STATE OF CALIFORNIA - HEALTH AND HUMAN SERVICES AGENCY

Edmund G. Brown, *Governor*

DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
P.O. Box 1947
Sacramento, CA 95812-1947
(916) 576-7109
(916) 263-1406 (FAX)
(916) 263-1402 (TDD)

April 19, 2011

To All Department of Energy Weatherization Assistance Program Contractors:

2009/2010 Department of Energy Weatherization Assistance Program (DOE WAP) Contract Amendment

Enclosed is your agency's contract packet for the 2009/2010 Department of Energy Weatherization Assistance Program Contract Amendment. It includes two complete copies of the contract amendment changes (face sheet, exhibits, and attachments). In order to expedite the execution of your contract packet, please observe the following instructions, and feel free to use this letter as a checklist.

- ❒ Submit a governing board resolution with an **original signature of your board's authorized representative**. The board's resolution must identify whom it has authorized to sign the 2009/2010 DOE WAP contract and any amendments.

- ❒ Complete the section labeled "CONTRACTOR'S NAME" on both face sheets. Print or type the name and title of the person who is authorized to sign the contract. Print the date signed. Ensure that your agency's authorized representative has signed both face sheets.

- ❒ The following exhibits are part of the contract packet. Please complete, sign, and return both copies with the contract packet.

  EXHIBIT B, Sections 1 and 2, Working Capital Advance and Major Purchase Advances has been changed.

  Replace in its entirety with new EXHIBIT B Attached.

- ❒ Do not use correction fluid or tape. If a correction to any page is necessary, please contact your Field Representative. If you need to reproduce contract pages, please do so single-sided only.

- ❒ When you return the contract packet to CSD, please arrange all pages, including the face sheets, exhibits, and all attachments, in the same order in which you received them. Include your board roster, bylaws, resolution, and minutes as applicable; insurance and fidelity bond documents; advance request; and, if desired, a transmittal letter, but do not staple or otherwise attach these documents to the contracts themselves.

❒ Please return your completed contract packet within 30 days (45 days for public agencies) to:

Contract Services Unit
Department of Community Services and Development
P.O. Box 1947
Sacramento, CA 95812-1947

When sending documents via overnight mail, please use CSD's street address as shown on the face sheet.

Please keep in mind that in order for CSD to execute your contract, all of your agency's contract documents must be **complete**. Authorized persons must sign both face sheets.

If you have questions regarding the contracting process or insurance coverage, you may contact Abigail Churchill of my staff at (916) 576-5316.

Sincerely,

KIMBERLEY PETZ
Manager, Contract Services Unit

KP:ac
Enclosures

STATE OF CALIFORNIA

STANDARD AGREEMENT

STD. 213 (Rev. 6/03) DOE SAMPLE AGREEMENT AMENDMENT

AGREEMENT NUMBER	AMENDMENT NUMBER
09C-	
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
Provider

2. The term of this Agreement is: June 30, 2010 through June 30, 2011

3. The maximum amount of this Agreement is: **$**

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

A. The maximum amount of this Agreement payable to Contractor by the State remains unchanged.

B. This amendment changes Exhibit B, Sections 1 and 2. Working Capital Advance and Major Purchase Advances.

Replace Exhibit B in it's entirety with the revised Exhibit B attached.

All other terms and conditions shall remain unchanged.

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

CONTRACTOR		**CALIFORNIA Department of General Services**
CONTRACTOR'S NAME *(If other than an individual, state whether a corporation, partnership, etc.)* **Provider**		
BY *(Authorized Signature)* ☞	DATE SIGNED *(Do not type)*	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS Provider Address		I hereby certify that all conditions for exemption have been complied with, and this document is exempt from the Department of General Services' approval.
STATE OF CALIFORNIA		
AGENCY NAME **Department of Community Services and Development**		
BY *(Authorized Signature)* ☞	DATE SIGNED *(Do not type)*	
PRINTED NAME AND TITLE OF PERSON SIGNING **Leisa Maestretti, Chief Financial Officer**		
ADDRESS **2389 Gateway Oaks Drive, Suite 100, Sacramento, California 95833**		☐ Exempt per _____

EXHIBIT B
(Standard Agreement)

BUDGET DETAIL AND PAYMENT PROVISIONS

1. BUDGET CONTINGENCIES

A. State Budget Contingency

1) It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.

2) If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

B. Federal Budget Contingency

1) It is mutually understood between the parties that this Agreement may have been written for the mutual benefit of both parties before ascertaining the availability of congressional appropriation of funds, to avoid program and fiscal delays that would occur if this agreement were executed after that determination was made.

2) This Agreement is valid and enforceable only if sufficient funds are made available to the state by the United States Government for the fiscal year 2009 for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or to any statute enacted by the terms or funding of this Agreement in any manner.

3) The parties mutually agree that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.

4) The Department has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction in funds.

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5) The State shall authorize expenditures of funds under this Agreement based on the Continuing Resolution appropriations. CSD shall notify the Contractor in writing of authorized interval funding levels.

6) It is mutually agreed that if the Congress does not appropriate sufficient funds for this Program or appropriate additional funds, the Agreement shall be amended to reflect any increase or decrease in funds.

2. BUDGET GUIDELINES

A. Budget and Allocation Forms

1) Upon execution of this Agreement, Contractor shall submit the 2009 DOE Weatherization Budget (CSD 570) attached to this EXHIBIT B, based on the Maximum Amount of this Agreement in accordance with the accompanying instructions and other applicable provisions of this Agreement.

2) In the event the DOE annual grant award is yet to be determined and CSD funds this Agreement based on Continuing Resolution appropriations, Contractor shall complete the budget and allocation forms using the Estimated Budget Allocation amount as defined in EXHIBIT G. When this Agreement is amended to reflect the Final Allocation, the budget and allocation formula shall be amended to reflect the actual annual allocation.

B. Working Capital Advance and Major Purchase Advances

1) Working Capital Advance (WCA)

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

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

EXHIBIT B
(Standard Agreement)

b. Contractor's financial management systems are compliant with the provisions of this Agreement and the standards for fund control and accountability as established in OMB Circular A-133 and in the Model Federal Advance Requirements as defined in subparagraph c., below with particular reference to 10 CFR 600.121.

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

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

ii. The *Model Federal Advance Requirements* are hereby incorporated by reference and adopted by the parties, for purposes of guiding and informing WCA requirements under the Agreement. The "Model Federal Advance Requirements" are defined as the provisions set out in the Code of Federal Regulations (CFR), Title 10, Chapter II, Sections 600.122, 600.220 and 600.221; and

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

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

i. To ensure a minimal lapse of time between the transfer of funds, and the disbursement or expenditure by Contractor, and to effect both the consolidation of advance requests and optimal administration of advance payments, the WCA will be based on Contractor's reasonable quarterly projections

of anticipated expenditures allowable under the terms of this Agreement;

ii. The WCA request shall be: 1) submitted in advance of the beginning of the quarter, in accordance with CSD's guidance; and 2) is subject to CSD's review and approval;

iii. Upon approval of the WCA request, a payment will be issued to Contractor, which shall be limited to one hundred percent (100%) of the Contractor's total projected expenditures for the entire quarter, not to exceed twenty-five percent (25%) of the Contractor's total contract amount;

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

v. All WCA requests will be issued and reconciled pursuant to CSD Energy Policy and Procedures number EP 11-01, incorporated by reference to this Agreement and available on the CSD website at www.csd.ca.gov.

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

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

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

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2) Major Purchase Advances

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

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

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

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

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

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

f. Major Purchase advance requests will not be granted until such time as no less than fifty percent (50%) of the initial capital advance has been paid back and the total amount of all outstanding balances never exceeds twenty-five percent (25%) of the remaining contract balance.

C. Non-advance Payments and Offsets

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

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D. Interest on Advances

Contractor shall deposit all advances in an interest-bearing account. Interest accrued over $100 per year, if Contractor is a government entity, or $250 per year, if contractor is a nonprofit, shall be reimbursed by check to the federal government pursuant to 10 CFR 600.122(l) and 600.221(i).

3. 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 to substantiate all costs reported.

B. Administrative

1) General

a. Administrative costs shall not exceed the amounts as set forth in the 2009 DOE Allocation Spreadsheet. Contractor shall not use funds provided under this Agreement to cover administrative costs incurred under the Community Services Block Grant (CSBG).

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

c. Contractors funded at less than $350,000 may request an additional five percent (5%) by submitting the DOE Application for Additional Administrative Funds (CSD 574). Approval is contingent upon CSD's determination that the additional amount is needed to effectively implement the administrative requirements of the program.

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

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

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

C. Program Costs

Program costs are all allowable costs other than Administrative Costs. Program costs include those 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. Allowable costs shall be as set forth in Title 10, Code of Federal Regulations, Section 440.18(c).

1) General/Operating Expenses

General and operating expenses shall mean those actual costs associated with the direct delivery of services and related facilities, office and computer equipment, office supplies, telephone, travel and utilities that are directly allocable to those activities defined as allowable program costs.

2) Client Education/Counseling Services

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

3) Liability Insurance

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

4) Outreach

Outreach shall include those actual costs associated with outreach, its related services and training.

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5) Training and Technical Assistance

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

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

c. Crew members participating in on-the-job training or acting in a helper role shall be expensed to training and not to the installation of measures. The length of time for on-the-job training shall be in accordance with the Contractor's internal training program.

d. Training and technical assistance shall include costs associated with the training of personnel or subcontractors to perform program activities related to outreach, intake, client education, and weatherization training. The completion of Weatherization-related training includes: Basic Weatherization Training, CSD Online Training Courses, Duct Sealing/Blower Door Training, and Combustion Appliance Safety Training. Training may also include internal Contractor training, safety training, attendance of weatherization-related training to include ServTraqLITE or other forms of training to aid the development and skill of staff in utilizing and supporting internal program automation systems, and/or workshops sponsored by DOE, CSD, and/or other organizations offering a component of weatherization training.

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

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6) Minor Vehicle and Field Equipment Less Than $5,000 – Acquisition Costs

Acquisition costs shall mean the actual costs associated with the purchase of vehicle and field and office equipment under $5,000 per unit used for the purpose of delivery of direct services.

7) Major Vehicle and Field Equipment More Than $5,000– Acquisition Costs

a. Acquisition costs shall mean the actual costs associated with the purchase of vehicle and field and office equipment over $5,000 per unit used for the purpose of delivery of direct services.

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

8) Vehicle Insurance

Vehicle Insurance shall mean those actual costs incurred for vehicle insurance of vehicles used in the direct delivery of services.

9) Workers Compensation

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

10) Intake

Intake costs shall include, but are not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility.

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11) Direct Program Activities

a. Direct Program Activities shall mean those actual costs associated with the installation of measures to those dwellings weatherized and reported as completed, to include labor, materials, subcontractors, lead-safe weatherization materials, and other program costs. These costs shall represent the cumulative total of expenditures from the separate Direct Program Activities section of the DOE Monthly Expenditure Report.

b. Other Program Costs shall include actual wages and labor hours for field staff while not on the job site and program management and support staff, lodging and per diem for field staff, fees for permits, disposals and HERS raters, Historic Preservation Reviews, and maintenance of vehicle and equipment in support of direct delivery of services and related facilities, utilities, office and computer equipment, telephone, travel, program and supervision and office supplies.

12) Health & Safety Activities

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

b. Contractor shall apply no more than 25 percent of the total program operations funds expended toward mitigating health and safety hazards based on heating and cooling services. Costs in excess of 25 percent of the total program operations funds may be disallowed.

4. <u>REIMBURSEMENT GUIDELINES</u>

A. General

1) Contractor may claim reimbursement for weatherization-related activities under the terms of this Agreement as documented on the Contractor's assessments and job worksheets as described in EXHIBIT F, <u>PROGRAMMATIC PROVISIONS</u>, <u>RECORD-KEEPING RESPONSIBILITIES</u>, Client Files – Weatherization.

EXHIBIT B
(Standard Agreement)

2) Reimbursement for Weatherization shall be claimed only once when LIHEAP, DOE, or any other funding source, are used concurrently in the same unit. Contractor shall ensure that duplicate billings for the same product or service do not occur.

a. 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.

b. Contractor is prohibited from leveraging funds from American Recovery and Reinvestment Act (ARRA) DOE with standard DOE in any single dwelling.

B. Dwelling Maximums

1) Contractor shall be entitled to obtain a maximum average reimbursement of $6,500 per dwelling unit weatherized for applying the conservation measures and activities described in-EXHIBIT B, BUDGET DETAIL AND PAYMENT PROVISIONS, ATTACHMENT II, Reimbursement Rates for Weatherization Activities.

2) 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 USC 8622(1), the maximum average reimbursement shall be $6,500 per dwelling unit.

3) At the Contractor's discretion, Contractor may elect not to provide a weatherization measure in the event the total cost exceeds the maximum cost reimbursement for the measure or the accumulative total of all measures exceeds the maximum average reimbursement of $6,500 per dwelling unit.

4) Group Homes

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

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5) Temporary Shelters/Homeless Individuals

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

C. Measure Reimbursement

1) For those weatherization measures that have an established maximum rate, the reimbursement amount shall be equal to the actual labor costs of weatherization staff, materials and subcontracted services up to the maximum reimbursement allowable.

2) For those weatherization measures that have an established maximum quantity, the quantity shall not exceed the maximum quantity allowable.

3) Weatherization measure costs or quantities exceeding the maximum reimbursement limit cannot be offset by charging the cost difference to another weatherization measure, minor envelope repair, or another CSD or non-CSD program.

4) When costs for a measure exceed the maximum cost reimbursement, labor hours and/or quantity limits allowed for a health and safety measure as described in EXHIBIT B, ATTACHMENT II, Contractor shall obtain prior written approval from CSD to exceed the maximum limitations for health and safety measures. However, in no case will Contractor be able to exceed the contract allocation for Health and Safety as shown on the 2009 DOE Allocation Spreadsheet.

5) When it is determined during an assessment that the weatherization measures to be installed will exceed the allowable costs for a measure and/or quantity limits as described in Exhibit B, Attachment II, Contractor may opt to defer the measure or may conduct an audit to determine if the measure meets the allowable SIR. If it does not meet allowable SIR, the measure will not be allowable under the DOE ARRA program.

6) Labor Reimbursement

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

EXHIBIT B
(Standard Agreement)

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

c. 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.

7) Assessments and Diagnostics

a. Contractor may claim reimbursement for one full dwelling assessment for each instance of weatherization services including initial weatherization and re-weatherization services.

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

c. 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 testing that were performed.

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

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

EXHIBIT B
(Standard Agreement)

8) Heating and Cooling Appliance Repair and Replacement

For health and safety reasons:

a. 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.

b. Dwellings in which a single appliance has been both repaired and replaced within the same Weatherization component; or under a re-weatherization call-back, 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.

c. 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.

D. Other Program Costs

1) Wages – Field Staff

Contractor shall 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, building and prepping of weatherization materials away from the job site and downtime.

2) Wages – Program Management and Support

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

EXHIBIT B
(Standard Agreement)

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

3) Payroll Taxes

a. Reported costs shall include payroll taxes associated with field, program management and support staff that are allocable to the program.

b. Reported costs shall not include payroll taxes associated with wages allocable to administrative costs.

4) 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 rates as described in EXHIBIT D, SPECIAL TERMS AND CONDITIONS, Section 1 – Travel and Per Diem.

5) Disposal, HERS Rater and Permit Fees

Contractor may claim reimbursement for disposal, HERS rater and permit fees and associated expenses incurred by the Contractor and their subcontractor.

6) Vehicle and Equipment Repair and Maintenance

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

EXHIBIT B
(Standard Agreement)

7) Historic Preservation Reviews

Historic Preservation Reviews means those expenses associated with the collection and reporting of potential weatherization properties subject to Historic Preservation Review requirements.

E. Clearance Inspections for HUD Units

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

F. Leveraging

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

a. Contractor may not leverage DOE program funded weatherization service or related activity with ARRA DOE WAP funding.

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

c. Contractor may not claim duplicate reimbursement for the same costs charged to a CSD program with any other public or privately funded program.

d. Contractor may claim reimbursement for outreach and intake only once when DOE, LIHEAP and non-CSD program funds are used concurrently in the same unit.

EXHIBIT B
(Standard Agreement)

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

G. Dwelling Status

1) Completed Units

a. Contractor shall not report a weatherized dwelling as completed nor shall Contractor request reimbursement for a weatherized dwelling until all weatherization measures identified during the dwelling assessment have been installed including post-weatherization inspections. Contractor shall not bill for incomplete units or prematurely close a unit with outstanding measures in order to receive reimbursement for work completed. If there are measures found to be non-feasible by crew members after the initial assessment, the reason for the non-feasibility shall be documented in the client file and the dwelling shall be considered completed.

b. Contractor shall not report a dwelling as weatherized nor request reimbursement prior to the quality assurance certification confirming quality and completeness of work performed upon weatherized dwellings.

2) Un-weatherized Dwellings

a. Contractor may claim reimbursement for outreach and intake for each eligible unit not previously weatherized. Additionally, Contractor will be allowed to claim reimbursement when a safety check of combustion appliances reveals safety hazards that preclude installation of measures.

b. Contractor may claim reimbursement for weatherization activities as documented on the Weatherization Building Assessment and Job Checklist (CSD 540) or Contractor's equivalent for each eligible household not previously weatherized.

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(Standard Agreement)

3) Previously Weatherized Dwellings

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

b. Contractor shall report a previously weatherized dwelling as a re-weatherized unit and not include the dwelling as a completed unit or report the dwelling and client demographics.

H. Disaster Relief

1) Contractor may claim reimbursement for approved services for qualified disaster victims in accordance with the EXHIBIT F, ATTACHMENT II, DISASTER RELIEF PLAN.

2) Reimbursement shall be limited to a maximum average reimbursement of $6,500 per dwelling unit.

5. REPORTING REQUIREMENTS

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

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

B. Monthly Reports

1) Contractor shall complete and submit to CSD, Contractor's expenditures and activities for Weatherization by entry onto the web-based, Expenditure Activity Reporting System (EARS). The monthly reports shall be submitted and received by-CSD on or before the fifteenth (15th) calendar day following the reporting period, irrespective of the level of activity or amount of expenditure in the preceding period.

2) Expenditures for Weatherization shall be reimbursed through the DOE Monthly Weatherization Expenditure/Activity Report via EARS.

3) For disaster-related expenditures, Contractor shall contact CSD for invoicing instructions.

EXHIBIT B
(Standard Agreement)

4) All adjustments, if any, must be reported through EARS under the report period in which the expenditures occurred.

5) Contractor shall also submit to CSD the physical addresses for recipients of services under Weatherization for the monthly period in which the service activity occurred and reimbursement for the service activity is requested.

   a. Contractor shall submit the monthly reporting of client service addresses separately from the EARS monthly activity/ reimbursement reporting by completing the CSD 767, Monthly Service Address Report.

   b. The report shall be sent electronically to the CSD Help Desk at SART@csd.ca.gov on or before the fifteenth (15th) calendar day following the reporting period in which direct service activity occurs.

   c. The monthly DOE Weatherization Expenditure/Activity Report will not be processed until the Monthly Service Address Report has been reviewed and approved by CSD

C. Annual Reports

1) DOE Annual Training and Technical Assistance Report (CSD 524)

Contractor shall submit information regarding training and technical assistance as well as group client education/counseling activities on an annual basis on the DOE Annual Training and Technical Assistance Report (CSD 524) to the State on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditures. The report shall cover the contract period of June 30, 2010 through June 30, 2011 and is due July 15, 2011.

2) DOE Annual Leveraging Report (CSD 523)

Contractor shall submit information regarding leveraging activities on an annual basis on the DOE Annual Leveraging Report (CSD 523) to the State on or before the fifteenth calendar day following the reporting period, irrespective of the level of activity or amount of expenditures. The report shall cover the contract period of June 30, 2010 through June 30, 2011 and is due July 15, 2011.

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D. CSD Review

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

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

E. Close-out Report

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

a. Administrative, Health and Safety, and Training and Technical assistance costs shall not exceed the maximum allowable amounts.

b. Any Administrative, Health and Safety, and Training and Technical assistance costs that exceed these limits shall be disallowed and returned to CSD within 90 calendar days after the expiration of this Agreement.

c. Subsequent payments, including advance payments, for DOE or other CSD contracts shall also be contingent upon timely receipt of the close-out report of this Agreement.

2) The close-out report shall include the following forms and be available on CSD's "Contractor's Only" website:

a. DOE Close-Out Checklist (CSD 720);

b. DOE Close-Out Equipment Inventory Schedule (CSD 720D); and

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

3) Unexpended Funds

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

EXHIBIT B
(Standard Agreement)

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

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

6. SCHEDULE OF ATTACHMENTS

The following attachments to this exhibit are hereby attached and incorporated by this reference:

A. ATTACHMENT I DOE WEATHERIZATION BUDGET (CSD 570);

B. ATTACHMENT II REIMBURSEMENT RATES FOR WEATHERIZATION ACTIVITIES.