by Contractor in order to obtain and implement a third party customized system shall be conducted in compliance with Contractor's procurement policy and with all applicable LIHEAP contract requirements and the provisions of federal and state law. Contractor may, at Contractor's option, participate in a consortium of local service providers to procure jointly a customized automated reporting system from a third-party source, provided Contractor's procurement policy is not violated in such a manner as to render the process flawed or unfair. Contractor may rely on any local service provider subject to this Amendment to conduct the procurement on Contractor's behalf provided, however, that: 1) Contractor shall not be absolved from fulfilling applicable procurement obligations and requirements; 2) Contractor shall review all pertinent procurement documentation for sufficiency; and 3) make such documentation available to CSD upon request.

11. Weatherization Program Activities

Weatherization 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, assessment, diagnostic testing,

labor, materials, subcontractors, environmental inspections, permits, Home Energy Rating System (HERS raters), lead-safe weatherization materials, removal of FAFCO Solar Water Heater systems and installation of AET SWH systems.

12. ECIP Emergency Heating and Cooling Services (EHCS)

ECIP EHCS shall mean those costs associated with emergency heating and cooling repair and replacement services and other related costs, including costs associated with labor, materials, subcontractors, permits, ~~HERS~~ raters, lead-safe weatherization materials, and diagnostics all as further defined by the ECIP Policy and Procedures and the SWEATS Policy, when authorized by CSD. The ECIP Policy and Procedures and SWEATS Policy are hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

5.7 Service Area Expenditures Requirements

A. For purposes of this section the following definitions apply:

Service Area means the geographical area for which Contractor receives a discrete grant allocation, whether in a contract pertaining to that geographical area alone, or in a contract covering multiple geographical areas, as for example, multiple counties.

Target Service Area means the service area for which a grant allocation has been designated on the LIHEAP Allocation Spreadsheet attached to this Agreement.

Target Allocation means that sum of money from the LIHEAP state grant designated by CSD for expenditure in a designated Service Area.

Service Territory means the totality of Contractor's Service Area(s), whether: 1) a single county; 2) a portion of a single county; 3) multiple counties; or 4) a single county in combination with a portion of another county. Accordingly, the single Service Area or combined Service Areas for which Contractor provides services constitutes Contractor's Service Territory.

Note: If Contractor provides only some LIHEAP services to a Service Area, e.g. weatherization services only or utility assistance services only and another contractor provides other LIHEAP services in the same Service Area, the contractors are co-service providers with respect to the Service Area in question and each is responsible for that portion of the grant allocation applicable to the services it provides. Contractor's Service Territory includes a Service Area in which the grant allocation is split with another contractor.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

B. This section shall apply to Contractor if any of the following pertain:

1. This Agreement involves funding for LIHEAP services provided by Contractor in multiple Service Areas;

2. Contractor provides only some of the LIHEAP services in multiple Service Areas under the terms of this Agreement; or

3. Some combination of 1 and 2 above.

C. The Target Allocation(s) specified in this Agreement shall be used either: a) to provide services within the geographical boundaries of Target Service Area(s) to which the allocation applies; or b) on behalf of the recipients of benefits who reside within the Target Service Area(s), thereby ensuring that the low-income persons in each Target Service Area receive their appropriate share of the grant award and that direct program funds designated for a particular Target Service Area are not expended for services in another Service Area without good cause.

1. Contractor is required to expend 90% or more of the applicable Target Allocation(s) in each Target Service Area(s).

2. Contractor shall, as requested by CSD, submit an Agency Local Plan showing by which it will expend the designated allocation for each Target Service Area to include how it will conduct targeted outreach activities, identify service needs in Target Service Areas and track expenditures.

3. At the time of closeout, Contractor shall submit a report comparing Contractor's production and expenditure estimates, by Service Area, to actual expenditures, what lessons were learned, and what changes in operations are anticipated in coming years.

4. Contractor may, subject to CSD's written approval, expend a portion of a Target Allocation in another service area in which Contractor provides services pursuant to this Agreement, under the following circumstances:

a. When there is no acute need or ready opportunity for full expenditure of direct program funds in the Target Service Area; and

b. When Contractor can readily expend direct program funds in an alternate service area to avoid under expenditure or a loss of funding.

D. Notwithstanding the provisions of paragraph C, Contractor is authorized under the terms of this Agreement to combine the Administrative, Intake, Outreach,

Assurance 16, and other program support costs, including liability insurance, workers' compensation, and general operating portion of grant allocations for multiple Service Areas for purposes of efficiency and effective contract implementation, provided such combining of funds does not unduly impair the equitable provision of services or otherwise disadvantage potential recipients of benefits in any Service Area.

5.8 Reimbursement Guidelines

A. Claims for Reimbursement

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

B. Assurance 16

1. Assurance 16 costs and its related services include those actual costs that are directly attributable to the performance of this Agreement and that are reasonable and necessary as determined by the State for the purpose of delivering services. Assurance 16 costs shall include needs assessment, client education, budget counseling, and coordination with utility companies.

2. Contractor may claim Assurance 16 costs for client education only once when LIHEAP and DOE funds and services are provided concurrently in the same unit.

C. Wood, Propane, and Oil Assistance

1. HEAP WPO

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

2. ECIP WPO

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

D. Weatherization and EHCS Specific

1. Contractor may claim reimbursement for Weatherization-related activities

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

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

3. All completed units shall be submitted for payment within 90 days of completion or by the due date of the last reporting period of this agreement, whichever is less. A completed unit shall not be carried over into another contract period, except when there are insufficient funds to cover a portion or the entire cost of the dwelling. In the event a completed unit is billed in the subsequent contract, the agency must also ensure that the applicant meets the income eligibility requirements.

4. Maximum Reimbursement

   a. Contractor shall be entitled to reimbursement for actual cost, not to exceed the maximum average of $4,055 per dwelling unit weatherized with respect to the energy conservation measures and activities described in Reimbursement Rates for Weatherization and EHCS Activities located on the CSD Providers' website at https://providers.csd.ca.gov. In the event that the Governor declares a State of Emergency or Local Emergency under Article 13 or 14 of the Emergency Services Act or any federal official declares an emergency pursuant to 42 UCS 8622(1), the maximum average reimbursement shall be $7,212 per dwelling unit.

   b. If an energy audit is performed, Contractor shall adhere to the investment determinations rendered by the site specific energy audit not to exceed the maximum average of $7,212 per dwelling unit.

   c. The amount of funds, applied to weatherization services in a whole multi-family building shall not exceed the number of eligible dwelling units multiplied by the $7,212 maximum average per unit or by the $7,212 maximum average per unit, if an energy audit is performed.

   d. For emergency ECIP EHCS provided outside Contractor's normal business hours of operations, Contractor may exceed the maximum cost limits allowed for repair and replacement services. Contractor

shall not request reimbursement for more than one heating and/or cooling unit repaired or replaced per household.

5. Measure Reimbursement

a. Measure Maximums

i. For those Weatherization and EHCS measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor costs of Weatherization or EHCS crew members and the actual cost of the materials, subcontracted services not to exceed the maximum reimbursement allowable.

ii. Weatherization or EHCS measure costs exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, minor envelope repair, or another CSD program.

iii. When costs for a measure exceed the maximum reimbursement allowed, Contractor shall obtain prior written approval from CSD to exceed the maximum cost reimbursement and/or quantity limit for weatherization and ECIP HCS measures as described in Reimbursement Rates for Weatherization and EHCS Activities located in Subpart H. Otherwise, at the Contractor's discretion, Contractor may elect to not provide the weatherization measure/service in the event the total cost exceeds the maximum cost reimbursement.

b. Assessments and Diagnostics

i. Contractor may claim reimbursement for dwelling assessment for each eligible household.

ii. Contractor may claim reimbursement for dwelling assessment for each eligible unit not previously weatherized.

(a) For dwellings weatherized under this Agreement, Contractor may claim reimbursement for a modified dwelling assessment, as defined in Subpart G, to perform reweatherization or callback services during the useful life period of the initial dwelling assessment.

(b) Once the useful life term has expired for the initial or last performed dwelling assessment, Contractor may claim a full dwelling assessment to perform re-weatherization services.

iii. If a dwelling was previously weatherized under a nonfederal program, the dwelling and occupant eligibility must be recertified; therefore, Contractor may claim reimbursement for assessment of dwelling.

iv. In the case of an un-weatherized dwelling where the installation of measures was not feasible and/or the dwelling was not accessible to install measures, Contractor may claim reimbursement for any related assessments and/or diagnostic checks that were performed.

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

vi. HERS rater and permit fees are acceptable expenses and may be charged only once per measure to ECIP EHCS or LIHEAP weatherization or DOE weatherization per weatherized dwelling. HERS rater fee and permit reimbursement includes subcontractor cost, staff time on job site, and fees that will be reimbursed based on the actual cost.

c. Labor Reimbursement

i. 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 raters.

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

iii. Actual labor hours and costs for weatherization and EHCS services shall not exceed the cumulative number of hours on the job site and shall be substantiated with client file documentation, job schedules, and payroll time records.

iv. When the installation of a measure is subcontracted and there are billable labor hours for weatherization and/or Contractor's EHCS 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.

v. 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 in subsection e Other Program Costs.

vi. Lead Safe Weatherization

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

d. Heating and Cooling Services (HCS/EHCS)

i. If, during the course of repairing a defective unit, additional problems are found that would increase the cost of repairs to an amount beyond the established limits for repairs, Contractor may claim reimbursement for incurred costs related to the repair in addition to those costs associated with the replacement of the heating/cooling appliance.

ii. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization and/or ECIP EHCS component, or under a call-back, Contractor may claim reimbursement for both the repair and the replacement of the appliance. Contractor shall report the single appliance as both a repaired and replaced appliance.

iii. For multi-unit dwellings with a common water heater, Contractor may claim reimbursement for only one water heater. Contractor may claim reimbursement for the actual number of water heater blankets used to wrap the common

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

iv. Duct repairs and replacements can only be charged to ECIP EHCS when provided in conjunction with emergency heating/cooling services performed under EHCS.

e. Other Program Costs

i. 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.

ii. Wages – Program Management and Support

(a) 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 LIHEAP Weatherization and EHCS program activity or providing direct support to ensure the successful delivery of weatherization services.

(b) Reported costs may include labor costs associated with performing direct support in coordinating the delivery and tracking of LIHEAP Weatherization and EHCS program activity, 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.

iii. 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 Article 4.6 of this Agreement.

iv. Disposal Fees

Disposal fees are acceptable expenses and may be charged only once to ECIP EHCS, or LIHEAP Weatherization per appliance and building material waste. Disposal fee reimbursement includes the actual cost of the fee.

v. Vehicle and Equipment Repair. Maintenance and Fuel

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

(b) Contractor shall maintain records for fuel expenditures, vehicle maintenance and vehicle usage to substantiate allowable travel costs related to and allocable to LIHEAP weatherization.

vi. Historic Preservation Reviews

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

vii. Waste Breakage

Waste breakage are those expenses associated with weatherization materials that have been damaged and are part of Contractors' 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.

viii. 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.

ix. Solar Water Heating Maintenance

Solar Water Heating Maintenance are scheduled maintenance service, as established by the manufacture, in order to maintain the SWH system in good working condition.

6. Dwelling Status

a. Completed Units

i. Except as otherwise provided in subsection ii below. 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 Quality Assurance Inspector, and all inspection fails have been resolved.

ii. In accordance with the CSD Weatherization Field Guide, a dwelling shall also be considered complete if:

(a) The entire dwelling was required to be deferred;

(b) The dwelling had limited deferrals or the client refused feasible measures but all other feasible measures were installed; or

(c) The dwelling received an assessment and /or diagnostics and no other weatherization measures.

iii. 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, the job shall be reported as completed in accordance with subparagraph i.

iv. ECIP EHCS

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

v. If Contractor is not able to complete weatherization or ECIP HCS direct services during the contract term, Contractor may complete the dwelling in the next contract year. If Contractor completes the dwelling in the next contract year, Contractor must verify the client meets the income eligibility requirements for the following year in order for the measures and dwelling to be eligible for reimbursement.

b. Building Permits

i. Contractor shall obtain all required permits 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.

ii. Any penalties or fines imposed on Contractor or subcontractor by the local authority or building department are not allowable costs.

c. Previously Weatherized Dwellings

If the previous weatherization was performed under a nonfederal program or under this Agreement, the occupant eligibility must be verified and Contractor may seek reimbursement for the associated outreach and intake costs.

d. Leveraging Funds

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, provided:

i. Reimbursement for Weatherization or EHCS activities is claimed only once when LIHEAP and DOE WAP, or any other funding source, are used concurrently in the same unit.

ii. Contractor may divide materials and labor cost of a single measure among LIHEAP, DOE, or other CSD programs when the single measure in question is installed in a dwelling where Weatherization or EHCS services are provided concurrently under these programs.

iii. 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.

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

Reimbursement shall be in accordance with the SWEATS Policy when specifically authorized by CSD. The SWEATS Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' Website at https://providers.csd.ca.gov.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

A. General

1. Contractor shall submit data and information concerning LIHEAP activity in the CSD's Weatherization Database. Reimbursement requests for expenditures associated with all related activity shall be reported in Expenditure Activity Reporting System (EARS).

2. Contractor must ensure that the activity reported in the Weatherization Database and the request for reimbursement reported in EARS, are aligned. CSD will not issue payment for reimbursement unless and until any disparity between the data entered in the Weatherization Database and EARS has been reconciled by Contractor.

3. Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly reimbursement/activity report.

4. Reporting Requirements

   a. 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 days. Minor changes are those that are routine in nature to begin the contract such as but not limited to adjustments to the Expenditure Activity Report layout, adding or deleting measures and adjusting eligibility guidelines.

   b. Major reporting changes, upon receipt of the specifications, shall be implemented in Contractors 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 Data Transfer Rules and/or new field lines as outlined in the Data Transfer Reference Document (Schema-Breakdown). The most current Weatherization Data Transfer Rules and Data Transfer Reference Document (Schema-Breakdown) are located on the CSD Providers' Website on the System Specification website page.

B. Monthly Reports

1. Contractor shall submit a request for reimbursement of expenditures to

CSD (excluding ECIP Fast Track and HEAP Electric and Gas) by entry into EARS, in accordance with the following provisions:

a. Monthly reports shall be submitted on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.

b. Adjustments must be reported through EARS according to the Database Transfer Rules by the seventh of each month.

   Contractor may at any time submit detailed information and date for services rendered, utilizing the Weatherization Database, provided the total submissions for any given month correspond to the EARS reimbursement request for the same month. The reports must be reconciled by Contractor before the monthly reimbursement request will be paid by CSD.

c. Expenditures for Assurance 16, Intake, ECIP WPO, ECIP EHCS, SWEATS, and HEAP program costs shall be reimbursed through the LIHEAP Monthly EHA 16 Expenditure Activity Report via EARS.

d. Expenditures for Weatherization shall be reimbursed through the LIHEAP Monthly Weatherization Expenditure Activity Report via EARS.

2. Contractor shall also submit to CSD client/job detailed data for services rendered under LIHEAP Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO for the monthly period in which the service activity occurred and for which reimbursement for the service activity is requested.

   a. Utilizing an approved front end data collection system Contractor shall submit monthly detailed client/job data separately from the EARS monthly activity reimbursement reporting.

   b. The client/job detailed data shall be sent electronically on or before the fifteenth calendar day following the reporting period in which direct service activity occurred.

   c. Adjustments must be reported through weatherization database according to the Database Transfer Rules by the seventh of each month.

d. CSD must receive the Monthly Client/Job Detailed Data Report before the monthly EHA 16 and Weatherization Expenditure Activity Reports will be processed.

3. Reporting for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO

Contractor shall submit to CSD, client/job detailed data electronically to CORE for ECIP Fast Track, HEAP Electric and Gas, ECIP WPO, and HEAP WPO.

C. Solar Warranty and Maintenance Reporting

Contractors participating in the Solar Water Heating (SWH) Project shall report to CSD whenever warranty work and/or maintenance are required on any Solar Water Heating Systems installed under the SWH Program and CSD's Low-Income Weatherization Program (LIWP). The SWH Warranty and Maintenance Report shall include a written description of the following:

1. Dwelling address at which warranty and/or maintenance work was provided;

2. Reason for warranty and/or maintenance work (what was the problem);

3. The date (or dates) on which warranty and/or maintenance work was provided; and

4. List of the costs charged to the LIHEAP contract for the warranty and/or maintenance work.

The SWH Warranty and Maintenance Report shall be submitted no later than 30 days after the month in which reimbursement for the warranty and/or maintenance work is requested.

The SWH Warranty and Maintenance Report shall be submitted, via email, to wx@csd.ca.gov with the words "SWH Warranty and Maintenance Reports" in the Subject line.

Contractor shall retain all warranty and maintenance reports for the life of the warranty.

D. CSD Review

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 and fiscal operations and its demonstrated ability to effectively utilize all funds available under this Agreement.

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

E. Close-out Report

1. Contractor shall submit on appropriate CSD forms, a close-out report, verifying all actual, allowable, and allocable costs earned during the term of this Agreement and return all unexpended funds to the State within 90 calendar days after expiration of this Agreement.

   a. Administrative costs, outreach, intake, Assurance 16, Training and Technical Assistance shall not exceed the maximum allowable amounts.

   b. Administrative and Assurance 16 costs shall remain proportionate to the cumulative allowable program expenditures for Direct Services and Utility Assistance. Any Administrative and Assurance 16 costs that exceed these limits shall be disallowed and returned to CSD within 90 calendar days after expiration of this Agreement.

   c. Subsequent payments, including advance payments, for LIHEAP or other CSD contracts may be withheld, absent timely receipt of the close-out report of this Agreement.

2. 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 90 days from the end of the contract term.

3. The close-out report shall include the following completed forms:

   a. Close-out checklist with authorized signature (CSD 733);

   b. Interest and Program Income Earned Reconciliation Report and Excess Revenue (CSD 733F);

   c. Equipment Inventory Schedule (CSD 733G);

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

d. Equipment Disposition (CSD 553); and

e. LIHEAP Production and Expenditure Plan, CSD 622.

4. Interest and Program Income-Earned and Excess Revenue

Contractor shall use a CSD 733F, LIHEAP Interest and Program Income Earned Close-out Reconciliation, to report actual costs and/or interest income earned and expended. Pursuant to CCR § 100855, program income earned and expended are subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART C – PROGRAMMATIC REQUIREMENTS

ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 LIHEAP Agency Local Plan

A. Contractor shall submit an annual LIHEAP Agency Local Plan to CSD by a date as determined by CSD. The LIHEAP Agency Local Plan is intended to systematize the gathering of planning information to assist CSD with its obligations under federal statute to provide programmatic assurances to the Secretary of the U.S. Department of Health and Human Services under the LIHEAP block grant and to enable the Contractor to plan and propose an annual budget that is consistent with the purposes of the Low-Income Home Energy Assistance Program and reflective of the needs of the local low-income population.

B. CSD will review the annual LIHEAP Agency Local Plan to ensure compliance with federal and state laws and departmental requirements.

If the LIHEAP Agency Local Plan documents do not indicate that the Contractor's proposed services and activities are in compliance with federal and State law governing the LIHEAP block grant, CSD may require Contractor to amend or supplement the responses or documentation, prior to execution of this Agreement by CSD.

C. CSD's approval of the LIHEAP Agency Local Plan documents submitted by Contractor shall not be construed as approval of any costs expended under this Agreement. The approval of all expenditures remains subject to the federal and state requirements that the actual costs be allowable and allocable in accordance with applicable statutes, regulations, and the provisions of this Agreement.

7.2 Program Standards and Regulatory Requirements

A. Program Standards

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

a. Upon release, CSD Weatherization Policies and Procedures;

b. CSD Weatherization Installation Standards (WIS);

c. CSD Weatherization Field Guide

d. CSD Inspection Policies and Procedures;

e. CSD LIHEAP/DOE Program Health and Safety Appliance Replacement Policy;

f. ECIP Policy and Procedures;

g. CSD Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy;

h. Official State and Federal Program Notices and Guidance Documents; and

i. Current Eligibility and Verification Guide; and

j. Weatherization Data Transfer Rules

k. Utility Assistance Business Data Transfer Rules

Upon signing the CSD contract, Contractor is acknowledging receipt of all current technical manuals, policies and protocols.

2. In the event of inconsistencies between policies and field protocols contained within the Weatherization Installation Standard Manual and/or the Weatherization Policies and Procedures and this Agreement, Contractor shall abide by the terms of this Agreement.

B. Regulations

1. Standards contained in the most current Uniform Building Code and local city and county codes shall take precedence over the CSD WIS if the code requirement is not included in the manual and/or is more stringent.

2. All work performed by Contractor shall be in compliance with most current and applicable provisions of the California Energy Commission Building Energy Efficiency Standards, Alterations under Title 24, Part 6, of the California Code of Regulations, California Home Energy Rating System (HERS) Program regulations.

3. Services provided to all covered pre-1978 dwellings shall be in compliance with the most current Environmental Protection Agency rules in 40 CFR 745, Lead-Based Paint Poisoning Prevention in Certain Residential Structures and the Housing and Urban Development rules in

24 CFR 35, Lead-Based Paint Poisoning Prevention in Certain Residential Structures.

4. All materials utilized for weatherization and ECIP EHCS purposes shall be in conformance with the Department of Housing and Human Services rules in 45 CFR Part 75, Uniform Administrative Requirements for Cost Principles, and Audit Requirements for HHS Awards or 45 CFR Part 74, Uniform Administrative Requirements for Awards and Subawards to Institutions of Higher Education, Hospitals, Other Nonprofit Organizations, and Commercial Organizations.

5. All materials used must be in compliance with Department of Energy rules in 10 CFR 440.

C. Title 24

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.

2. The Title 24 energy conservation measure requirements to be applied are those applicable to the California Energy Commission (CEC) Climate Zone where the dwelling is located. For a listing of the CEC climate zones, refer to the CSD Providers' website at https://providers.csd.ca.gov.

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

4. Contractor shall obtain the services of a certified HERS Rater to perform the required field verification and diagnostic testing. The HERS Rater shall be an independent entity from the builder 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.

D. Pre-1978 Dwellings

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.

2. HUD units not previously certified to be lead free, built prior to 1978, and receiving weatherization services in which painted surfaces exceeding di 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.

3. 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.

7.3 Prioritization of Services

A. Contractor assures that ECIP, HEAP, and Weatherization activities are conducted in accordance with the Agency Local Plan in Subpart H.

B. Activities shall be designed to provide assistance to low-income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, and that such methods to be utilized shall assure that eligible households, particularly those households with elderly individuals, disabled individuals, or children five years (5) and under are made aware of the assistance available under this Agreement.

7.4 Service Priority Guidelines

A. Contractor shall give first priority for services to those households with the highest energy burden, or high residential energy users, and shall factor into its first priority for services those households with the following vulnerable populations: young children (ages 5 years or under), disabled, and elderly persons (ages 60 years or older).

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

C. For the ECIP Fast Track, HEAP Gas and Electric, ECIP WPO and HEAP WPO program components, Contractor shall assign prioritization points for Energy Burden, Vulnerable Populations, Household Income, and any Optional Agency-Defined categories as referenced in the Agency Local Plan in Subpart H.

D. Due to limited funding, Contractors are discouraged from providing either:

1. Energy assistance benefits to households with substantial credit(s) on its utility bills; and/or

2. Weatherization services to dwellings previously weatherized under LIHEAP within the past four years. Contractors shall prioritize services to previously weatherized dwellings in accordance with the_Agency Local Plan in Subpart H.

E. Equitable Treatment

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

F. See Section 11.2 B, "Eligibility to Receive Federally Funded Public Benefits" concerning Federal restrictions on receipt of benefits.

7.5 Outreach and Intake Activity Guidelines

A. Outreach

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

B. Intake

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

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.

2. Ensure applicants have access to applications, whether in hardcopy or electronic format, during regular business hours. Contractors whose offices are not staffed Monday through Friday must arrange for alternative points of access to LIHEAP applications. Contractor may satisfy this requirement by posting their application for download on their website or at CSD's website at www.csd.ca.gov or at alternate location(s).

3. Accept applications for assistance during regular business hours.

4. Accept applications for ECIP Fast Track and WPO at sites that are geographically accessible to all households in the area served by Contractor.

5. Provide low-income individuals who are physically infirm with the means to submit applications for HEAP and ECIP without leaving their residences.

6. All sites where intake is conducted must be accessible to the disabled.

7. Contractor shall utilize the Energy Intake Form (CSD 43), or approved Contractor's equivalent, as a multipurpose form for referrals to the LIHEAP Weatherization program, the ECIP EHCS program, HEAP program, and Department of Energy (DOE) program.

8. 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 Priority Plan 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 a potential client upon request, whether or not a prescreening process is employed.

C. Applicant Written Notification of Benefits

Within 15 working days of receiving an application Contractor shall provide the applicant written or electronic notification of the application status, indicating whether the application has been: approved, denied, deemed incomplete or is still pending review.

1. If approved, the notice shall indicate the nature and an approximate timeframe in which the utility assistance payment will be provided and when weatherization services may be scheduled or if a referral was made to for weatherization services. The name of the utility company and the amount of the benefits also shall be included in the notification, if applicable.

2. If denied, the notice shall indicate the reason for the denial and information regarding the appeal process.

3. If incomplete, the notice shall indicate what additional information or documentation is required.

4. If pending review, the notice shall provide a revised estimate of when the status of the application will be determined. Contractor must follow-up with a notification when a determination has been made.

5. If added to the waitlist for weatherization and the application is not processed, the notice shall provide the amount of time the application will be kept on file, disclaimer that the applicant is not guaranteed services and how applications are prioritized for services.

7.6 Assurance 16 Activity Guidelines

Assurance 16 program funds shall be used for services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance such as needs assessment, client education and budget counseling, and coordination with utility companies. These funds may not be used to identify, develop, and/or demonstrate leveraging programs.

A. Needs Assessment

Contractor must conduct a needs assessment for each client who submits an application that shall include computing the energy burden of each applicant's household and prioritizing households in accordance with Agency Local Plan in Subpart H.

B. Client Education/Budget Counseling – General Requirements

Contractor shall provide all recipients of energy assistance under this Agreement with applicable energy conservation information and budget counseling in accordance with the Contractor's approved Agency Local Plan in Subpart H. As a minimum Contractor shall include the following:

1. Information regarding the importance of applying for energy assistance prior to falling behind in utility payments and information concerning various utility company budget payment plan(s) and other forms of energy assistance offered within the State.

2. Written information that describes energy-saving behavioral adjustments that will decrease the energy consumption of the household.

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

C. Client Education/Budget Counseling – Weatherization and ECIP EHCS Specific

1. In addition to the above provisions, Contractor shall place in the client's file the Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided with energy conservation, budget counseling, and mold, radon and lead-based paint education.

2. Contractor shall provide the EPA pamphlet, "Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and School."

3. Contractor shall provide to all clients the EPA pamphlet, "A Brief Guide to Mold, Moisture, and Your Home."

4. Contractor shall provide the client with 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.

5. Contractor shall provide the client with an explanation of the effect of each measure in terms of preventing air infiltration or the escape of heated or cooled air from the dwelling and how to maximize the effect of such measures.

6. Contractor shall provide all clients with the EPA pamphlet, "A Citizen's Guide to Radon."

D. Coordination

1. Contractor shall refer all potentially eligible applicants, including HEAP applicants, to the LIHEAP Weatherization Program, ECIP EHCS, CARE/RRP, DOE, or other energy or conservation programs. Contractor shall coordinate its activities with other federal, state, or local energy conservation programs with the goal of conserving energy, improving thermal efficiency, or defraying energy costs of low-income households.

2. Contractor shall provide assistance in coordinating the payment of client's energy/utility bill with the appropriate energy vendor or utility company. Contractor may also perform other coordinative activities with energy vendors/utility companies to provide input relative to the energy assistance needs of California's low-income and a proactive educational concept in serving clients. This includes attending the California Public Utilities Commission's Low-Income Oversight Board Committee meeting.

7.7 Leveraging Activities

A. When ECIP EHCS services are provided contractor shall refer, schedule or recommend a subsequent weatherization assessment, in accordance with the CSD Weatherization Field Guide.

B. Leveraging weatherization funds may be used to install mandatory and/or optional measures in a dwelling in accordance with the CSD Weatherization Field Guide. Client files shall be documented accordingly.

C. If Contractor is leveraging with non-CSD funded programs to meet CSD program requirements, then Contractor shall ensure that any non-CSD leveraged-funded activity performed in conjunction with the Weatherization and/or the ECIP EHCS program, is in conformance with weatherization guidelines. If permitted by the leveraged-funding source, Contractor shall document within the Weatherization and/or ECIP client file the activity performed, date of the activity performed, and the source of the leveraged funds. If the leveraged-funding source prohibits the disclosure of such information, Contractor shall as a minimum make reference to the leveraged activity within the weatherization and/or ECIP client file.

D. Ensure usage of DOE approved priority list and/or audit tools on projects leveraged with DOE.

E. CSD may use information about leveraged activities paid for with funds from leveraged-funding source 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 LIHEAP standards and practices.

7.8 Record-Keeping Responsibilities

A. Contractor shall maintain client intake/needs assessment form(s) for Weatherization, HEAP, and ECIP, 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.

B. Contractor shall ensure that the ECIP Home Energy Supplier Assurance (CSD 416) or approved Contractor's equivalent is completed by each nonregulated utility company, e.g., propane suppliers, wood suppliers, etc., providing services to clients of this Agreement.

C. 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.

D. All Client Files – General Requirements

Contractor shall maintain a separate file for each applicant by either a hard copy or electronic file, or a combination of both. Contractor must ensure that the method selected to maintain files does not impose unreasonable effort in CSD's ability to review any files. These files shall include, the following documentation, when applicable:

1. For Public Agencies only: Statement of Citizenship, Alienage and Immigration Status for Public Benefits, (CSD 600) and supporting documents;

2. Energy Intake Form (CSD 43) or approved Contractor's equivalent. Priority points must be written in the designated space on the Intake form;

3. Utility/energy bill(s) for all sources of energy used by qualified households;

4. Documentation supporting eligibility in accordance with the Eligibility and Verification Guide;

5. Client Education Confirmation of Receipt (CSD 321) or approved Contractor's equivalent that substantiates that the client was provided services in accordance with Assurance 16 requirements; and

6. Client denial or approval letter in accordance with Eligibility and Verification Guide.

7. Client/Customer Consent Form and Authorization (CSD 081) – Only requested when the client is not the account holder of the utility bill.

E. Client Files - ECIP Fast Track, ECIP WPO, HEAP, and WPO

Contractor shall maintain the following documents for each applicant receiving cash assistance services, as applicable:

1. Documentation that substantiates the requested ECIP Fast Track supplemental payment including the total amount due (at the time of intake) to the utility company, reconnection fees, and any other assessed utility fees/surcharges; it shall provide the condition(s) that establishes eligibility for benefits in accordance with ECIP Fast Track Benefit Determination Article 8.3 in subsection C. 3; and

2. Documentation substantiating the portion of rent that is allocated toward energy costs (HEAP and ECIP: Utilities included in rent and WPO only).

F. Client Files - Weatherization and/or ECIP EHCS Specific

Contractor shall maintain the following documents for each applicant receiving weatherization and/or ECIP EHCS services, if applicable:

1. CSD Dwelling Assessment (CSD 540 series) or approved Contractor's equivalent;

2. Combustion Appliance Safety Inspection (CASIF) (CSD 700 or CSD 702 series);

3. Shell Leakage Data Sheet (CSD 704);

4. Duct Test Data Sheet (CSD 706);

5. CSD Weatherization Deferral (CSD 542) and other source documentation supporting deferrals and appeals;

6. Notice of Weatherization/Renovation (CSD 320) or approved Contractor's equivalent;

7. ECIP EHCS Assessment (CSD 57);

8. Record of Tenant Notification Procedures (CSD 322) or approved Contractor's equivalent;

9. Energy Service Agreement for Occupants (CSD 515A) or approved Contractor's equivalent;

10. Energy Service Agreement for Rental Property Owners (CSD 515B) or Contractor's equivalent;

11. Contractor Post-Weatherization Inspection Report (CSD 611);

12. Weatherization Inspection Report (WIR) (CSD 581);

13. Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent;

14. Client confirmation of work completed;

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

15. Required building permits or buildings permit applications, or documentation of permit cost; and documentary evidence of final permit;

16. Copy of lead clearance inspection by a California Certified Inspector/Risk Assessor for applicable pre-1978 HUD units;

17. Waivers from CSD to exceed maximum costs of weatherization measures;

18. Documentation that substantiates all actual labor hours including a time and activity log associated with each job;

19. Documentation of weatherization measures installed and leveraged with other CSD and non-CSD weatherization program funds;

20. Documentation that substantiates the criteria and basis for replacement of gas and electric appliances, including results of required diagnostic tests, and the non-feasibility of mandatory measures not performed or installed;

21. Documentation indicating the manufacturer, manufacture date, make, and model and metering information for all refrigerator replacements;

22. Documentation referring to CSD or non-CSD weatherization;

23. Documentation of HERS inspection report and a copy of the invoice from the HERS rater, in addition to the Residential Compliance Form (CF-1R, CF-4R and CR-6R);

24. Documentation providing evidence that the client receiving disaster-related services was a victim of a natural disaster;

25. All Historic Preservation Online (HPO) review documentation, including copies of the printed Project Description sheet (PDS) and HPO site e-mails;

26. Photographic documentation as required by WIS and CSD Weatherization Field Guide;

27. Building File Report (BFR) and Improvement Analysis Report (IAR) in each client file and retention of electronic audit file;

28. Documentation of attempts to schedule post-weatherization inspection appointments if inspection could not be performed;

29. Lead Safe Weatherization and Lead Renovation, Repair and Painting Compliance Report (CSD 708);

30. Notice of Survey by Electrical (CSD 543);

31. REM Energy Audit Entry Form (CSD 544);

32. Insulation Certificate (CSD 610); and

33. REM/Design Multi-Family Input Sheet (CSD 808).

G. Client Files – Severe Weather Energy Assistance and Transportation Services (SWEATS) Specific

1. Contractor shall maintain the following documents for each applicant receiving services under SWEATS, as applicable:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43; and

   b. Temporary Emergency Portable Appliance Loan Agreement and Waiver (CSD 52).

2. Contractor shall maintain the following documents for each applicant receiving Utility Assistance services under SWEATS:

   a. Severe Weather Energy Assistance and Transportation Services Intake (CSD 51) or Energy Intake Form (CSD 43) or approved Contractor's equivalent to CSD 43;

   b. Documentation of utility/energy bills at the time of intake; and

   c. Documentation that substantiates that the household's economic hardship is a direct result of the disaster.

H. 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.

I. Weatherization and ECIP EHCS Specific

1. Labor and Materials

   a. 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 and ECIP EHCS programs can be substantiated.

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

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

2. Training

Contractors who perform weatherization and ECIP EHCS services are required to input, update, and maintain employee data in the CSD Training Database. The Training Database is located and maintained on the CSD Providers' Website and is a repository for Contractor and their subcontractors to track and monitor employees' completed trainings as they progress through the CSD training curriculum. The Training Database shall also document all training received for each employee and shall include for each training session/course the source/location, type/content, and completion date.

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

b. Contractors shall maintain all training records in the Training Database for trainings provided by third-parties for OSHA 10, OSHA 30, and EPA Renovator certifications as designated by CSD.

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

d. Contractors shall update the Training Database employee information on or before the first day of each subsequent month.

3. Equipment

a. Contractor 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.

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

c. Contractor and subcontractors who keep an inventory of portable appliances for the SWEATS program shall maintain a log documenting the location of all portable appliances on loan and in reserve. The log shall document the retirement or loss of the equipment.

4. Energy Audits

a. Contractor shall maintain electronic records generated from the REM/Design audit software for the 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.

b. Contractor shall make all records generated from the REM/Design 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.

J. Automation

1. Contractor shall use an automated application system capable of supporting LIHEAP's (Weatherization, ECIP EHCS, ECIP WPO, and HEAP WPO) 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 WX Data Transfer Rules layout found at http://providers.csd.ca.gov/ReportingSystems/WXDatabase.aspx. Contractor shall exercise best practice and perform a daily backup of all client data/application systems that capture LIHEAP service detail. Contractor shall assure that adequate files are maintained as required in Article 7.8.

2. Contractor shall also be responsible for monitoring the CORE online reports and for resolving payment issue(s) related to the delivery of

benefits. The Agency Allocations/System Maintenance screen shall display historical and current detail level of program allocation information, summarizing agency's annual program allocation, expenditures, and returned benefits eligible for reissuance, if any. The Variance Report shall display the detail level of benefit information whereby the eligible benefit amount differs from the paid benefit amount. For resolution of partial credit returns, Contractor shall be responsible for following up with the client to resolve payment issue(s) and for providing the State with the necessary information to reissue benefit(s). For full credit returns and warrant redeposits, Contractor shall be responsible for resolving and updating client data in CORE to reissue benefit(s).

3. Utilizing reporting options available within the CORE On-Line System, Contractor shall be responsible for generating HEAP and ECIP (Fast Track) reports to attain data specific to the following: rejected records, intake data, client and payment status, expenditures and current allocation balance, returned benefits, summarized county energy costs and burden, and a year-to-date goal status.

ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 HEAP/WPO Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation and processing timeframes, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

3. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for WPO to determine the client's energy burden.

B. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year. However, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment and/or supplemental program income benefit payment, eligible households may receive ECIP EHCS services and/or other weatherization services.

C. Contractor may establish a maximum benefit for HEAP WPO payments; such maximum shall be consistently applied. ECIP WPO payments cannot exceed $1,000.

D. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

E. Once applicants meet the eligibility and prioritization criteria and funds are available:

1. Contractor shall complete the ECIP/HEAP Payment Request Confirmation (CSD 415) or approved Contractor's equivalent.

2. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

3. CSD will not make payments to clients for WPO assistance.

4. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

F. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

G. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

8.2 Weatherization Activity Guidelines

A. Applicant Eligibility

1. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

2. Income verification must be for one month. For acceptable types of documentation, refer to the current LIHEAP Eligibility and Verification Guide at https://providers.csd.ca.gov.

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

4. 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 client's energy burden.

5. The income certification shall remain in effect for a period of 120 days from the date applicants are deemed eligible for services.

B. Dwelling Eligibility

1. Contractor shall perform the assessment of weatherized dwellings within 120 days of the certification date to receive weatherization assistance services. In the event the Contractor is unable to perform the weatherization dwelling assessment within the 120-day period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility, prior to commencing the delivery of any form of weatherization assistance service including the dwelling assessment.

2. 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.

3. Contractor shall complete weatherization services within six months from the date of the original assessment of a dwelling. In the event the Contractor is unable to perform all weatherization services within the six-month period, Contractor shall obtain updated income verification documentation to recertify the household's income eligibility.

4. Permission to Provide Services

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

   b. If during the course of performing weatherization services in a dwelling, Contractor identifies that significant structural and/or engineering changes may occur, Contractor shall re-obtain written permission of the owner-occupant dwelling from the owner of a rental unit prior to continuing with the scheduled work.

5. Rent Increase Restrictions

   a. 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.

   b. 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.

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

6. Multi-Unit Dwellings

a. In accordance with 10 CFR 440.22(b) (2), Contractor may weatherize the whole building containing rental dwelling units when 66% (50% for duplexes and four-unit buildings) or more of the dwelling units in the building are income eligible:

i. Are eligible dwelling units, or

ii. 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.

b. 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.

c. Contractor shall complete a Multi-Unit Dwelling Unit Eligibility Certification (CSD 75P) or approved Contractor's equivalent for each building and shall maintain a copy in each individual client file.

d. 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.

e. The owner signed a copy of the Energy Service Agreement for Occupant (CSD 515A) or approved Contractor's equivalent or the Service Agreement for Rental Property Owner (CSD 515B) or approved Contractor's equivalent, authorizing the weatherization

work, accepting conditions protecting the interests of tenants, and other provisions required by CSD;

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

7. Previously Weatherized Dwellings

a. Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered re-weatherization.

b. A previously applied measure may be reinstalled during its useful life term, as described on Subpart H Reimbursement Rates for Weatherization and EHCS Activities, due to premature failure or if the measure was destroyed by the prior-occupying household. Justification for the replacement must be documented in the client file.

c. Unoccupied multi-unit dwellings previously weatherized in accordance with this Agreement and which receive appliance repair and/or replacement services upon occupation by an eligible tenant, shall be deemed re-weatherized dwellings.

e. If a dwelling has been previously weatherized under a CSD or another federal or non-federal program, Contractor may provide previously unapplied mandatory and optional measures within the dollar limits of this Agreement. The dwelling and occupant eligibility must be recertified.

f. Services provided in a previously weatherized dwelling to correct a previously installed measure within the warranty period or as a result of a CSD inspection finding is a call-back and is allowable. Demographics for a callback are not included for reporting purposes.

8. Ineligible Dwellings

a. 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.

b. Contractor shall not weatherize any dwelling under this Agreement 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 (CSD 515A) or Service Agreement for Rental Property Owner (CSD 515B).

c. No institutional or commercial building including, but not limited to, universities, schools, nursing homes, hospital, shelters, or group homes, may be weatherized under this Agreement.

C. Minimum Requirements for Weatherization Services

1. Single-family detached and other single-story dwellings that have not been previously weatherized under a CSD program or other program may be weatherized under this Agreement only if:

a. Ceiling Insulation plus two additional Mandatory Measures are installed, or

b. In the event Ceiling Insulation is already installed or otherwise not feasible, at least three Mandatory Measures are installed.

c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

2. Multi-unit dwellings that have not been previously weatherized under a CSD program or other program may qualify for weatherization services only if ceiling insulation plus two additional Mandatory measures are installed or, in the event ceiling insulation is already installed or otherwise not feasible,-at least three Mandatory measures are installed.

a. Installation of ceiling insulation shall be counted as a ceiling insulation measure for each unit within that building envelope.

b. Installation of a common water heater shall qualify as a Mandatory measure for each unit served by the same water heater.

c. Contractor may substitute Optional Measures that have a savings-to-investment ratio (SIR) greater than 1 when the required number of mandatory weatherization measures are not feasible to install.

3. If the required minimum number of weatherization measures cannot be installed due to the deferral of measures, then the entire unit shall be deferred in accordance with the CSD Weatherization Field Guide.

4. The minimum number of weatherization measures may be leveraged with other weatherization programs. All leveraged measures used to fulfill the minimum number of required weatherization measures shall meet CSD installation standards.

5. Contractor may complete weatherization services on agriculture housing units or multi-family units if each unit is separately metered and the services will result in a cost savings to the tenant.

D. Dwelling Assessments

1. Contractor shall assess the dwelling of each eligible applicant to determine if the unit is structurally sound and not in need of extensive repairs.

2. Contractor shall determine whether the dwelling meets the criteria for a Historic Preservation Review pursuant to subparagraph 6. b.

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. In addition, Assessors must complete all required online based training courses to include: Environmental Hazard, Lead Safe Weatherization, and Worksite Safety.

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.

5. 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.

6. Dwelling Assessment Performance

a. Dwelling assessments shall include the following required activities:

i. 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 Agreement.

Assessor shall disclose all noted safety and structural hazard conditions to the property owner and tenant, where applicable.

ii. 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.

iii. 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.

b. Historic Preservation Review of Dwellings

i. To ensure compliance with Section 106 of the National Historic Preservation Act (16 U.S.C. 470), 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 LIHEAP on dwellings that are 45 years or older. For purposes of this Agreement, the historic review shall be known as the Historic Preservation Review.

ii. 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.

iii. When a dwelling assessment is performed and the dwelling is determined to meet any of the criteria specified in subparagraph ii, Contractor shall initiate the Historic Preservation Review process as specified in CSD Historic Preservation Review Policy incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

c. Combustion Appliance Safety (CAS) Tests

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

ii. 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, infiltration reduction measures may not be installed until the hazard has been corrected; however, Contractor may install non-infiltration reduction measures.

d. 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.

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

ii. 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.

7. Contractor shall ensure the health and safety of weatherization personnel in carrying out activities funded under this Agreement. In the event the weatherization of a dwelling threatens the general health and safety of weatherization 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.

E. Diagnostic Testing

1. Contractor shall perform the shell leakage diagnostic testing only for shell sealing purposes on a minimum of 20% of the total SFD (one to four units) including mobile homes, and a minimum of 5% of MUD (five or more units) weatherized under this Agreement. Shell leakage diagnostic

testing shall be proportionate to the number of completed units for each quarterly period.

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.

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

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.

5. If an unvented space heater is being utilized, infiltration reduction measures shall not be applied unless venting is installed or the unit is replaced.

F. Health and Safety Measures

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.

2. Contractor is authorized to mitigate health and safety hazards in accordance with the CSD Weatherization Field Guide. In addition to all provisions in this Agreement regarding Health and Safety Measures, Contractor must adhere to the Health and Safety Appliance Replacement Policy, to seek reimbursement for replacing specified appliances. The Health and Safety Appliance Replacement Policy is hereby incorporated by reference to this Agreement and available on the CSD Providers' website at https://providers.csd.ca.gov.

3. Health and Safety Measures and Mandatory Insulation Measures must be installed in priority order. Other Mandatory Measures must be installed before optional measures, and no measure shall be excluded, unless the:

   a. Shell leakage and/or pressurized duct diagnostic test indicates that installation of the measure is not necessary;

   b. Dwelling already has that measure in place;

   c. Measure cannot be properly installed;

d. Client refuses installation (client refusal is to be documented and placed in file);

e. Maximum dollar limit is reached; or

f. Measure is not needed or required.

4. After Health and Safety Measures have been addressed, Insulation Measures, if feasible, must be installed prior to the installation of any other Mandatory and Optional Measures. Non-Mandatory Measures including Infiltration Reduction, General Heat Waste, and Electric Base Load Measures need not be installed in priority order.

5. If a health and safety hazard is found to exist that requires replacing or repairing a combustion appliance, the cost of which will preclude the installation of the required number of Mandatory Measures for a unit to be weatherized, the dwelling may qualify for weatherization under the following conditions:

   a. The combustion appliance is repaired or replaced; and

   b. All remaining feasible Mandatory Measures are installed up to the maximum dollar limit.

6. If the dollar limit has not been reached in installing feasible Mandatory measures, Contractor may install optional measures.

7. Health and Safety Measures

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

      i. A 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.

      ii. 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.

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

i. 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.

ii. All such appliance replacements are further subject to the Health and Safety Appliance Replacement Policy.

iii. For those conditions where a true crisis exists and the heating and/or cooling needs cannot be remedied by the installation of a permanent repair or new appliance installation, Contractor shall provide such dwellings with temporary portable devices to support the means of providing adequate cooling and/or heating to occupants of the residence to alleviate the crisis situation and to meet basic heating/cooling needs.

(a) Occupant shall be advised of the higher energy consumption associated with portable heating/cooling devices.

(b) Occupant shall certify that all of the manufacturer's safety instructions will be abided by.

(c) Contractor shall make all attempts to purchase Energy Star-rated portable devices if available.

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

c. Prior to the performance of any heating/cooling appliance service, a qualified technician must perform a diagnostic inspection of the primary heating/cooling appliance to assess operational performance. If the inspection discloses a problem related to the appliance's operational performance Contractor shall proceed in accordance with the CSD Weatherization Field Guide.

d. 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.

e. 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.

f. 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.

G. Energy Audit Requirements

1. If all feasible measures classified under Health and Safety, Infiltration Reduction and other Mandatory Measures have been assessed, Contractor may assess additional measures utilizing the Energy Audit Requirements by conducting a REM/Design or Targeted Retrofit Energy Analysis Tool (TREAT) audit in accordance with CSD Single-Family/Small Multi-Family Energy Audit Protocol, CSD Multi-Family Energy Audit Protocol.

2. Energy audits shall be conducted as specified in the *CSD Single-Family/Small Multi-Family Energy Audit Protocol (CSD Weatherization Field Guide, Appendix D and Appendix F)* incorporated by reference to this Agreement and available on the CSD Providers' website at http://providers.csd.ca.gov.

a. REM/Design energy audit tool may be applied to single-family dwellings, mobile homes, and multi-unit dwellings containing 24 or fewer dwelling units where each unit is independently heated and cooled and has its own domestic hot water heater.

b. Targeted Retrofit Energy Analysis Tool (TREAT) may be applied to all multi-unit dwellings except for those multi-unit dwellings that are qualified to use REM/Design.

H. 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.

8.3 Energy Crisis Intervention Program (ECIP) Services Activity Guidelines

A. Purpose of ECIP Funds

ECIP funds may only be used to resolve emergencies that fit the federal definition

[42 U.S.C. § 8622(1)], including:

1. A natural disaster (whether or not officially declared),

2. A significant home energy supply shortage or disruption,

3. An official declaration of a significant increase in:

   a. Home energy costs,

   b. Home energy disconnections,

   c. Enrollment in public benefit programs, or

   d. Unemployment and layoffs, or

4. An official emergency declaration by the Secretary of Health and Human Services.

5. In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

B. Capacity and Responsibility to Provide Emergency Assistance

1. In accordance with federal and state law, Contractor must be qualified and capable of carrying out an energy crisis intervention program that provides timely and effective emergency assistance, not later than the timeframes stated in 42 USC 8622(c), that resolves the energy crisis. Contractor must meet minimum program requirements for timing and ensuring accessibility to eligible applicants as further defined at 42 USC § 8623(c).

   Once applicants meet the eligibility and prioritization criteria and funds are available, Contractor shall:

   a. Within 48 hours after a household applies and is determined to be eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO payment that will resolve the energy crisis.

   b. Within 18 hours after a household applies and is determined to be

eligible for ECIP, provide assistance in the form of a payment guarantee to the appropriate gas or electric vendor or a WPO that will resolve the energy crisis if such household is in a life-threatening situation.

2. Contractor agrees to provide all reasonable information requested by CSD during the term of this Agreement in order to enable CSD to assess the adequacy of Contractor's current energy crisis intervention program and Contractor's ability to implement the program.

3. Federal and state law permit the allowability of costs to the ECIP only where the costs are used to provide emergency assistance in an energy crisis. In addition to all other provisions in this Agreement permitting, restricting, or otherwise relating to ECIP costs, such costs are allowable only upon adequate demonstration by the Contractor that the related activities meet the definition of "emergency" as specified in federal law and this Agreement.

C. ECIP Fast Track and WPO

1. ECIP Fast Track and WPO Services shall be provided in accordance with the Agency Local Plan in Subpart H.

2. Applicant Eligibility

a. Assistance shall be available only to households with incomes that do not exceed an amount equal to 60% of the State median income.

b. Income verification must be for one month and current within six weeks of the application intake date or an annual award letter. For acceptable types of documentation, refer to the LIHEAP Eligibility and Verification Guide. Contractor shall maintain appropriate documents in each applicant's file.

c. Contractor shall collect copies of all of the household's energy utility bills for the current month, and if applicable, receipt(s) for (WPO) to determine the client's energy burden.

d. Conditions for ECIP services must meet the criteria for an emergency as defined in 42 USC §8622 (1), ECIP Policy and Procedures and Subpart F, DEFINITIONS.

e. ECIP Fast Track Utility Assistance

i. The applicant must receive energy services and be billed directly by one of the following energy providers: a utility company (-ies) and/or a mobile home park that owns its own power source(s) or a submetering billing service with the statutory authority to shut off utility services.

ii. For purposes of the present paragraph C, an emergency energy-related crisis does not exist if the cost of energy is included in the applicant's rent, and Contractor may not make ECIP Fast Track payment(s).

f. In addition to the applicant eligibility criteria listed above, services for ECIP Fast Track and ECIP WPO may not be provided unless at least one of the following criteria pursuant to Government Code §16367.5 (e) pertains and is documented or certified by Contractor:

i. Proof of utility shutoff notice;

ii. Proof of energy termination;

iii. Insufficient funds to establish a new energy account;

iv. Insufficient funds to pay a delinquent utility bill; or

v. Insufficient funds to pay for essential firewood, oil, or propane.

3. ECIP Fast Track Benefit Determination

ECIP Fast Track benefits shall be determined using the base benefit amount and, when applicable, an agency-determined supplemental benefit amount. Contractors shall issue ECIP Fast Track benefits in accordance with the following:

a. Contractor shall ensure that the total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) is limited to and does not exceed the total amount due (at the time of intake) to the utility company for energy charges, reconnection fees, and other assessed utility fees/surcharges in order to alleviate the crisis situation.

b. When only issuing the base benefit amount (no supplemental payment), Contractor may exceed the total amount due to the utility company in energy charges, reconnection fees, delinquent utility bill establishing arrearages and/or past due balances, and

other assessed utility fees/surcharges to alleviate the crisis situation.

c. Contractor shall ensure that the maximum total ECIP Fast Track benefit amount (Base benefit amount plus supplemental benefit amount) does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP Fast Track payment, the total payment cannot exceed $1,000.

d. Contractor shall provide full justification for benefits paid by documenting the client file(s) to include the amount of charges and verification by the utility company.

e. Contractor shall review, check for duplicates, and approve applications in accordance with Contractor's approved Agency Local Plan in Subpart H and the current LIHEAP Eligibility and Verification Guide.

4. ECIP Fast Track/WPO Payment Guidelines

a. Eligible households may receive only one ECIP Fast Track/WPO, or HEAP/WPO payment per program year; however, Contractor can use program income to provide a supplemental ECIP Fast Track/WPO or HEAP/WPO for clients experiencing an extenuating circumstance. In addition to receiving one ECIP (Fast Track/WPO) or HEAP/WPO payment, eligible households may receive ECIP EHCS services and/or other weatherization services, if needed.

b. Contractor shall ensure that the maximum total ECIP WPO benefit does not exceed $1,000. If Contractor uses program income to provide a supplemental ECIP WPO payment, the total payment cannot exceed $1,000.

c. Contractor must exercise due care to ensure that duplication of ECIP Fast Track/WPO or HEAP/WPO payments does not occur at any time during the term of this Agreement.

d. When a HEAP payment or ECIP Fast Track payment has been made directly to an energy vendor, notification of payment(s) shall be shown as a credit on the utility bill(s).

5. ECIP WPO Payment Guidelines Specific

a. Contractor shall complete the ECIP/HEAP Payment Request

Confirmation (CSD 415) or approved Contractor's equivalent.

b. Contractor shall make payments directly to energy vendors on behalf of clients whose energy sources are wood, propane, or oil.

c. CSD will not make payments to clients for WPO assistance.

d. Before paying energy vendors, Contractor shall verify that charges for the services and goods provided are reasonable and within fair market value.

e. Contractor shall notify the applicant of the recipient household, in writing, when payments are made directly to an energy vendor for wood, propane, or oil on their behalf.

f. Contractor shall forward payments for WPO on behalf of applicants to corresponding energy vendor within 60 calendar days from the date obligation was incurred, unless a formal agreement, approved by CSD, between Contractor and vendor provides for other terms.

D. ECIP Emergency Heating and Cooling Services (EHCS)

1. Applicant Eligibility

Eligibility of the applicant shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

2. Dwelling Eligibility

Eligibility of the dwelling shall meet all requirements for eligibility as described in the Weatherization Activity Guidelines specified in Article 8.2.

3. Dwelling Assessments

a. Assessment of the dwelling shall meet all requirements as described in the Weatherization Activity Guidelines specified in Article 8.2.

b. Work crews of Contractor who are only performing heating and cooling services shall not be required to perform the entire CAS test and may limit the testing to only the heating and cooling appliances to be repaired or replaced.

4. Allowable Services

ECIP EHCS may be used for the repair, replacement, and new installation of heating/cooling and water heating appliances identified in the ECIP Policy and Procedures and must meet the following criteria:

a. The applicant is income eligible and submits the required documentation to complete the eligibility of the dwelling;

b. The applicant has insufficient funds to pay the cost of repairing or replacing an eligible heating or cooling appliance or for a new heating or cooling appliance;

c. The appliance condition meets one of the appliance repair/replacement criteria as defined in the ECIP Policies and Procedures; and

d. The services to mitigate and completely resolve the emergency and satisfy the relevant emergency assistance meet the timeframes as defined in the ECIP Policies and Procedures.

E. Natural Disasters

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.

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

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.

8.4 Severe Weather Energy Assistance and Transportation Services (SWEATS) Activity Guidelines

A. The Severe Weather Energy Assistance and Transportation Services (SWEATS) Policy was developed by CSD to facilitate the delivery of allowable LIHEAP services, including utility assistance and weatherization, during a bona fide emergency. The policy includes guidelines and other criteria which, if followed, will authorize the Contractor to expend LIHEAP funds to respond to eligible beneficiaries impacted by the emergency. The SWEATS Policy is incorporated

by reference to this Agreement and is available on the CSD Providers' website at https://providers.csd.ca.gov.

B. The activation of SWEATS services is at CSD's sole discretion and will be time-limited according to CSD's official notification. In the event a bona fide emergency occurs during CSD non-business hours, Contractor at its discretion may elect to activate the terms and conditions of SWEATS. The local activation of SWEATS will remain in effect until CSD's next official business day.

C. Eligible households may receive the following SWEATS emergency services:

1. Utility Assistance

2. Temporary Shelter, Coats, and Blankets

3. Transportation Services

4. Portable Heating and Cooling Appliances and Generators

D. For Applicant Eligibility, Service Provisions, Reimbursements, Reporting, and Record-keeping requirements, refer to the SWEATS Policy.

8.5 Quality Assurance

A. Certification

Contractor, or its designee, shall establish a comprehensive, detailed, and fully documented Quality Control procedure to assess the quality and completeness of Weatherization and ECIP EHCS work performed under this Agreement. Such assurance will be documented on the CSD Dwelling Assessment Form (CSD 540) or approved Contractor's equivalent and shall be signed and dated by a certifying agency representative.

B. Post-Weatherization Inspections

1. Contractor shall perform Post-Weatherization Inspections on 100% of the total weatherized dwellings under this Agreement. Weatherization jobs where measures installed are limited to lightbulbs, water measures and alarms are exempt from receiving a post-inspection.

2. If Contractor is unable to perform a post-inspection, Contractor must demonstrate that a reasonable attempt was made to schedule or perform the post-inspection. Attempts must be fully documented on the CSD Post-Weatherization Inspection (CSD 611) and maintained in the client file. The following shall constitute a reasonable effort:

a. One phone call attempt plus one correspondence to client stating an attempt was made to inspect and offering client to reschedule; or

b. One missed appointment or a client refusal plus one correspondence stating an attempt was made to inspect and offering client to reschedule.

3. 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. At a minimum, the post-inspection shall:

a. Review the CSD Dwelling Assessment Form (CSD 540) to ensure that all feasible weatherization measures identified during the assessment were installed.

b. In the event weatherization crews identified and performed additional weatherization measure installations that are not disclosed during the dwelling assessment, then the Inspector shall ensure that these measures conform to CSD weatherization guidelines and are notated on the CSD Dwelling Assessment Form (CSD 540).

c. Verify that all measures were completely installed in accordance with said terms and conditions of this Agreement.

d. 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 Agreement.

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

f. 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; and

g. 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.

4. Contractor shall ensure that Post-Weatherization Inspections are performed by trained staff successfully completing all required training as specified in Article 9.1., Training Requirements.

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 Agreement.

6. An assessment and post-inspection shall not be performed by the same staff member within the same dwelling. Exemptions to this requirement may be granted for agencies where it is economically challenging and/or operationally impractical to achieve the desired job separation between weatherization field staff. In order to receive an exemption, Contractor must submit a written request to CSD for review and approval. Upon approval, Contractor may have the same staff perform unit dwelling assessment and post-inspection activities and may be subject to an increased percentage of Third-Party Inspections.

7. The Quality Assurance Inspector 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.

C. Third-Party Inspections

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

2. Unless Contractor assumes the task of arranging third-party inspection visits with the selected weatherization clients, Contractor shall provide the use of a telephone to the inspector.

3. 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.

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

5. Contractor must remedy all Hazardous Conditions resulting from weatherization measure installation. The immediate hazard shall be

eliminated within 24 hours, and hazardous conditions shall be completely resolved within five working days of written notification. The time period may be extended for circumstances beyond the Contractor's control; however, the time extension must be approved in writing by CSD prior to the expiration of the five working day period.

D. Noncompliance

1. Contractor shall be subject to the withholding of any or all reimbursements for failure to completely resolve a Hazardous Condition within five working days or within the modified completion date for units receiving a time period extension. 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.

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.

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.

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:

   a. Contractor has a history of unsatisfactory performance.

   b. Identification of one or more Hazardous Conditions in dwellings weatherized by Contractor.

c. Failure to remedy an identified Hazardous Condition in a timely manner (elimination of immediate hazard within 24 hours and complete resolution correction within five working days of written notification).

d. Substantial number of Nonhazardous Conditions and/or identified trends or patterns of nonconformance to installation criteria.

ARTICLE 9 – TRAINING, LICENSING AND CERTIFICATIONS

9.1 Training Requirements

A. All training, as indicated by employee classification in the Training Matrix located in Subpart H shall be provided through a CSD-approved training mechanism utilizing CSD-approved training curricula. In-house training shall no longer be an acceptable form of training to meet any CSD training requirements for weatherization services with the exception of EPA or HUD-approved Lead-Safe Weatherization Training or unless otherwise noted. Training coursework must be successfully completed according to the terms of each course. Certificates of completion shall be issued by the CSD-approved training entity upon successful completion of each course, unless where otherwise noted below.

B. Training Provisions for Staff of Contractor and Subcontractors:

1. For the purposes of this section, subcontractors must have prior experience providing basic weatherization services pursuant to a CSD program. Subcontractors who do not have prior basic weatherization experience pursuant to a CSD program must follow the training provisions in Article 9.1 subsection D.

2. Within 30 days of employment, weatherization employees of Contractor and subcontractors shall receive Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training. An Assessor, Energy Auditor, Worker, Supervisor, or Inspector shall not be allowed to enter, assess, conduct an audit on, weatherize, or inspect a dwelling unit until the required Worksite Safety, Environmental Hazards Awareness and Lead-Safe Weatherization Training has been completed.

3. Within 90 days of employment, all weatherization employees of Contractor and subcontractors shall receive Basic Weatherization Training.

C. Training Provisions Based Upon Job Duties:

1. When job duties included duct leakage and shell leakage diagnostics, weatherization employees of Contractor and subcontractors shall receive Duct Leakage/Shell Leakage Diagnostic Training. No employee of Contractor and subcontractor shall perform diagnostic testing without having completed the required training.

a. Subsequent to successful completion of the Duct Leakage/Shell Leakage Diagnostic Training, Contractor and subcontractor employees are required to participate in a monitored field practice

under the supervision of a third-party inspector and/or training provider to further evaluate employee knowledge and skill in this area of diagnostic testing.

b. Contractor and subcontract employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

2. When job duties include Combustion Appliance Safety, weatherization employees of Contractor and subcontractors shall receive Combustion Appliance Safety Training. No employee of Contractor and subcontractors shall perform combustion appliance safety checks without having completed the required CSD-approved training.

a. Subsequent to successful completion of Combustion Appliance Safety Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Combustion Appliance Testing.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

3. When job duties include performing Assessments and/or Field Supervision, weatherization employees of Contractor and subcontractors who perform Assessments and/or Field Supervision shall receive Field Assessment and Field Supervision Training. No employee of Contractor and subcontractors shall perform assessments or supervision without having completed the required training. Certificates of Completion shall be issued following successful completion of the second phase ("field portion") of the training.

a. Subsequent to successful completion of Field Assessment and/ or Field Supervision Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in performing Assessments and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

4. Weatherization employees of Contractor and subcontractors who perform Quality Assurance Inspections and/or Field Supervision shall receive Quality Assurance/Inspector Training. No employee of Contractor and subcontractor shall perform inspections without having completed the required training.

a. Subsequent to successful completion of Quality Assurance/Inspector Training, Contractor and subcontractor employees are required to participate in a monitored field practice under the supervision of a third-party inspector and/or training provider to further evaluate employee skill and knowledge in Quality Assurance Inspections and/or Field Supervision.

b. Contractor and subcontractor employees failing to demonstrate appropriate knowledge and skills in this competency will be required to complete additional training to enhance deficient skill and knowledge and will be prohibited from performing this activity until the completion of required training.

D. Subcontractors who have never provided basic weatherization services pursuant to a CSD program are required to have all staff complete the entire required course of training, relative to their job classification, as detailed in the Training Matrix located in Subpart H, prior to commencing unit production work.

E. Training and technical assistance funds may also be used to train Contractor's subcontractors participating in the program and excludes on-the-job training. In making the determination to pay for subcontractor training, Contractor should secure a retention agreement in exchange for the training. The subcontract agreement should stipulate that the subcontractors will work in the program, for a minimum of 12 months. The training costs are limited to travel, admission and materials.

F. Training Provisions for Staff of Subcontractors Who Provide Specialty Services

All field employees of subcontractors who perform HVAC work for a Contractor are strongly encouraged to receive the required CSD-approved training. If the subcontractor does not receive the training, it shall be the responsibility of the Contractor to perform all pre-and post-combustion appliance safety diagnostic testing for all HVAC services performed by subcontractors.

G. For weatherization services performed on HUD units, all work crews of Contractor and subcontractors who perform basic weatherization or specialty services are required to be trained in HUD-approved Lead-Safe Weatherization, although certification is not required. No employee of Contractor and subcontractors shall perform work in a pre-1978 HUD dwelling until the required training has been received. Although a crew supervisor can be certified as a HUD Lead Abatement Supervisor or Worker, it is not a substitute for the requirement of trained work crews.

H. EPA Lead Renovator training is required per the EPA for all Contractors and subcontractors performing work on pre-1978 homes, where the work could potentially disturb lead-based paint.

For weatherization services performed on pre-1978 units, all work crews of Contractor and subcontractors who provide basic weatherization or specialty services are required to be trained in EPA-approved Lead Renovator practices, and firm certification is required. No employee of Contractor and/or subcontractors shall perform such work on a pre-1978 dwelling until the required training has been received.

I. Contractor shall maintain and make available for reference to Contractor's employees and subcontractors who perform weatherization and ECIP EHCS services the following:

1. Current CSD Weatherization Installation Standards;

2. CSD Weatherization Program Policies;

3. Other applicable policies and procedures; and

4. Official State and Federal Program Notices.

J. OSHA-10 is required for all crews, and OSHA-30 is required for all agency supervisors who are regularly on-site and monitor for field safety.

9.2 Contractor Licensing

Contractors, unless otherwise exempt or their subcontractors performing basic weatherization services under this Agreement shall comply with the following licensing requirements:

A. Possess and maintain an active Class "B" General Building Contractor license, issued by the Contractors' State License Board (CSLB) in the name of the agency/qualifying individual;

B. Fulfill the requirements of, and receive certification pursuant to the Toxic Substances Control Act (TSCA), Section 402;

C. Contractor is responsible for ensuring that all subcontractors have an active licensing and are in good standing for the duration of the subcontract agreement; and

D. Contractor shall immediately notify CSD when any changes in licensing occur.

9.3 Special Licensing - Weatherization

A. Special licensing may also 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.

B. Specialty subcontractors must possess all applicable licenses as required by the CSLB to carry out installation and/or repairs.

C. Contractor is responsible for ensuring that all subcontractors have an active license and are in good standing for the duration of the subcontract agreement.

9.4 Environmental Protection Agency (EPA) Certifications

A. All Contractors shall be certified as an EPA Certified Firm in accordance with EPA's Regulation on Residential Property Renovations requirements (40 CFR 745). Contractors who subcontract all of their weatherization and ECIP EHCS services are exempt from being certified as a firm.

B. Contractors shall have at least one certified renovator on staff that is trained by EPA-approved training providers. Contractors who subcontract all of their weatherization and ECIP EHCS services shall have at least one EPA Certified Renovator on staff for subcontractor oversight purposes.

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

D. Any Contractor or subcontractor (basic and specialty, if applicable) without an EPA Certified Firm certificate on file with CSD will not be allowed to work in the Renovator capacity on pre-1978 buildings.

E. Any EPA Certified Renovator for a Contractor and subcontractor (basic and specialty, if applicable) without certifications on file with CSD will not be allowed to work in the capacity of a Renovator on pre-1978 buildings.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART D – COMPLIANCE REQUIREMENTS

ARTICLE 10 – COMPLIANCE POLICIES AND PROCEDURES

10.1 Right to Monitor, Audit, and Investigate

A. 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 Agreement through on-site visits, audits, and any other appropriate means CSD deems necessary.

B. 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 Agreement 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.

C. Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance with Public Law 97-35, as amended.

D. All agreements entered into by Contractor with audit firms for purposes of conducting independent audits under this Agreement shall contain a clause 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

A. Auditing Standards

1. *Applicability of new OMB "Super Circular" audit provisions.* The standards set forth in this Article (Auditing Standards and Reports) reflect the updated audit requirements as set forth in 45 CFR Part 75Subpart F – Audit Requirements).

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 Agreement by reference in Part II, Subpart

H. The Supplemental Audit Guide may be accessed at http://providers.csd.ca.gov.

B. Audit Reports

1. Funds provided under this Agreement shall be included in an audit conducted in accordance with the provisions of 45 CFR Part 75 Subpart F – Audit Requirements, standards promulgated by the American Institute of Certified Public Accountants (AICPA), and those standards included in "Government Auditing Standards, December 2011 Revision, as amended."

2. *Organizations below audit threshold.* Contractors falling below the federal funding threshold that mandates a single agency-wide audit may be subject to an audit and/or other fiscal- or program-specific review conducted by CSD or its agents, upon 30-day written notice.

3. The financial and compliance audit report shall contain the following supplementary financial information: a combined statement of revenue and expenditures for each contract that presents, by budget line item, revenue and expenditures for the audit period and a description of the methodology used to allocate and claim indirect costs and any administrative cost pools.

C. *Submission of Audit Reports.* Contractor shall submit to CSD one printed copy and 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.

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

Electronic copy:
audits@csd.ca.gov.

Printed copy:
Department of Community Services and Development
Attention: Audit Services Unit
2389 Gateway Oaks Drive, Suite 100
Sacramento, CA 95833

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Mailing Address:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
P.O. Box 942850
Sacramento, CA 94250-5874

Street Address for Fed Ex:

State Controller's Office
Division of Audits
Financial Audits Bureau/Single Audits Unit
3301 C Street, Suite 700
Sacramento, CA 95816

E. If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Agreement, CSD may impose additional conditions, as described in §200.207. 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 45 CFR§75.371 - §75.380 *Remedies for Noncompliance*:

1. Temporarily withhold cash payments pending correction of the deficiency by Contractor or more severe enforcement action by the Federal awarding agency;

2. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance;

3. Wholly or partly suspend or terminate the Federal award;

4. Recommending that suspension or debarment proceedings (as authorized under 2 CFR Part 180) be initiated by the Federal awarding agency;

5. Withhold further federal awards; or

6. Take other remedies that may be legally available.

F. Collection of Disallowed Costs

1. In the event, questioned costs are identified in Contractor's single audit report or in the report of other audit conducted by, or on behalf of, CSD in connection with the implementation of this Agreement, Contractor shall comply with any demand for repayment made, as specified in the Audit

Transmittal Report (TR) or other audit repayment demand document.

2. Contractor shall have no less than 30 days from the date of the TR or comparable document 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.

3. If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs as provided in subparagraph 2, CSD shall, after consideration of Contractor's submission, issue a TR requesting payment of disallowed costs, if any are determined to be owing, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 days from the date of the TR to tender payment or a repayment plan acceptable to CSD. In the alternative, Contractor may request a hearing in accordance with Article 10.4, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

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

10.3 Compliance Monitoring

A. As the recipient of federal LIHEAP block grant funds under this Agreement, Contractor must substantiate that all costs claimed pursuant to this Agreement 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.

B. As the administrator of the LIHEAP block grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHEAP law, and for allowable and allocable costs under the applicable rules of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).

C. CSD is required to conduct on-site and follow-up monitoring of Contractor to ensure that Contractor meets the Production and Expenditure Plan, administrative standards, financial management requirements, and other requirements of the federal and State LIHEAP program.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

D. CSD shall provide Contractor reasonable advance notice in writing of on-site monitoring reviews of Contractor's program or fiscal performance.

E. In accordance with Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), Contractor shall cooperate with CSD program and audit staff and other representatives and provide access to all programs, records, documents, resources, personnel, inventory, and other things reasonably related to the administration and implementation of the services and activities funded directly or indirectly by this Agreement. 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 effect 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:

1. Upon request, provide a list of clients, jobs or properties to or for which LIHEAP 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."

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., subsection B., access 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 Agreement, or applicable federal and/or State LIHEAP program guidelines.

3. For purposes of this paragraph E:

   a. "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.

   b. 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.

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 LIHEAP 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.

5. In the event Contractor is unable to comply with the provisions of subparagraphs 1. or 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 agreement 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:

   a. Contractor has not submitted duplicate billings to both LIHEAP and Associated Program.

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

F. In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Agreement, CSD shall provide the observations, recommendations, or findings and request for a corrective action plan to Contractor in writing. Contractor shall submit to CSD a specific action plan for correcting the noncompliance.

G. Collection of Disallowed Costs

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.

2. *Time for response.* Contractor shall have no less than 30 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.

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 2, CSD shall, after

consideration of Contractor's submission, accordingly issue a revised Notice of Disallowed Costs, if any, no later than 30 days after receipt of Contractor's information or documentation. Contractor shall have 15 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, paragraph D, subparagraph 5 of this Agreement, for CSD's final determination of disallowed costs.

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

A. General

The authority for CSD Enforcement Actions, as defined in paragraph B, for cost disallowances/ recovery of misused funds, and for de-designation of eligible entity status (collectively "Enforcement Process") is found in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75), and in state regulations, with particular reference to 22 CCR 100875. In order to facilitate compliance with the cited authorities, the parties to this Agreement agree that: 1) the present article 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. Accordingly, the parties hereto agree as follows:

B. Enforcement Action, "High Risk" – Determination and Notice

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 Agreement is seriously compromised, or if CSD determines that Contractor has not complied with the requirements of this Agreement and that Contractor's noncompliance constitutes a material breach of the Agreement, 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.

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 must be taken and completed.

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

   a. constitutes fraud or gross negligence by Contractor or its agent(s);

   b. is likely to result in significant waste and/or abuse of federal funds;

   c. 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;

   d. violates or otherwise disregards significant program guidance and other requirements of the Federal Government, whether issued directly or through CSD;

   e. may have serious adverse effects and consequences on the Contractor's customers, employees, subcontractors, creditors, suppliers, vendors, or other stakeholders; OR

   f. may otherwise significantly and adversely affect the viability, effectiveness, or integrity of the program.

C. Special Conditions and Sanctions

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 B, above.

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:

   a. The nature of the Special Condition(s) and/or Sanction(s) being imposed;

   b. The reason(s) for imposing Special Condition(s) and/or Sanction(s); and

c. The corrective actions that must be taken and the time allowed for completing them before CSD removes the Special Condition(s) and/or Sanction(s).

3. Special Conditions may include, but are not limited to:

a. obtaining training and/or technical assistance;

b. the imposition of special or additional reporting requirements;

c. special or conditional cost reimbursement requirements and procedures;

d. the provision of documentation by Contractor; and/or

e. the requirement to amend or modify systems, procedures, and/or policies;

4. Sanctions may include, but are not limited to:

a. the suspension of advances and/or reimbursements; and/ or

b. the issuance of stop work orders.

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:

a. substantial sums to be paid to Contractor have been or will be used in violation of law or the provisions of this Agreement, or

b. the associated costs are otherwise very likely to be disallowed; and

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

6. Review of Special Conditions and/or Sanctions.

a. if Contractor elects to contest the action to impose Special Conditions and/or Sanctions, Contractor shall have five working days following receipt of Notice of Enforcement Action in which to show cause, in writing, why the Special Conditions or Sanctions should not be enforced;

b. CSD shall have five working days following receipt of Contractor's response to accept or reject Contractor's objection and to state in writing the consequences of the decision and Contractor's obligations going forward, if any.

c. Contractor may, within five working 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.

d. 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.

e. 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.

f. Special conditions and sanctions shall remain in effect until the hearing procedure is completed, provided, with respect to sanctions, CSD reasonably determines that subparagraph 5. c. applies.

D. Cost Disallowance

1. If Contractor's non-compliance with the terms of this Agreement 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.

2. The Statement of Questioned Costs shall include:

a. a description of the costs questioned and the specified amount by type or category of costs;

b. the reason the costs are questioned and the information and/ or documentation required to justify payment of the costs; and

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

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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 C. 4. or, if feasible, issue a Notice of Disallowed Costs.

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:

   a. the amount of disallowed costs to be repaid, if any; and

   b. the date by which repayment must be made or, in the alternative,

   c. the date by which Contractor must submit a proposed repayment plan for consideration by CSD.

5. Before the expiry of five working 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 C. 6. d. of this section, in a combined proceeding.

6. If Contractor fails to request a hearing to adjudicate cost disallowance, as provided in subparagraph 5, the Notice of Disallowed Costs shall be deemed final and Contractor shall comply with the provisions of the present Paragraph D.

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:

a. federal requirements or conditions applicable to the grant(s) under which the disallowed costs were funded;

b. 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;

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

d. Contractor's financial condition and ability to pay.

E. 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.

F. In the event Contractor's non-compliance with the terms and conditions of this Agreement 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.

G. Lien rights

The State retains lien rights on all funds advanced.

10.5 Expenditure and Production Performance Requirements

A. Service Delivery and Expenditure of Funds

1. Contractor shall, in accordance with Government Code §16367.5, be afforded maximum flexibility and control, within the parameters of federal and state law, in the planning, administration, and delivery of LIHEAP services. Regardless of the modalities and techniques utilized, Contractor is obligated: a) to ensure that the maximum numbers of persons are served, consistent with the effective and efficient service delivery, with

program requirements and with applicable law; and b) to fully expend program funds within the contract term.

2. A substantial failure to expend funds and provide services to readily available qualified applicants, except for compelling reasons beyond Contractor's control, 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 Agreement." 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 future funding to other performing service providers.

B. Consequences of Failure to Expend Grant Allocation

1. If Contractor fails to expend at least 97% of its grant allocation, to include Direct Services and Utility Assistance allocations, by the end of the contract term, then CSD may give Contractor notice of its intent to reduce Contractor's grant allocation in the following contract year.

2. In recognition of the fact that service providers sometimes face adverse circumstances, making satisfactory expenditure of the grant allocation problematical, CSD will consider Contractor's cooperation in the reallocation of funds during the contract term, together with Contractor's demonstrated ability to resume effective contract implementation, to be indicators that Contractor's funding should be restored, in whole or in part, in the next contract year.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART E – CERTIFICATIONS AND ASSURANCES

ARTICLE 11 – FEDERAL AND STATE POLICY PROVISIONS

11.1 Certifications

A. Contractor's signature affixed to Part I of this Agreement shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:

1. Drug-Free Workplace Requirements, Contract Certification Clauses 04/2017 (CCC-04/2017)
2. National Labor Relations Board Certification (CCC-04/2017)
3. Expatriate Corporations (CCC-04/2017)
4. Domestic Partners (CCC-04/2017)
5. Labor Code/Worker's Compensation (CCC-04/2017)
6. Americans with Disabilities Act (CCC-04/2017)
7. Contractor Name Change (CCC-04/2017)
8. Resolution (CCC-04/2017)
9. Air or Water Pollution Violation (CCC-04/2017)
10. Information Integrity and Security (Department of Finance, Budget Letter 04-35)
11. Safeguarding Against and Responding to a Breach of Security Involving Personal Information (Office of Information Security and Privacy Protection, Management Memo 08-11).

B. The above documents are hereby incorporated by reference into this Agreement. To access these documents, please visit the CSD Providers' website at https://providers.csd.ca.gov.

11.2 Provisions for Federally Funded Grants

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

B. Eligibility to Receive Federally Funded Public Benefits

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

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

D. Federal Funding Accounting Accountability and Transparency Act Reporting Requirement (FFATA)

Pursuant to the Federal Funding Accountability and Transparency Act reporting requirements (45 CFR Part 75) CSD is required to report information regarding Contractors (sub-awardees) receiving LIHEAP funds. Contractor must complete CSD form 279, located in Subpart H, and return with the contract Part I to ensure compliance.

CSD may issue guidance and/or Amendment(s) to this Agreement, 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:

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

B. Have not within a three year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a

criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state, or local) with commission of any of the offenses enumerated in paragraph B above of this certification; and

D. Have not within a three year period preceding this Agreement had one or more public (federal, state, or local) transactions terminated for cause or default.

E. If any of the above conditions are true for the Contractor or any of its officers, Contractor shall describe such condition and include it as an attachment to Part I of the Contract. Based on the description, CSD in its discretion may decline to execute this Agreement or set further conditions of this Agreement. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Agreement, and CSD may terminate this Agreement for cause immediately pursuant to the termination provisions of State and federal law governing the Low-Income Home Energy Assistance Program.

F. As provided in 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

A. Each Contractor or subcontractor with 50 or more employees and an agreement of $50,000 or more shall be required to develop a written Affirmative Action Compliance Program.

B. The written program shall follow the guidelines set forth in Title 41 CFR Section 60-1.40, Sections 60-2.10 through 60-2.32, Sections 60-250.1 through 60-250.33, and Sections 60-741.4 through 60-741.32.

C. Each Contractor or subcontractor with less than 50 employees shall comply with Section 202 of Part II of Executive Order 11246, as amended by Executive Order 11375. Contractor shall ensure that subcontractors falling within the scope of this provision shall comply in full with the requirements thereof.

11.5 Nondiscrimination Compliance

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

B. Contractor hereby certifies compliance with the following:

1. Federal Executive Order 11246, as amended by Executive Order 11375, relating to equal employment opportunity.

2. Title VI and Title VII of the Civil Rights Act of 1964, as amended.

3. Rehabilitation Act of 1973, as amended.

4. Vietnam Era Veterans Readjustment Assistance Act of 1972, as amended.

5. Title 41, Code of Federal Regulations (CFR), Chapter 60, Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor, as amended.

6. Public Law 101-336, Americans with Disabilities Act of 1990.

11.6 Contractor Fair Hearing - Civil Rights Act Violation

A. In the event of any violation or alleged violation of Title VI of the Civil Rights Act of 1964, as amended, Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.

B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Section 81.1 et seq.

11.7 Specific Assurances

A. Pro-Children Act of 1994

1. This Agreement incorporates by reference all provisions set forth in Public Law 103-227, Part C - Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act).

2. Contractor further agrees that the above language will be included in any subcontracts that contain provisions for children's services and that all subcontractors shall certify compliance accordingly.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

B. American-Made Equipment/Products

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

C. Federal and State Occupational Safety and Health Statutes

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

D. Political Activities

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

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

E. Lobbying Activities

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

2. If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, Subpart H , as required by the U.S. Department of Health and Human Services under 45 CFR Part 93.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART F – STATE CONTRACTING REQUIREMENTS GTC 04/2017

ARTICLE 12 – GENERAL TERMS AND CONDITIONS GTC 04/2017

12.1 APPROVAL: This Agreement is of no force or effect until signed by both parties and approved by the Department of General Services, if required. Contractor may not commence performance until such approval has been obtained.

12.2 AMENDMENT: No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.

12.3 ASSIGNMENT: This Agreement is not assignable by the Contractor, either in whole or in part, without the consent of the State in the form of a formal written amendment.

12.4 AUDIT: Contractor agrees that the awarding department, the Department of General Services, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the State to audit records and interview staff in any subcontract related to performance of this Agreement. (Gov. Code §8546.7, Pub. Contract Code §10115 et seq., CCR Title 2, Section 1896).

12.5 INDEMNIFICATION: Contractor agrees to indemnify, defend and save harmless the State, its officers, agents and employees from any and all claims and losses accruing or resulting to any and all contractors, subcontractors, suppliers, laborers, and any other person, firm or corporation furnishing or supplying work services, materials, or supplies in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm or corporation who may be injured or damaged by Contractor in the performance of this Agreement.

12.6 DISPUTES: Contractor shall continue with the responsibilities under this Agreement during any dispute.

12.7 TERMINATION FOR CAUSE: The State may terminate this Agreement and be relieved of any payments should the Contractor fail to perform the requirements of this Agreement at the time and in the manner herein provided. In the event of such termination the State may proceed with the work in any manner deemed proper by the

State. All costs to the State shall be deducted from any sum due the Contractor under this Agreement and the balance, if any, shall be paid to the Contractor upon demand.

12.8 INDEPENDENT CONTRACTOR: Contractor, and the agents and employees of Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers or employees or agents of the State.

12.9 RECYCLING CERTIFICATION: The Contractor shall certify in writing under penalty of perjury, the minimum, if not exact, percentage of post consumer material as defined in the Public Contract Code Section 12200, in products, materials, goods, or supplies offered or sold to the State regardless of whether the product meets the requirements of Public Contract Code Section 12209. With respect to printer or duplication cartridges that comply with the requirements of Section 12156(e), the certification required by this subdivision shall specify that the cartridges so comply (Pub. Contract Code §12205).

12.10 NON-DISCRIMINATION CLAUSE: During the performance of this Agreement, Contractor and its subcontractors shall not deny the contract's benefits to any person on the basis of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status, nor shall they discriminate unlawfully against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status. Contractor shall insure that the evaluation and treatment of employees and applicants for employment are free of such discrimination. Contractor and subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code §12900 et seq.), the regulations promulgated thereunder (Cal. Code Regs., tit. 2, §11000 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Gov. Code §§11135-11139.5), and the regulations or standards adopted by the awarding state agency to implement such article. Contractor shall permit access by representatives of the Department of Fair Employment and Housing and the awarding state agency upon reasonable notice at any time during the normal business hours, but in no case less than 24 hours' notice, to such of its books, records, accounts, and all other sources of information and its facilities as said Department or Agency shall require to ascertain compliance with this clause. Contractor and its subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. (See Cal. Code Regs., tit. 2, §11105.)

Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under the Agreement.

12.11 CERTIFICATION CLAUSES: The CONTRACTOR CERTIFICATION CLAUSES contained in the document CCC 04/2017 are hereby incorporated by reference and made a part of this Agreement by this reference as if attached hereto.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

12.12 TIMELINESS: Time is of the essence in this Agreement.

12.13 COMPENSATION: The consideration to be paid Contractor, as provided herein, shall be in compensation for all of Contractor's expenses incurred in the performance hereof, including travel, per diem, and taxes, unless otherwise expressly so provided.

12.14 GOVERNING LAW: This contract is governed by and shall be interpreted in accordance with the laws of the State of California.

12.15 ANTITRUST CLAIMS: The Contractor by signing this agreement hereby certifies that if these services or goods are obtained by means of a competitive bid, the Contractor shall comply with the requirements of the Government Codes Sections set out below.

a. The Government Code Chapter on Antitrust claims contains the following definitions:

1. "Public purchase" means a purchase by means of competitive bids of goods, services, or materials by the State or any of its political subdivisions or public agencies on whose behalf the Attorney General may bring an action pursuant to subdivision (c) of Section 16750 of the Business and Professions Code.

2. "Public purchasing body" means the State or the subdivision or agency making a public purchase. Government Code Section 4550.

b. In submitting a bid to a public purchasing body, the bidder offers and agrees that if the bid is accepted, it will assign to the purchasing body all rights, title, and interest in and to all causes of action it may have under Section 4 of the Clayton Act (15 U.S.C. Sec. 15) or under the Cartwright Act (Chapter 2 (commencing with Section 16700) of Part 2 of Division 7 of the Business and Professions Code), arising from purchases of goods, materials, or services by the bidder for sale to the purchasing body pursuant to the bid. Such assignment shall be made and become effective at the time the purchasing body tenders final payment to the bidder. Government Code Section 4552.

c. If an awarding body or public purchasing body receives, either through judgment or settlement, a monetary recovery for a cause of action assigned under this chapter, the assignor shall be entitled to receive reimbursement for actual legal costs incurred and may, upon demand, recover from the public body any portion of the recovery, including treble damages, attributable to overcharges that were paid by the assignor but were not paid by the public body as part of the bid price, less the expenses incurred in obtaining that portion of the recovery. Government Code Section 4553.

d. Upon demand in writing by the assignor, the assignee shall, within one year from such demand, reassign the cause of action assigned under this part if the assignor has been or may have been injured by the violation of law for which the cause of action

arose and (a) the assignee has not been injured thereby, or (b) the assignee declines to file a court action for the cause of action. See Government Code Section 4554.

12.16 CHILD SUPPORT COMPLIANCE ACT: For any Agreement in excess of $100,000, the contractor acknowledges in accordance with Public Contract Code 7110, that:

a. The contractor recognizes the importance of child and family support obligations and shall fully comply with all applicable state and federal laws relating to child and family support enforcement, including, but not limited to, disclosure of information and compliance with earnings assignment orders, as provided in Chapter 8 (commencing with section 5200) of Part 5 of Division 9 of the Family Code; and

b. The contractor, to the best of its knowledge is fully complying with the earnings assignment orders of all employees and is providing the names of all new employees to the New Hire Registry maintained by the California Employment Development Department.

12.17 UNENFORCEABLE PROVISION: In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and shall not be affected thereby.

12.18 PRIORITY HIRING CONSIDERATIONS: If this Contract includes services in excess of $200,000, the Contractor shall give priority consideration in filling vacancies in positions funded by the Contract to qualified recipients of aid under Welfare and Institutions Code Section 11200 in accordance with Pub. Contract Code §10353.

12.19 SMALL BUSINESS PARTICIPATION AND DVBE PARTICIPATION REPORTING REQUIREMENTS:

a. If for this Contract Contractor made a commitment to achieve small business participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) report to the awarding department the actual percentage of small business participation that was achieved. (Govt. Code § 14841.)

b. If for this Contract Contractor made a commitment to achieve disabled veteran business enterprise (DVBE) participation, then Contractor must within 60 days of receiving final payment under this Contract (or within such other time period as may be specified elsewhere in this Contract) certify in a report to the awarding department: (1) the total amount the prime Contractor received under the Contract; (2) the name and address of the DVBE(s) that participated in the performance of the Contract; (3) the amount each DVBE received from the prime Contractor; (4) that all payments under the Contract have been made to the DVBE; and (5) the actual percentage of DVBE participation that was achieved. A person or entity that

knowingly provides false information shall be subject to a civil penalty for each violation. (Mil. & Vets. Code § 999.5(d); Govt. Code § 14841.)

12.20 LOSS LEADER:

If this contract involves the furnishing of equipment, materials, or supplies then the following statement is incorporated: It is unlawful for any person engaged in business within this state to sell or use any article or product as a "loss leader" as defined in Section 17030 of the Business and Professions Code. (PCC 10344(e).)

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART G – DEFINITIONS

All terms used in this Agreement shall be those as defined in applicable federal and state law (see 42 U.S.C. § 8621 and Government Code § 16367.5) and regulation (see 45 C.F.R. Part 96 and 22 C.C.R. § 100800), 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.

Agreement: 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.

Amendment: A formal change to the Agreement 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 Agreement.

American Indian (also known as Native American): Any individual who is a member or a descendant of a member of a North American tribe, band, or other organized group of native people who are indigenous to the continental United States or who otherwise have a special relationship with the United States through treaty, agreement, or some other form of recognition, residing within the State. This includes any individual who claims to be an Indian and who is regarded as such by the Indian community of which he or she claims to be a part. This definition also includes Indians of Alaska.

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 Agreement.

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 to inform or direct immediate action to correct a problem or provide relief from an obligation.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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.

Call-Back: A call-back is a visit from Contractor that occurs when a measure fails (either during inspection, or later within the warranty period) and must be corrected by the Contractor. The required warranty periods are defined in CSD's WIS Appendix B. Warranty corrections and apply to both the LIHEAP and DOE weatherization programs.

California Certified Inspector/Risk Assessor Contractor: An individual who is certified by the State of California, Department of Health Services, 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.

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 have not attained their 19th birthday.

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 Intake: Includes, but is not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility.

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.

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

CORE: Combined Output Reporting Engine (CORE) System: Software used by CSD's local service providers to submit Utility Assistance, Wood, Propane, and Oil transaction records for validation and further processing.

Created On Date: The date the application/record is transferred into CORE. This date is automatically generated by CORE when a record is uploaded.

Crisis: Weather-related and/or supply-shortage emergencies and other household energy-related emergencies that negatively impact the energy-related economic conditions of low-income households. A crisis can be caused by:

a. Cold or hot weather related events, such as flood, earthquake, tornado, hurricane, ice storm/freeze; or events meeting such other criteria as the Governor, and/or the President of the United States, at their discretion, and/or their designee, including CSD, may determine to be appropriate; or

b. Geopolitical events, such as wars, terrorism, civil disturbances, and embargoes, including geopolitical events that negatively impact the energy-related economic conditions of low-income households.

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

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

Di Minimis Levels: The amount of lead paint disturbed in a dwelling is comprised of 2 square feet per room of interior surfaces, or 20 square feet of exterior surface, or 10% of a small component, e.g., window sill, baseboards, and trim. When calculating the di minimis level, the entire surface of the component must be included in the computation. For example, when replacing a 2 x 3 foot window, the di minimus level would be 6 square feet and would exceed the maximum

allowance for interior surfaces and the unit would be subject to HUD Regulation.

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 Services: The portion of the LIHEAP funding to carry out the provisions of LIHEAP services and activities of this Agreement, to include: Weatherization, Energy Crisis Intervention Program (ECIP) Services (excluding Utility Assistance), and Wood Propane and Oil (WPO).

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 (P.L. 94-385). The federal regulations for this program are in 10 CFR Part 440.

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.

EHA-16: A term used to reference Emergency Crisis Intervention Program, Home Energy Assistance Program and Assurance-16 service components.

Elderly: An individual 60 years of age or older.

Electric Base Load Measure: A subcategory of weatherization measures designed specifically to reduce energy consumption in the areas of lighting and electrical appliances. Allowable electric base load measures include compact and torchiere fluorescent lamps, microwave ovens, refrigerator replacements, and electric water heater timers.

Electric File: The term "electronic file" means a contract or other record created, generated, sent, communicated, received, or stored by electronic means.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Emergency: The term "emergency" under this Agreement shall meet the federal definition at 42 U.S.C. § 8622(1) and shall be defined as being any one or more of the following conditions:

a. A natural disaster (whether or not officially declared);

b. A significant home energy supply shortage or disruption;

c. An official declaration of a significant increase in:

i. Home energy costs;

ii. Home energy disconnection;

iii. Enrollment in public benefit programs; or

iv. Unemployment and layoffs;

d. An official emergency declaration by the Secretary of Health and Human Services.

In those situations where there is not an official federal, state, or local declaration of emergency, i.e., an undeclared natural disaster or a significant home energy supply shortage or disruption that affects a low-income individual, an emergency will be deemed to exist by CSD where there is imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services.

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

Energy Conservation Measures (also known as Weatherization Measures): A wide variety of measures installed in or applied to the dwelling to increase the energy efficiency or to reduce the total energy expenditures of the dwelling.

Environmental Inspection: A visual assessment and sampling which includes asbestos, lead and radon when allowable per the contract. Environmental inspections shall be in accordance 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 associated with the inspection.

Evaporative Cooler Repairs: Repair or replacement of filter pads, water pumps, belts, motors, or other components that promote efficient operation of the unit.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Excess Income: The difference between "Total Actual LIHEAP Revenue" less "Total Actual LIHEAP Costs." If the amount in "Total Actual LIHEAP Revenues" is less than the amount in "Total Actual LIHEAP Costs," then there is no excess revenue.

Final Allocation: The actual amount of funds available to Contractor under this Agreement, as calculated pursuant to Title 22, California Code of Regulations, § 100830 after CSD receives the notice of grant award for the full annual allocation based on the appropriation by Congress for the Federal Fiscal Year, and as publicly announced by CSD's Director or designee, subsequent to the execution of this Agreement.

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 and furnace filter replacements, shade screens, shutters, 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 and travel 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 Inspection Policies and Procedures.

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.

Health and Safety Measures: A subcategory of weatherization measures installed to mitigate health and safety hazards generated by combustion appliances and to preserve or improve indoor air quality. These measures include CO alarms, smoke alarms, heating/cooling and water heater repairs and replacements, lead-safe weatherization and kitchen cooking appliance repair and replacements.

Highest Home Energy Needs: The home energy requirements of a household determined by taking into account both the energy burden of such household and the unique situation of such household that results from having members of vulnerable populations, including very young children (0-5), individuals with disabilities, and frail, older individuals (60+).

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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 2008 Building Energy Efficiency Standards.

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 done to the point of minimum ventilation requirement or it is no longer cost effective to proceed. Infiltration reduction is best accomplished with shell leakage technology. These measures include caulking, cover plate gaskets, door repairs and replacements, minor envelope repair, and evaporative cooler or air conditioning vent covers.

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

Interim Allocations: Incremental releases of Continuing Resolution appropriations by CSD to fund LIHEAP Direct Services and Utility Assistance program activity under this Agreement.

Interest Income: The interest earned by a Contractor directly generated or earned as a result of unexpended LIHEAP grant funds at the end of a contract term period. The interest earned by a Contractor is income generated as a result of depositing federal funds in an interest bearing account.

Labor and Material Measures: Those measures where the measure reimbursement is based on the combined total of labor and material and the quantity of the measure itself is not limited to a specific amount per weatherized dwelling.

Labor and Material Single-Quantity Measures: Those weatherization measures where the reimbursement is based on the combined total of labor and material cost and the maximum quantity of the measure is limited to a single item per weatherized dwelling.

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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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. LHR shall include:

a. Kitchen cabinet repairs and retrofits that are associated with the replacement of a range, cook top, or pre-existing microwave oven. No other cabinet repair or retrofit shall be allowed without a program waiver.

b. Repairs necessary to restore building integrity, and limited to the following repairs:

i. Floor/platform repair for water heaters;

ii. Cover plate replacement;

iii. Minor roof repairs and materials;

iv. Mobile home skirting repairs to prevent animal infiltration;

v. Minor exterior appliance access;

vi. Limited rehabilitation to replace deteriorated wooden window or door frames, to make possible the proper installation of a replacement door or window;

vii. Repair/installation of an exterior appliance enclosure door that does not close properly or is missing, only when appliance services will be provided under the program.

c. Extension of exhaust fan vents to the outdoors (except kitchen exhausts).

d. Extension of dryer venting to the outdoors.

e. Attic Access Enlargement (in conjunction with insulation installation).

f. Note: Costs to obtain knob-and-tube wiring "Notice of Survey by Electrical Contractor (CSD 543)" and installation of simple overcurrent protection (breakers or S-type fuses) shall be billed to "Mandatory Assessments and Diagnostics - Permits."

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 purchases of vehicles, office equipment and field equipment $5,000 or greater per unit used for the purpose of delivery of direct services. Pre-approval from CSD is required. Field equipment means diagnostic equipment and related equipment. Purchases must follow all federal and state rules and regulations governing LIHEAP pertaining to procurement standards.

Materials: Materials are those allowable items that are installed in or on the dwelling. All materials shall be in conformance with the CSD Weatherization Installation Standards and CFR Title 10 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 Agreement, as amended to reflect the Final Allocation for the term of this Agreement.

Maximum Average Reimbursement: Represents the maximum average per dwelling investment for related weatherization service and program costs where an energy audit is conducted. The formula for determining the maximum average reimbursement is:

Maximum Average Reimbursement is equal to Program Operations divided by Total Completed Units.

Where Program Operations are defined as:
Program Costs less (Training & Technical Assistance + Liability Insurance + Vehicles & Equipment Purchases Over $5,000)

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 domicile (permanent place of residence) within the same day.

Minor Envelope Repairs: Those repairs that have a direct association with weatherization measures being installed and are necessary 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.

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 under $5,000 per unit used for the purpose of delivery of program services. Purchases must follow all federal and state rules and regulations governing LIHEAP 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.

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 LIHEAP. 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

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

Multi-Unit Dwellings (MUD) also known as Multi-Family Buildings (MFB): Defined as residential dwelling structures containing more than one residential unit within a single building, including: duplexes, triplexes, fourplexes, and multi-unit apartments. For purposes of travel reimbursement to Contractors and shell leakagetesting, Multi-Unit Dwellings are defined as multi-unit dwellings, e.g., apartments, with five or more attached residential units.

Multiple-Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed unit price per measure and which provide for the installation of multiple quantities of the measure in a single weatherized dwelling.

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 as the Secretary of Federal Department of Health and Human Service, in the discretion of the Secretary, may determine to be appropriate. For the purpose of the CSD 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.

Nonassisted Clients: The number of clients who returned an application to the agency for LIHEAP services (Weatherization, ECIP EHCS, ECIP WPO, HEAP WPO, ECIP Fast Track and HEAP) that were denied services, and the number of applications distributed by an agency. This does not include applications taken from the agency's partners, websites (CSD, local agency or agency's partner's website) if they cannot quantified.

Nonprofit charitable organization: Is defined by the U.S. Tax Code as a 501(c) (3). Section 501(c) (3) is a tax law provision granting exemption from the federal income tax to nonprofit organizations. 501(c)(3) exemptions 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.

Program: Weatherization, HEAP, ECIP, and Assurance 16 services provided under 42 §§ USC 8621 et seq., as amended.

Reweatherization: Once a dwelling has been submitted to CSD for reimbursement as a completed unit, any subsequent weatherization services provided to the dwelling shall be considered reweatherization.

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 Inspection Policies and Procedures.

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 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.

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.

Single-Family Dwelling: A dwelling structure containing no more than one dwelling unit. For the purposes of travel reimbursement and shell leakage testing, a single-family dwelling is defined as a one-unit, single-family dwelling or a one-unit, single-residential housing dwelling with one to four attached units.

Single Quantity Fixed-Fee Measures: Those weatherization measures with an assigned fixed-fee reimbursement and which limit the maximum quantity of the measure/service to a single item per weatherized dwelling.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

Site-built Dwelling: A conventional dwelling unit built on location, differentiated from manufactured (mobile) homes. Also known as stick-built.

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

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 Agreement.

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 Agreement.

Useful Life: Useful life means the length of time a Weatherization or ECIP HCS measure is expected to be useable.

Utility Assistance Funding: The portion of LIHEAP funding used to provide utility assistance energy assistance services under ECIP Fast Track and HEAP Electric and Gas. These funds are administered by Contractor, but paid to eligible clients – or to utility companies on the client's behalf – by CSD from Contractor's allocated amount of funding.

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 5 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 Agreement. Training may also include internal Contractor 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 participation 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.

STANDARD AGREEMENT
PARTS I & II – ENTIRE CONTRACT

SUBPART H – TABLE OF FORMS

The following forms and documents are available on the CSD Providers' website at http://providers.csd.ca.gov/Energy/Contracts.aspx.

H.1. Forms to be returned with signed contract:

A. Certification Regarding Lobbying/Disclosure of Lobbying Activities;

B. Agency Staff and Board Roster (CSD 188);

C. Federal Funding Accountability and Transparency Act Report (CSD 279); and

D. 2018 LIHEAP Production and Expenditure Plan (CSD 622).

H.2 The following documents are hereby incorporated by this reference:

A. 2018 LIHEAP Numbers, Contractors, and Service Territories;

B. Agency Local Plan;

C. State Administrative Manual Section at http://sam.dgs.ca.gov/TOC/5300.aspx;

D. Reimbursement Rates for Weatherization and EHCS Activities;

E. State Information Management Manual at http://www.cio.ca.gov/Government/IT_Policy/SIMM.html;

F. Supplemental Audit Guide; and

G. Training Requirements Matrix.

CERTIFICATION REGARDING LOBBYING

DEPARTMENT OF HEALTH AND HUMAN SERVICES
FAMILY SUPPORT ADMINISTRATION

PROGRAM: Low-Income Home Energy Assistance Program

PERIOD: October 1, 2017 through December 31, 2018

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	Patricia Charles-Heath
Title	**Signature**
Health and Human Services Agency County of El Dorado	11-8-17
Agency/Organization	**Date**

(2018 LIHEAP)

Approved by OMB
0348-0046

DISCLOSURE OF LOBBYING ACTIVITIES

Complete 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):*	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

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of

Authorized for Local Reproduction
Standard Form - LLL-A

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. **Identity 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 followup 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 Budget. Paperwork Reduction Project (0348-0046), Washington, D.C. 20503.

\\cobra\shared\Contracts\Low Income Home Energy Assistance Program\2014 LIHEAP\Exhibits\9 LIHEAP Exhibit I Certification Regarding Lobbying Rev 12.16.13.doc

Department of Community Services and Development
CSD 279 (Rev. 1/2015)

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 forms to your respective program e-mail address listed below:

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

Community Services Block Grant: CSBGDIV@csd.ca.gov

Lead Hazard Control: LEADGrants@csd.ca.gov

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

NOTE: If your agency receives multiple Community Services and Development (CSD) awards under various programs (i.e., Community Services Block Grant (CSBG), Weatherization Assistance Program (WX), Lead Hazard Control Program (LHCP), Low-Income Home Energy Assistance Program), *complete a separate form for each program* .

AGENCY/SUB-AWARDEE INFORMATION

Agency Name				
Program Type ***(check one)***	☐ CSBG	☐ LEAD	☑ LIHEAP	☐ DOE WAP
Contract #(s) *(list all active contracts for the selected program)*			18B-4007	
Contract Period(s) *(mm/dd/yy - mm/dd/yy)*			10/1/17-12/31/18	
Agency Unique Identifier (DUNS Number)	965067382			
Agency Primary Contact Information *(person responsible for completing this form)*	Name:	Consie Mote		
	Title	Department Analyst		
	E-mail:	constance.mote@edcgov.us		
	Phone:	(530) 642-7118		
Location of Agency	Mailing Address:	3057 Briw Road, Suite B, Placerville		
	State:	CA		
	Zip + 4 digits (+4 digit is required)	95667-5330		
	U.S. Congressional District:	Fourth		
	State Assembly District:	Fifth		
	State Senate District:	First		

Department of Community Services and Development
CSD 279 (Rev. 1/2015)

Place of Performance *(where program funds are primarily spent, if different from agency location above)*	Street Address:	
	State:	
	Zip + 4 digits (+4 digits 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? (If YES, continue to the next question. If NO, you are now finished completing this form.)	☐ Yes ☑ No
	Does your agency's total annual federal funding exceed $25 million? (If YES, continue to the next question. If NO, you are now finished completing this form.)	☐ Yes ☐ No
	Is your agency one of the entities described below? ▪ 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).	☐ Yes ☐ No
	(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	

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 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 Identifier (DUNS Number)	
The Data Universal Numbering System (DUNS) is the widely used system for identifying business entities on a location specific basis. The DUNS number remains with the company location to which it has been assigned even if it closes and goes out of business.	https://iupdate.dnb.com/iUpdate/companylookup.htm
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/

State of California
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
CSD 622 (Rev. 10/18/17)

2018 LIHEAP PRODUCTION AND EXPENDITURE PLAN

Local Service Provider Name:		Contract #:	Amendment #:	Date:
El Dorado County Health and Human Services Agency		18B-4007	0	10/18/2017
Prepared By: NAME AND TITLE	**Phone Number:**	**E-mail Address:**		
Maki Ganno/Department Analyst	(530) 642-4893	maki.ganno@edcgov.us		

SECTION 1 - WEATHERIZATION

SECTION 1A - Weatherization Direct Program Expenditures

Enter the name of each county within your service territory on a separate line	Budget Per County	Total WX Direct Program Expenditure	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$138,298		$138,298	63		-63
Alpine	$1,948		$1,948	1		-1
			$0			0
			$0			0
			$0			0
			$0			0
			$0			0
TOTAL	**$140,246**	**$0**	**$140,246**	**64**	**0**	**-64**

SECTION 2 - EHA-16 and Utility Assistance

SECTION 2A - Total ECIP EHCS Expenditures by County

County	Budget Analysis			Unit Analysis		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total ECIP EHCS Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$20,000		$20,000	11		-11
Alpine	$0		$0	0		0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$20,000**	**$0**	**$20,000**	**11**	**0**	**-11**

SECTION 2B - Total WPO (ECIP and HEAP WPO) Expenditures by County						
County	Budget Analysis			Unit Analysis		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total WPO Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$292,437		$292,437	585		-585
Alpine	$4,403		$4,403	9		-9
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$296,840**	**$0**	**$296,840**	594	**0**	**-594**

SECTION 2C - Total Utility Assistance (ECIP Fast Track and HEAP Gas & Electric) Expenditures by County						
County	Budget Analysis			Unit Analysis		
Enter the name of each county within your service territory on a separate line	Budget Per County	Total Utility Assistance Expenditures	Remaining Budget Amount	Projected Households Served	Actual Households Served	Difference
El Dorado	$322,694		$322,694	720		-720
Alpine	$4,546		$4,546	6		-6
0			$0			0
0			$0			0
0			$0			0
0			$0			0
0			$0			0
TOTAL	**$327,240**	**$0**	**$327,240**	**726**	**0**	**-726**

State of California
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
Energy Contact Update
CSD 251 (11/03/2015)

Energy & Environmental Services
Public Website Update

Name of Agency Staff Completing This Form:	Date of Update:
Star Walker	10/11/2017
Staff Phone:	Staff Email:
530-621-6255	star.walker@edcgov.us

Instructions: The agency contact and application information below will be used by CSD to update our website. Please go to the CSD website to see your current agency contact information that will be viewed by the public to reach your agency for services (http://www.csd.ca.gov/Services/FindServicesinYourArea.aspx). Please review it carefully and enter any changes in Column B. If the information is correct, please enter "NC" (No Change).

A	B
	Updated Information
Agency	El Dorado County Health and Human Services Agency
County(*ies*)	Alpine and El Dorado
Address	Main Office: 937 Spring Street, Placerville, CA 95667
Phone	Main Office: 530-621-6150
Office Hours	Monday – Friday 8:00 a.m. to 5:00 p.m.
Website	www.edcgov.us/HEAP
Energy Services Offered	X - Utility Assistance X - Weatherization Assistance X - Energy Crisis Assistance ☐ Lead-Based Paint Hazard Control
How to Apply for Services	Applications can be picked up at HEAP office locations, requested by mail and available on-line. Applications are accepted by appointment only or dropped off any of the various satellite HEAP locations. For homebound clients, home visits may be requested. Please call the office for details.
Additional Office Locations *(Address, Phone Number and Hours)*	South Lake Tahoe Office: 1360 Johnson Blvd., #103, South Lake Tahoe, CA 96150 South Lake Tahoe Office: 530-573-3490 Monday – Friday 8:00 a.m. to 5:00 p.m.

LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

2018 AGENCY LOCAL PLAN

October 1, 2017 through December 31, 2018

Agency Information

Agency Legal Name:	El Dorado County Health and Human Services Agency
Contact Person:	Star Walker
Title:	Program Coordinator
Phone Number:	530-621-6255
E-Mail Address:	star.walker@edcgov.us
Prepared By:	Star Walker
Date Submitted:	4/24/2017

Please check the following sections of the Agency Local Plan that have been updated and are attached. If there are no changes from last year's plan, please check the 'No Changes' box:

- ☐ Part 1 – Agency Profile
- ☐ Part 2 - Outreach and Coordination
- ☐ Part 3 – Service Delivery
- ☐ Part 4 – Customer Notification of Services
- ☒ Attachment I – Utility Assistance Priority Plan
- ☒ No Changes for 2018 Agency Local Plan

2018 Agency Local Plan

Attachment I - Utility Assistance Priority Plan

The annual Agency Local Plan explains how each LIHEAP Service Provider intends to meet Federal law by providing financial assistance and weatherization services to those households with the lowest income and highest energy burden, as well as to those households with "vulnerable populations": elderly, disabled, and with children 5 and under. By determining certain point ranges and assigning agency-defined priority categories, agencies are able to modify their priority plans to meet local need, while still meeting federal intent. Refer to the accompanying instructions for more information about completing this plan.

Contractor (Agency Name):		Date	
El Dorado County Health and Human Services Agency		4/24/2017	
Prepared by	Email	Phone	Fax
Star Walker	star.walker@edcgov.us	530-621-6255	530-295-2581

Section 1: INCOME

ECIP WPO and FT				HEAP WPO and HEAP			
Fed Pov Group	From	To	Points	Fed Pov Group	From	To	Points
1	0	100%	**10**	1	0	100%	**10**
2	100.1%	125%	8	2	100.1%	125%	8
3	125.1%	150%	5	3	125.1%	150%	5
4	150.1%	60% SMI	2	4	150.1%	60% SMI	2

Section 2: ENERGY BURDEN

ECIP WPO and FT			HEAP WPO and HEAP		
From	To	Points	From	To	Points
You are not req'd to use all four lines. You may have fewer point ranges.			*You are not req'd to use all four lines. You may have fewer point ranges.*		
0%	5.90%		0%	5.9%	
6%	13.90%	5	6%	13.9%	5
14%	19.90%	8	14%	19.9%	8
20%	100%	**10**	20%	100%	**10**

Section 3: VULNERABLE POPULATIONS

ECIP WPO and FT		HEAP WPO and HEAP	
If household contains any of the following populations, award VP points:	VP Points	If household contains any of the following populations, award VP points:	VP Points
Elderly (60 years or older) Disabled Children (5 years or under)	**10**	Elderly (60 years or older) Disabled Children (5 years or under)	**10**

Section 4: AGENCY-DEFINED (Optional)

ECIP WPO and FT			HEAP WPO and HEAP		
Agency-Defined Vulnerable Pop Group		Points	Agency-Defined Vulnerable Pop Group		Points
Use of Agency-Defined Priorities is Optional! If used, complete page 2 to detail point assignments.		*10 Max (Total, Lines 1- 4)*	*Use of Agency-Defined Priorities is* Optional If used, complete page 2 to detail point assignments.		*10 Max (Total, Lines 1- 4)*
1	Medically Needy	n/a	1	Medically Needy	n/a
2	Frail Elderly	n/a	2	Frail Elderly	n/a
3	Severe Financial Hardship	n/a	3	Severe Financial Hardship	n/a
4	Hard to Reach	n/a	4	Hard to Reach	n/a
5	Priority Offsets (-1 to -10)		5	Priority Offsets (-1 to -10)	

State of California
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
CSD 622b (09/23/2014)

2018 Agency Local Plan

Attachment I - Utility Assistance Priority Plan

Contractor (Agency Name):		Date	
El Dorado County Health and Human Services Agency		4/24/2017	
Prepared by	Email	Phone	Fax
Star Walker	star.walker@edcgov.us	530-621-6255	530-295-2581

AGENCY DEFINED CATEGORIES

For each agency defined categories selected on page one, please detail and describe how your agency will apply the categories to clients.

ECIP WPO and FT		HEAP WPO and HEAP	
Medically Needy		**Medically Needy**	
1		1	
2		2	
3		3	
4		4	
5		5	
Frail Elderly		**Frail Elderly**	
1		1	
2		2	
3		3	
4		4	
5		5	
Severe Financial Hardship		**Severe Financial Hardship**	
1		1	
2		2	
3		3	
4		4	
5		5	
Hard to Reach		**Hard to Reach**	
1		1	
2		2	
3		3	
4		4	
5		5	
Priority Offsets		**Priority Offsets**	
1		1	
2		2	
3		3	
4		4	
5		5	

2018 Agency Local Plan
Attachment I - Utility Assistance Priority Plan

Contractor (Agency Name):		Date	
El Dorado County Health and Human Services Agency		4/24/2017	
Prepared by	Email	Phone	Fax
Star Walker	star.walker@edcgov.us	530-621-6255	530-295-2581

Priority Plan Implementation

This information is intended to help CSD understand how your agency applies its Priority Plan, and ensure that federal requirements for prioritization are met. Please respond to the multiple choice questions, below, then complete the narrative at the bottom of this page.

1. Our agency applies our priority plan points (as defined on page 1 of this document) to assess every application for Utility Assistance benefits. If "no," please explain below:

Yes ☑ No ☐ Varies ☐

2. Our agency applies a minimum point threshold for the following programs, denying those who fall below the threshold. If "yes," please enter your minimum point threshold, by program. If "no," enter "n/a."

Yes ☑ No ☐ Varies ☐

5 HEAP | 5 Fast Track | 5 HEAP-WPO | N/A ECIP-WPO

3. Our agency applies a minimum energy burden for the following programs, denying those who fall below the percentage. If "yes," please enter your minimum energy burden, by program. If "no," enter "n/a."

Yes ☐ No ☑ Varies ☐

HEAP | Fast Track | HEAP-WPO | ECIP-WPO

4. Our agency gives first priority to households whose members have a "life-threatening emergency."

Yes ☑ No ☐ Varies ☐

5. Our agency prioritizes and serves applicants based on their priority points, from highest points to lowest, until all funds are expended. This process is based on the following allocation cycle:

Yes ☑ No ☐ Varies ☐

☐ Daily ☐ Weekly ☐ Monthly ☑ Other Second method, if applicable

6. If an applicant qualifies to be served, but cannot be served because of high demand or some other reason, does your agency "rollover" their application for future consideration?

Yes ☐ No ☐ Varies ☑

If yes, please explain your process for rolling applications over:

If no, please explain how you notify clients they will not receive services:

Please explain how your agency applies its Priority Plan. If you answered "Varies" to any of the questions above, explain your answer below. Also, if necessary, explain, in more detail, any of your answers above.

Our agency is going to apply the Minimum Point Threshold for the 2018 Contract Year as our primary method. This will allow us to establish a minimum point threshold that will serve the lowest income, highest energy burden and most vulnerable population. We have selected a minimum point threshold by program to best serve our lowest income, highest energy burden and vulnerable populations. Once an initial application comes through the front desk and is determined eligible for services, it will be run through the Priority Point System Database. Applications that meet the minimum point value will be served. If an Application does not meet our minimum point value, the application will be denied and filed away. Clients that have applied and denied due to not meeting the Minimum Point Value will be encouraged to reapply should their needs change. We will track denied applications in the HEAP Denial Database. If the agency finds that the contract funds cannot be fully expended by monitoring contract budget within the contract term agreement, we will implement a secondary method of accepting and prioritizing applications. This will be done by ranking applications by priority points-highest to lowest, with highest points being served first. This will be done on a weekly basis to ensure services are sustained and funds are fully expended. For monitoring purposes, the Agency Field Representative will be notified by the Agency that the secondary method is being implemented with a definitive start date.

2018 Agency Local Plan: Instructions

Attachment I - Utility Assistance Priority Plan

These instructions are intended to guide agencies completing the LIHEAP Priority Plan.

Instructions for Page 1: Determining Priority Points

Instructions that Apply to the Whole Page

- Note that the first column (blue) applies to points assigned for "ECIP WPO" and "Fast Track." The second column (orange) applies to points assigned for "HEAP WPO" and "HEAP"
- Grayed boxes must be filled in.
- Use only whole numbers (no decimal points).

Section 1: Income

- The value for Federal Poverty Group 1 is established at 10 points. This cannot be changed. The value for Federal Poverty Groups 2, 3 and 4 must be set by the agency.
- Each range must have a unique number (in other words: two ranges can't have the same number).

DO: Retain 10 points for Range 1, and assign a progressively lower point value to ranges 2-4. Assure that no two ranges have the same point value.

1	0	100%	**10**
2	100.1%	125%	**8**
3	125.1%	150%	**4**
4	150.1%	60% SMI	**0**

<-- Example (your numbers may vary!)

Section 2: Energy Burden

- Although the form has room for up to four ranges, it is not required that you use all four ranges. Your agency may choose to use fewer ranges. If you use fewer than four ranges, either delete the unused rows or enter "n/a" into the unused cells.
- When you enter a percent in the "From" column for the final range ("x" to 100%), CSD expects that "x" will be very close to your agency's average energy burden. If you enter a number significantly different than your agency's average energy burden, you should be prepared to justify your reasons. CSD has the right to disapprove a percent that is not sufficiently justified.

Section 3: Vulnerable Populations

- No action required by agency when completing the initial priority plan.
- When applying the priority plan, if the household contains any of the three vulnerable populations, the agency will award the full 10 points. This means that the agency will either award 0 points (if the household contains no VPs), or 10 points (if the household contains one or more VPs).

Section 4: Agency-Defined

- Agency Defined categories are optional. Your agency may choose to use none, some or all five of the available categories.
- Only the five categories listed on the form are available for use. You may not change the categories or add your own. In 2012, CSD issued a CSD Program Notice (CPN-E 12-03) on the subject of Priority Plans, including the use of Agency-Defined priority points. CSD recommends that agencies review the CPN before completing this section.
- You may assign a maximum of 10 points (total) for the Agency-Defined categories 1 to 4. For example, if your agency wished to focus its efforts on "frail elderly," you may choose to assign all 10 points to that category and forego using the other agency-defined categories. Or, if you wanted to focus on "frail elderly" *and* "hard to reach," you might distribute the points 5 and 5, or 3 and 7--you can distribute your 10 points in any way you choose, to any, all (or none) of the first four agency-defined categories, as long as the total does not exceed 10.
- In addition to Agency-defined categories 1 - 4, you may also choose to use category 5 to assign "Priority Offsets" (or, in other words, "negative points.") Please refer to the CSD CPN-E 12-03 for more information. If you choose to use this category, you may assign any negative, whole number, from negative (-) 1 to negative (-) 10.
- If you choose to use the Priority Offset category, describe on your priority plan the specific reasons for which your agency intends to issue negative points. For example: "receives utility subsidy" or "served in prior program year."