

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES

STANDARD AGREEMENT

STD. 213 (Rev 03/2019) CSD (Rev 07/2019)

AGREEMENT NUMBER

21Z-9554

PURCHASING AUTHORITY NUMBER (if applicable)

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

CONTRACTING AGENCY NAME

Department of Community Services and Development

CONTRACTOR NAME

El Dorado County Health and Human Services Agency

2. The term of this Agreement is: April 1, 2022 through August 31, 2023

3. The maximum amount of this Agreement is: Total \$107,960.00

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*; Article 3 - Contract Changes*;

Article 4 - Administrative Policies and Procedures*; Subpart B - Financial Requirements*;

Article 5 - Administrative and Program Expenditures Requirements*;

Article 6 - Reporting Policies and Procedures*; Subpart C - Programmatic Requirements*;

Article 7 - Program Policies and Procedures*; Article 8 - Program Implementation*;

Subpart D - Compliance Requirements*; Article 9 - Compliance Policies and Procedures*;

Subpart E - Certifications and Assurances*; Article 10 - Federal and State Policy Provisions*;

Subpart F - Definitions*; Subpart G - Table of Forms*

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO**CONTRACTOR**

California
Department of General Services
Approval (or exemption, if applicable)

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

El Dorado County Health and Human Services Agency

CONTRACTOR BUSINESS ADDRESS, CITY, STATE ZIP

3057 Briw Rd #A, Placerville, CA 95667

PRINTED NAME OF PERSON SIGNING

TITLE

CONTRACTOR AUTHORIZED SIGNATURE

DATE SIGNED

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

STATE OF CALIFORNIA

CONTRACTING AGENCY NAME

Department of Community Services and Development

CONTRACTING AGENCY ADDRESS

2389 Gateway Oaks Drive, Suite 100

CITY

Sacramento

STATE

CA

ZIP

95833

PRINTED NAME OF PERSON SIGNING

Chris Vail

TITLE

Chief Financial Officer

CONTRACTING AGENCY AUTHORIZED SIGNATURE

DATE SIGNED

22-0718 B 1 of 85



DAVID SCRIBNER
DIRECTOR

State of California-Health and Human Services Agency
DEPARTMENT OF COMMUNITY SERVICES AND DEVELOPMENT
 2389 Gateway Oaks Drive, Suite 100, Sacramento, CA 95833
 Telephone: (916) 576-7109 | Fax: (916) 263-1406
www.csd.ca.gov



GAVIN NEWSOM
GOVERNOR

Dear Executive Director:

On May 28, 2021, the U.S. Department of Health and Human Services released funding to implement the Low Income Household Water Assistance Program (LIHWAP) under the Consolidated Appropriations Act (CAA) and the American Rescue Plan Act (ARPA), which were signed into law on December 27, 2020, and March 11, 2021, respectively.

The Department of Community Services and Development (CSD) received one time LIHWAP CAA and ARPA grant awards totaling \$116,496,312 to provide financial assistance to low-income households who have struggled to make water, wastewater, and/or stormwater payments prior to, and during, the COVID-19 pandemic.

CSD is releasing the LIHWAP contract which allocates \$20,636,854 to the Local Service Provider (LSP) network for Administrative and Program Support costs. The Water Assistance Allocation of \$87,372,235, as reflected on the Allocation Spreadsheet, will be held by CSD for the purpose of issuing household LIHWAP assistance payments to water service providers through CSD's third-party funds disbursement partner, HORNE.

Government Code Section 12087.2 prioritizes arrearages and establishes regular reporting to the Legislature regarding program implementation and progress with LIHWAP service delivery and grant expenditure. To comply with statutory requirements, the LIHWAP contract incorporates specific provisions for quarterly reporting (to assist CSD's compliance with state and federal reporting requirements) and eligibility requirements placing an emphasis on assisting households with the payment of past due balances for residential water and wastewater services. Based on a recommendation from the LIHWAP workgroup, CSD will consider a modification to LIHWAP program design to pay customer's current bills if the need for arrearage assistance declines as demonstrated by data submitted by LSPs.

The LIHWAP contract term is April 1, 2022 through August 31, 2023. To provide the maximum time period for LIHWAP intake and enrollment activities, CSD has streamlined the traditional close-out process and implemented deadlines for fiscal and beneficiary system reporting as outlined in Article 6.1 of the LIHWAP contract. LSPs should review this section to confirm due dates for completing Expenditure Activity Reporting System (EARS) monthly reports and adjustments as well as finalizing LIHWAP application submissions in the Combined Outcome Reporting Engine (CORE).

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Executive Director
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CSD is actively completing program updates to EARS and CORE systems and anticipates the EARS updates will be implemented by mid-April 2022 and CORE updates implemented on June 3, 2022. Eligibility training will take place in mid-to-late-April and a separate notification will be provided to the network once the training is scheduled.

A [LIHWAP Resources Page](#) has been developed on the Local Agencies Portal to assist your agency with accessing informational documents and past webinars on the LIHWAP program design, guidelines, system enrollment status, LSP system referral form, and the Housing and Urban Development utility allowances. The contract, contract supporting documents, and the LIHWAP start-up package are located on the Local Agencies Portal [Contracts Page](#). Additionally, the Working Capital Advance and LSP Quarterly Report templates, both specific to LIHWAP, can be found under the [Forms Page](#).

Attached is a contract checklist and other documentation required for execution of the LIHWAP contract. The contract packets must be completed and returned to CSD within 30 calendar days from the date of this letter for private nonprofit agencies and 45 calendar days for public agencies.

CSD looks forward to a continued productive partnership so that, together, we can effectively administer our critical programs and services designed to strengthen the economic security of vulnerable Californians.

Sincerely,



DAVID SCRIBNER
Director

Attachments

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2021 LIHWAP Contract Checklist

General Comments and Requirements:

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

Contract Packet:

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

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

Programmatic Contract Requirements (as applicable):

- Optional: CSD 143 Working Capital Advance (located under forms tab on the Local Agencies Portal). Submit the form to EARS.Reports@CSD.CA.GOV.

Please return completed contract packets within 30 days (45 days for public agencies) to:

All forms are located on the Forms page under the Energy Contract tab on the Local Agencies Portal at <https://agencies.csd.ca.gov>.

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 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 (<i>check one</i>)	<input type="checkbox"/> CSBG	<input type="checkbox"/> LIHWAP	<input type="checkbox"/> LIHEAP	<input type="checkbox"/> DOE WAP
Contract #(s) (<i>list all active contracts for the selected program</i>)				
Contract Period(s) (<i>mm/dd/yy - mm/dd/yy</i>)				
Agency Unique Identifier (DUNS Number)				
Agency Primary Contact Information (<i>person responsible for completing this form</i>)	Name:			
	Title			
	E-mail:			
	Phone:			
Location of Agency	Mailing Address:			
	State:			
	Zip + 4 digits (<i>+4 digit is required</i>)			
	U.S. Congressional District:			
	State Assembly District:			
	State Senate District:			

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Department of Community Services and Development
CSD 279 (Rev. 1/2015)

Place of Performance <i>(where program funds are primarily spent, if different from agency location above)</i>	Street Address:	
	State:	
	Zip + 4 digits (+4 digit is required)	
	U.S. Congressional District:	
	State Assembly District:	
	State Senate District:	
Agency (Sub-Awardee) Executive Compensation Reporting	Is more than 80% of your agency's annual gross revenue from the Federal government? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If YES, continue to the next question. If NO, you are now finished completing this form.)</i>	
	Does your agency's total annual federal funding exceed \$25 million? <input type="checkbox"/> Yes <input type="checkbox"/> No <i>(If YES, continue to the next question. If NO, you are now finished completing this form.)</i>	
	Is your agency one of the entities described below? <input type="checkbox"/> Yes <input type="checkbox"/> No <ul style="list-style-type: none"> ▪ 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). 	
	<i>(If NO, please list the names and compensation of your agency's top five highest compensated employees in the spaces below. If YES, <u>you are now finished completing this form.</u></i>	
Five Highest Compensated Executives/Employees	Name	
	Compensation	
	Name	
	Compensation	
	Name	
	Compensation	
	Name	
	Compensation	

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

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/



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

PROGRAM: Low-Income Household Water Assistance Program (LIHWAP)

PERIOD: April 1, 2022 through August 31, 2023

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, Health and Human Services Agency

 Title

 Signature

 Agency/Organization

 Date

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete the form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

<p>1. Type of Federal Action:</p> <p><input type="checkbox"/> a. contract <input type="checkbox"/> b. grant <input type="checkbox"/> c. cooperative agreement <input type="checkbox"/> d. loan <input type="checkbox"/> e. loan guarantee <input type="checkbox"/> f. loan insurance</p>	<p>2. Status of Federal Action:</p> <p><input type="checkbox"/> a. bid/offer/application <input type="checkbox"/> b. initial award <input type="checkbox"/> c. post-award</p>	<p>3. Report Type:</p> <p><input type="checkbox"/> a. initial filing <input type="checkbox"/> b. material change</p> <p>For Material Change Only: year _____ quarter _____ date of Last report _____</p>
<p>4. Name and Address of Reporting Entity:</p> <p><input type="checkbox"/> Prime <input type="checkbox"/> Subawardee Tier _____, if known:</p> <p>Congressional District, if known: _____</p>		<p>5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:</p> <p>Congressional District, if known: _____</p>
<p>6. Federal Department/Agency:</p>	<p>7. Federal Program Name/Description:</p> <p>CFDA Number, if applicable: _____</p>	
<p>8. Federal Action Number, if known:</p>	<p>9. Award Amount, if known:</p> <p>\$ _____</p>	
<p>10. a. Name address of Lobbying Entity (if individual, last name, first, name, MI):</p> <p>_____</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		<p>b. Individuals Performing Services (including address if different from No. 10a) (last name, first name, MI):</p> <p>_____</p>
<p>11. Amount of Payment (check all that apply):</p> <p>\$ _____ <input type="checkbox"/> actual <input type="checkbox"/> planned</p>	<p>13. Type of Payment (check all that apply):</p> <p><input type="checkbox"/> a. retainer <input type="checkbox"/> b. one-time fee <input type="checkbox"/> c. commission <input type="checkbox"/> d. contingent fee <input type="checkbox"/> e. deferred <input type="checkbox"/> f. other; specify: _____</p>	
<p>12. Form of Payment (check all that apply):</p> <p><input type="checkbox"/> a. cash <input type="checkbox"/> b. in-kind; specify: nature _____ value _____</p>		
<p>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:</p> <p>_____</p> <p>(attach Continuation Sheet(s) SF-LLL-A, if necessary)</p>		
<p>15. Continuation Sheet(s) SF-LLL-A attached: <input type="checkbox"/> Yes <input type="checkbox"/> No</p>		
<p>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.</p>		<p>Signature: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>Telephone No.: _____ Date: _____</p>
<p>Federal Use Only:</p>		<p>Authorized for Local Reproductions Standard Form – LLL</p>

DISCLOSURE OF LOBBYING ACTIVITIES
CONTINUATION SHEET

Approved by OMB
0348-0046

Reporting Entity: _____ Page _____ of _____

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

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

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, state and ZIP Code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in Item 4 checks "Subawardee", then enter the full name, address, city, state and zip code of the prime Federal recipient. Include Congressional District, if known
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, state and zip code of the lobbying entity engaged by the reporting entity identified in item 4 to influence the covered Federal action.
(b) Enter the full name of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. Enter the amount of compensation paid or reasonably expected to be paid by the reporting entity (item 4) to the lobbying entity (item 10). Indicate whether the payment has been made (actual) or will be made (planned). Check all boxes that apply. If this is a material change report, enter the cumulative amount of payment made or planned to be made.
12. Check the appropriate box(es). Check all boxes that apply. If payment is made through an in-kind contribution, specify the nature and value of the in-kind payment.
13. Check the appropriate box(es). Check all boxes that apply. If other, specify nature.
14. Provide a specific and detailed description of the services that the lobbyist has performed, or will be expected to perform, and the date(s) of any services rendered. Include all preparatory and related activity, not just time spent in actual contact with Federal officials. Identify the Federal official(s) or employee(s) contacted or the officer(s), employee(s), or Member(s) of Congress that were contacted.
15. Check whether or not a SF-LLL-A Continuation Sheet(s) is attached.
16. The certifying official shall sign and date the form, print his/her name, title, and telephone number.

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

LIHWAP CAA & ARPA ALLOCATION SPREADSHEET

State of California
 Department of Community Services and Development
 Total 2021 LIHWAP Allocations
 Facsheet

Contract Number	Admin & Support			Total Agency Contract	Water Assistance (WA)*	Total Agency Allocation
	Admin	Program Support	Total Agency Contract			
21W-9001	457,568	610,091	1,067,659		4,575,682	5,643,341
	7,685	10,247	17,932		76,850	94,782
	10,616	14,155	24,771		106,163	130,934
	17,167	22,889	40,056		171,671	211,727
21Z-9550	35,468	47,291	82,759		354,684	437,443
21Z-9551	69,291	92,387	161,678		692,906	854,584
	9,434	4,865	14,299		36,484	50,783
	19,879	10,249	30,128		76,870	106,998
	9,150	4,718	13,868		35,383	49,251
21Z-9552	38,463	19,832	58,295		148,737	207,032
21W-9002	161,334	215,112	376,446		1,613,343	1,989,789
21Z-9553	19,649	6,722	26,371		50,419	76,790
	1,915	1,138	3,053		8,533	11,586
	65,819	39,088	104,907		293,161	398,068
21Z-9554	67,734	40,226	107,960		301,694	409,654
21W-9003	227,307	303,076	530,383		2,273,072	2,803,455
	45,136	60,181	105,317		451,357	556,674
21W-9004	45,136	60,181	105,317		451,357	556,674
	64,330	85,774	150,104		643,305	793,409
	547,217	729,623	1,276,840		5,472,176	6,749,016
21W-9005	611,547	815,397	1,426,944		6,115,481	7,542,425
	12,147	4,177	16,324		31,331	47,655
	7,599	2,613	10,212		19,600	29,812
21Z-9555	19,746	6,790	26,536		50,931	77,467
21Z-9556	230,185	306,913	537,098		2,301,846	2,838,944
21Z-9557	49,468	27,498	76,966		206,239	283,205
	23,196	30,928	54,124		231,956	286,080
	31,385	41,846	73,231		313,848	387,079
	23,092	30,790	53,882		230,923	284,805
	72,143	96,190	168,333		721,428	889,761
	87,715	116,953	204,668		877,146	1,081,814
	69,212	92,282	161,494		692,119	853,613
21W-9006	306,743	408,989	715,732		3,067,420	3,783,152
21Z-9558	19,750	6,794	26,544		50,951	77,495
21W-9007	966,652	1,288,870	2,255,522		9,666,495	11,922,017
21W-9008	822,180	1,096,241	1,918,421		8,221,804	10,140,225
21W-9009	649,183	865,577	1,514,760		6,491,832	8,006,592
21W-9010	49,649	66,199	115,848		496,489	612,337
21Z-9559	67,453	46,795	114,248		350,965	465,213
21Z-9560	23,193	9,192	32,385		68,941	101,326
21W-9011	68,487	91,315	159,802		684,866	844,668

- 1 Alameda County - Spectrum Community Services, Inc.
- 2 Amador/Tuolumne Service Territory - Amador-Tuolumne CAA
 - Amador County
 - Calaveras County
 - Tuolumne County
 - Service Territory Total
- 3 Butte County - CAA of Butte County, Inc.
- 4 Colusa Service Territory - Glenn County Community Action Department
 - Colusa County
 - Glenn County
 - Trinity County
 - Service Territory Total
- 5 Contra Costa Co. - Contra Costa Employment & Human Services Dept/CSB
- 6 Del Norte County - Del Norte Senior Center, Inc.
- 7 El Dorado Service Territory - El Dorado Co. Health & Human Services Agency
 - Alpine County
 - El Dorado County
 - Service Territory Total
- 8 Fresno County - Fresno County Economic Opportunities Commission
- 9 Humboldt Service Territory - Redwood CAA
 - Humboldt County
 - Service Territory Total
- 10 Imperial Service Territory - Campesinos Unidos, Inc.
 - Imperial County
 - San Diego County - Area A
 - Service Territory Total
- 11 Inyo Service Territory - Inyo Mono Advocates for Community Action, Inc.
 - Inyo County
 - Mono County
 - Service Territory Total
- 12 Kern County - Community Action Partnership of Kern
- 13 Kings County - Kings Community Action Organization, Inc.
- 14 Lake Service Territory - North Coast Energy Services, Inc.
 - Lake County
 - Mendocino County
 - Napa County
 - Solano County
 - Sonoma County
 - Yolo County
 - Service Territory Total
- 15 Lassen County - Lassen Economic Development Corporation
 - Los Angeles County
 - Area A - Maravilla Foundation
 - Area B - Pacific Asian Consortium in Employment
 - Area C - Long Beach Community Action Partnership
 - Madera County - Community Action Partnership of Madera County, Inc.
 - Marin County - Community Action Marin
 - Mariposa County - Mariposa County Human Services Department
 - Merced County - Merced County CAA

LIHWAP CAA & ARPA ALLOCATION SPREADSHEET

State of California
 Department of Community Services and Development
 Total 2021 LIHWAP Allocations
 Facsheet

Contract Number	Admin & Support			Total Agency Contract	Water Assistance (WA)*	Total Agency Allocation
	Contract Number	Admin	Program Support			
23 Modoc - T.E.A.C.H. Inc.	21Z-9561	14,924	3,431	18,355	25,734	44,089
24 Orange County - Community Action Partnership of Orange County	21W-9012	424,580	566,107	990,687	4,245,799	5,236,486
25 Placer Service Territory - Project GO, Inc.						
Nevada County						
Placer County		23,351	31,134	54,485	233,507	287,992
Service Territory Total		55,517	74,023	129,540	555,170	684,710
26 Plumas Service Territory - Plumas Co. Community Development Commission	21Z-9562	78,868	105,157	184,025	788,677	972,702
Plumas County						
Sierra County		14,418	4,262	18,680	31,966	50,646
Service Territory Total		2,951	872	3,823	6,544	10,367
27 Riverside County - Community Action Partnership of Riverside County	21Z-9563	17,369	5,134	22,503	38,510	61,013
28 Sacramento Service Territory - Community Resource Project, Inc.	21Z-9564	352,570	470,094	822,664	3,525,703	4,348,367
Sacramento County						
Sutter County		346,315	461,754	808,069	3,463,151	4,271,220
Yuba County		21,897	29,196	51,093	218,967	270,060
Service Territory Total		11,302	15,069	26,371	113,016	139,387
29 San Benito Co. - HHSA, Comm. Svcs. & Wkfs. Dev.	21Z-9565	379,514	506,019	885,533	3,795,134	4,680,667
30 San Bernardino County - Community Action Partnership of San Bernardino Co.	21Z-9566	34,053	16,758	50,811	125,685	176,496
31 San Diego County - Area B - Metropolitan Area Advisory Committee	21Z-9567	517,495	689,993	1,207,488	5,174,952	6,382,440
32 San Joaquin Co. - San Joaquin Co. Dept. of Aging & Community Services	21Z-9568	318,951	425,268	744,219	3,189,514	3,933,733
33 San Luis Obispo Co. - Community Action Partnership of San Luis Obispo Co., Inc.	21Z-9569	164,018	218,691	382,709	1,640,179	2,022,888
34 Santa Barbara Co. - Community Action Commission of Santa Barbara County	21W-9013	63,986	85,315	149,301	639,863	789,164
35 Santa Clara Co. - Sacred Heart Community Service	21Z-9570	147,044	196,059	343,103	1,470,445	1,813,548
36 Santa Cruz Service Territory - Central Coast Energy Services, Inc.	21Z-9571	375,412	500,550	875,962	3,754,121	4,630,083
Monterey County						
San Francisco County		168,256	224,341	392,597	1,682,558	2,075,155
San Mateo County		211,584	282,112	493,696	2,115,841	2,609,537
Service Territory Total		108,480	144,640	253,120	1,084,801	1,337,921
37 Shasta/Tehama Service Territory - Self-Help Home Improvement Project, Inc.	21Z-9572	100,105	133,474	233,579	1,001,055	1,234,634
Shasta County		588,425	784,567	1,372,992	5,884,255	7,257,247
Tehama County						
Service Territory Total		31,473	41,964	73,437	314,729	388,166
38 Siskiyou County - Great Northern Services	21W-9014	12,556	16,741	29,297	125,560	154,857
39 Stanislaus County - Central Valley Opportunity Center, Incorporated		44,029	58,705	102,734	440,289	543,023
40 Tulare County - Community Services & Employment Training, Inc.	21Z-9573	31,106	14,705	45,811	110,291	156,102
41 Ventura County - Community Action of Ventura County, Inc.	21Z-9574	150,959	201,278	352,237	1,509,589	1,861,826
	21Z-9575	128,694	171,592	300,286	1,286,940	1,587,226
	21Z-9576	149,040	198,720	347,760	1,490,401	1,838,161
TOTALS		8,987,223	11,649,631	20,636,854	87,372,235	108,009,089

* All WA direct services funds are in contract 21S-6007 (HORNE, LLP); These amounts are for budgeting in CORE

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PART I

PREAMBLE

This subvention contract, for the implementation of the Low-Income Household Water Assistance Program (LIHWAP) in program year 2022 (“Contract”), is entered into between the Department of Community Services and Development (“CSD” or “Department”) and the contractor named on Form STD. 213, the face sheet of this document (“Contractor”) and shall be enforceable on the date last signed.

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

ARTICLE 1 – SCOPE OF WORK

1.1 General

- A. Contractor shall provide financial assistance to eligible participants with past due drinking water, wastewater, or stormwater service (hereafter referred to as “water services”) bills residing in the service area described in Section 1.2, pursuant to The American Rescue Plan Act of 2021 (Public Law (Pub. L.) 117-2, Section 2912), Consolidated Appropriations Act, 2021 (Pub. L. 116-260, Section 533), and Government Code Section 12087.2. Contractor shall provide essential governmental services, as defined by the State, during the term of the Contract and expend the total allocation while obeying all orders or health directives to stay-at-home or shelter in place effective now or implemented in the future. Contractor shall ensure that the highest level of assistance will be furnished to income eligible households with water services, and that the benefits funded by this Contract shall also meet all other assurances specified by the LIHWAP Supplemental Terms and Conditions issued by the Office of Community Services (OCS), Administration for Children & Families (ACF), United States Department of Health and Human Services (HHS).
- B. CSD shall evaluate the program design, if the demand for past-due assistance declines and the statewide data and expenditures reported support modifying program eligibility rules to include assistance to households with current water services. CSD will issue a CSD Program Notice notifying Contractor of the modification to program eligibility, at that time the Contractor may provide financial assistance to low-income eligible participants with current water service bills in accordance with guidance and instruction referenced in the CSD Program Notice.
- C. The LIHWAP Catalog of Federal Domestic Assistance number is 93.568. Award is made available through the HHS.

Article 1 – Scope of Work

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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 2022 LIHWAP Numbers, Contractors, and Service Territories listing may be accessed at

<https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx>.

- B. Contractors that provide services in Los Angeles and San Diego counties shall refer to the ZIP Codes listing located at <https://agencies.csd.ca.gov/home/Energy/Pages/Contracts.aspx> to determine the zip codes for their respective area.

1.3 Term and Amount of Contract

- A. The term of this Contract 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 Contract consists of Contractor's total allocation.
- C. The Water Assistance Allocation as reflected on the Allocation Spreadsheet will be held by CSD for the purpose of issuing the payment of household LIHWAP assistance to water service providers through CSD's third-party funds disbursement partner.
- D. LIHWAP assistance, as defined in Part II, Subpart F that are allocated to Contractor, shall be expended, reported and accounted for in accordance with the provisions of this Contract 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 5.6 of Part II, if this Contract involves LIHWAP funding for water services provided by Contractor in multiple counties or service areas.

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 American Rescue Plan Act of 2021 (Pub. L. 117-2, Section 2912);

Article 1 – Scope of Work

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2. The Consolidated Appropriations Act, 2021 (Pub. L. 116-260, Section 533);
 3. The Single Audit Act, 31 U.S.C. §§ 7501 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 Contract, including those costs incurred pursuant to subcontracts executed by Contractor, notwithstanding any language contained in the following authorities that might otherwise exempt Contractor from their applicability. To the extent that the requirements, standards, or guidelines directly conflict with any State law or regulation at Government Code § 12087.2 or 22 CCR §100800 et seq., or any provision of this Contract, then that law or regulation or provision shall apply, unless, under specified circumstances, a provision of federal law 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 the California Contractor Certification Clauses 04/2017 (CCC-04/2017).
- C. 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 LIHWAP, 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/Home/AllCSDCPAsCPNs.aspx>;
 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.ca.gov/Home/AllCSDCPAsCPNs.aspx>;
 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 LIHWAP;

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5. That major and material changes in the program and/or requirements which substantially affect the Contractor's and/or CSD's ability to fulfill their obligations or otherwise serve to create a substantial hardship on either the Contractor or CSD shall be subject to an amendment to this Contract;
 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 5 and C 6, in a reasonable period of time, shall result in this Contract being without force and effect subject only to such provisions contained herein as are intended to survive the Contract in accordance with the express and implied provisions of applicable federal and state law; and
 8. That upon CSD's good faith determination, delivered to the Contractor by written notice that this Contract 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.
- D. The federal and state laws, regulations and other authorities referenced in this Section are hereby incorporated by reference into this Contract. Copies may be accessed for reference at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.
- E. Contract Elements Integral to Contract and Enforceability Conditions
1. Contractor shall provide the following documents, satisfactory to CSD in form and substance, together with an executed copy of this Contract before CSD executes and returns the Contract 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 Clauses (CCC-04/2017);
 - d. Current Insurance or Self-Insurance Authority Certification;

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- e. Board Resolution authorizing execution of this Contract; and
 - f. Agency Staff and Board Roster (CSD 188).
2. CSD will not forbear from executing this Contract 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 forms. The approved forms shall become part of this Contract.
- F. 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 10, Section 10.1, “Certifications” of this Contract.

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PARTS I & II – ENTIRE CONTRACT**

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

2.1 Base Contract and Whole Contract

- A. This Contract consists of two parts, which together constitute the whole Contract 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 Contract;
 - b. the term of the Contract; and
 - c. the maximum dollar amount of the Contract.
 - 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 G, including specified requirements, obligations, provisions, procedures, guidance, forms and technical materials, necessary for program implementation.
- D. Agreed-Upon Contract Execution Provisions and Procedures

Neither Part I nor Part II of this Contract may be changed or altered by any party, except by a formal written, fully executed amendment, or as provided in paragraph C, in 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 contract or amendment is executed by the parties.

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

Contractor may find the required California General Terms and Conditions (GTC 04/2017) at the following web address:

<https://www.dgs.ca.gov/OLS/Resources/Page-Content/Office-of-Legal-Services-Resources-List-Folder/Standard-Contract-Language>

Click the “CCC 04/2017” link to download the current requirements.

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

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; and
 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 30 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.

2.4 Budget Contingencies

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

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2. If program funding for any fiscal year is reduced to such degree that CSD reasonably determines that the program cannot be implemented effectively, CSD shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer 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 Contract may be executed before the availability and amounts of federal funding can be ascertained, in order to minimize delays in the provision of services and the distribution of funds. The parties further agree that the obligations of the parties under this Contract are expressly contingent on adequate funding being made available to CSD 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, CSD shall at its sole discretion have the option either to terminate this Contract upon written notice to Contractor or, in the alternative, to offer 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 Contract was executed, this Contract shall be amended by mutual agreement for compliance with such obligations, restrictions, limitations or conditions. Failure of the parties to reach agreement on such amendment shall render this Contract without force and effect.
 4. Subject to the provisions of subparagraph B 2, CSD shall authorize expenditures of funds under this Contract based on any Continuing Resolution appropriations that are adequate for the purpose. CSD shall notify the Contractor in writing of authorized interval funding levels.

2.5 Miscellaneous Provisions

- A. Assignment. Neither this Contract nor any of the rights, interests, or obligations

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under this Contract shall be assigned by any party without the prior written consent of the other parties, except in the case where responsibility for program implementation and oversight may be transferred by CSD to another State agency. In the event of such transfer, this Contract is binding on the agency to which the program is assigned.

- B. Merger/Entire Contract. This Contract (including the attachments, documents and instruments referred to in this Contract) constitutes the entire Contract and understanding of the parties with respect to the subject matter of this Contract and supersedes all prior understandings and contracts, whether written or oral, among the parties with respect to such subject matter.
- C. Severability. If any provision of this Contract is found to be invalid or unenforceable in any respect for any reason, the validity and enforceability of any such provision in any other respect and of the remaining provisions of this Contract will not be in any way impaired and shall remain in full force and effect.
- 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

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PART II

SUBPART A – ADMINISTRATIVE REQUIREMENTS

ARTICLE 3 – CONTRACT CHANGES

3.1 Amendment

- A. Changes to this Contract shall be made by formal amendment with exceptions specified in 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 Contract.
- B. Minor Modifications shall not alter the maximum limits established for administrative costs.
- C. Allowable modifications to this Contract 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. 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 Contract. Contractor has the option of demonstrating such authority by the signature of a Board member, affixed to the signature page of the Contract, 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 Contract 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 Contract to the Board. Either a specific or current general resolution must be on file with CSD before execution of this Contract by CSD.
- D. If the Contractor's board is both tripartite and advisory to the elected members governing a local government, the Contractor shall submit to CSD the approved minutes from any meeting of the elected officials where matters relating to this Contract are heard, including but not limited to discussions about or decisions affecting the LIHWAP. 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 Contract and shall include:

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- 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 Contract for a minimum period of three years after submission of the final report or until resolution of all related audit or monitoring findings, enforcement actions, including cost disallowance, legal proceedings or other pending matters, whichever is later.
- C. Contractor shall retain and secure all employee and client/applicant records and information in compliance with the Information Practices Act of 1977 (Civ. Code §§ 1798 et seq.), as amended, and the Federal Privacy Act of 1974 (5 U.S.C. § 552a et seq.), 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 Contract.
 - 2. Contractor shall provide CSD with written notice at least 30 calendar days prior to cancellation or reduction of insurance coverage to an amount less

Article 4 – Administrative Policies and Procedures

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than that required in this Contract 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 Contract.

3. In the event insurance coverage expires during the term of this Contract, Contractor agrees to provide within 30 days of the expiration date, a new Certificate of Insurance (ACORD 25) for not less than the remainder of the term of this Contract. The new Certificate of Insurance (ACORD 25) shall evidence no lapse in coverage. The Certificate of Insurance (ACORD 25) shall identify and name CSD as the Certificate Holder.
 4. New Certificates of Insurance are subject to review for content and form by CSD. Certificates of Insurance must be submitted electronically via email to: BNCS@csd.ca.gov.
 5. In the event Contractor fails to keep in effect at all times the specified insurance and bond coverage as herein provided, CSD may, in addition to any other remedies it may have, suspend this Contract.
 6. With the exception of workers' compensation and fidelity bond, CSD shall be named as an additional insured on all certificates of insurance required under this Contract.
 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 Contract, Contractor shall indemnify and hold CSD harmless against any liability incurred by that subcontractor(s).
- B. Self-Insurance
1. When Contractor is a self-insured governmental entity, CSD, upon receipt of satisfactory proof of the entity's self-insurance authority, may waive the insurance requirements. A duly authorized county or city risk manager shall provide signed certification of the governmental entity's ability to cover any potential losses under this Contract.
 2. Governmental contractors shall specify in writing a list of which coverage(s) will be self-insured under this Contract and shall list all applicable policy numbers, expiration dates, and coverage amounts for coverage which is not self-insured.

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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 Contract, Contractor shall maintain legally sufficient workers' compensation insurance issued by an insurance carrier licensed to underwrite workers' compensation insurance in the State of California.
 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 contract amount, excluding Utility Services, as set forth under this Contract.
 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 Contract general liability and property damage insurance for a combined single limit of not less than \$500,000 per occurrence.

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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 Contract vehicle insurance in the amount of \$500,000 for each person and each accident for bodily injury and in the amount of \$500,000 for each person and each accident for property damage.
2. If employees use their own vehicles to perform duties within the scope of their employment, Contractor shall have and maintain for the term of this Contract non-owned and hired-auto liability insurance in the amount of \$500,000 for each person and each accident for bodily injury and \$500,000 for each person and each accident for property damage. (Driving to and from work shall not be considered to be within the scope of employment.)
3. Contractor will not be paid an advance or any reimbursement of expenses unless it has first submitted to CSD an applicable Certificate of Insurance (ACORD 25), designating CSD as an additional insured, to CSD as evidence of compliance with the stated vehicle insurance requirements.

4.5 System Security Requirements

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

A. Data Protection

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

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2. Access to the above-mentioned data included in the DTR must only be given to authorized personnel to complete essential duties. Authorized personnel are to log into these systems using their own assigned credentials (i.e., no login account sharing). Upon departure of personnel with assigned credentials, the Contractor will remove the employee's access to the systems as soon as possible.
 3. To the extent Contractor utilizes tablet or other internet-based or mobile devices for client intake and application purposes ("Electronic Intake") in lieu of paper forms and documents, Contractor shall comply with all federal and state information security requirements and with such guidance and protocols as CSD may from time to time issue for the purpose of ensuring the integrity of Electronic Intake, including, but not limited to, the use of electronic signatures, data privacy, security, transfer and retention requirements.
 4. Data exchanged between CSD and Contractor via email communication must have all personally identifying information (PII) and other sensitive information redacted before the document is sent. Alternately, Contractor must encrypt any attachments that have sensitive data using encryption tools and configurations as required by CSD.
- B. Contractor Systems Security
1. The physical location of the computing and data storage devices (e.g., servers) shall be within controlled access-controlled facilities. Individual users may not have access to the data except through their systems that are specifically credentialed for Contractor business. All access will be controlled by authentication methods to validate the approved users.
 2. Standards for secure transmission may be accomplished through such means as certificates, secure socket layer, etc., and storage of the data with encryption.
 3. Both CSD and Contractor shall keep security patches, anti-virus and anti-malware software up to date on all systems on which data may be used.
 4. Contractor shall securely destruct data by sanitizing media prior to disposal

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C. 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 (5 U.S.C. § 552a), Trade Secrets Act (18 U.S.C. § 1905) and Stored Communication Act (18 U.S.C. §§ 2701 et seq.). 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.

D. Incident Reporting

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

E. 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.

F. Data Sharing Responsibilities

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

G. Security Assessment

Contractor shall work with CSD to develop a Memorandum of Understanding (MOU) to further clarify privacy and information security requirements for ensuring the security of personal information of LIHWAP participants and technology systems supporting program administration and service delivery. In

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addition, the MOU will specify security requirements for Contractor information technology systems storing and transmitting personal information of program participants, to include specific security assessments and audits of Contractor systems that interconnect with CSD in accordance with federal and state requirements.

4.6 Travel and per diem

- A. Contractor shall not be reimbursed for out-of-state travel. Contractor's in-state 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, including 45 CFR § 75.474).
- B. 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-Contracts. The standards of conduct shall provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the recipients.
- B. Contractor shall not pay Federal funds received from CSD to any entity in which it (or one of its employees, officers, or agents, any member of his or her immediate family, his or her partner, or an organization that employs or is about to employ any of the parties indicated herein) has an interest. As ownership constitutes a financial interest, Contractor shall not subcontract with a subsidiary. Similarly, Contractor shall not subcontract with an entity that employs or is about to employ any person described in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75, including 45 CFR §§ 75.112 & 75.327).

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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 the LIHWAP and the implementation of this Contract shall have any personal financial interest in such activity or function or otherwise personally benefit or gain from the activity or function.
- 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 LIHWAP 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.

4.9 Procurement Standards

Contract Administration

- A. Maintenance of written procurement procedures. Contractor shall administer this Contract in accordance with all federal and state rules and regulations governing LIHWAP grants pertaining to procurement, including the Office of Management and Budget's (OMB) procurement standards, as codified in the 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 Contract, 45 CFR Part 75, and pursuant to [CPA-A-12-01](#). 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 Contract, including but not limited to a code of conduct for the award and administration of contracts and a procedure that provides, to the maximum extent practical, open and free competition.
- B. 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

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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.

- C. All supplies, materials, equipment, or services purchased or leased with funds provided pursuant to this Contract shall be used solely for the activities allowed under this Contract, unless the fair market value for such use is charged to the benefiting program and treated as program income earned under this Contract.
- D. 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.
- E. 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:
 - 1. Explanation of why the acquisition of goods or services is limited to one vendor or supplier;
 - 2. Description of sole vendor/supplier's unique qualifications to provide the goods or services in question; and
 - 3. Analysis of cost(s) to demonstrate reasonability.
- F. 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.
- G. 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 Equipment

- A. To ensure compliance with the requirements for 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 (including 45 CFR §§ 75.320 & 75.439).
- B. Consistent with federal statutes and regulations, CSD issued [CPN-A -17-01](#): Equipment Use and Disposition Requirements. To ensure compliance with the

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requirements for equipment and the maintenance of equipment, Contractor shall adhere to [CPN-A-17-01](#).

- C. Contractor shall provide the information specified in [CPN-A-17-01](#), including any supporting documents, to CSD upon request.
- D. Limitation on Use of Funds. Contractor shall assure that funds received under this Contract shall not be used for the purchase or improvement of land or for the purchase, construction, or permanent improvement of any building or other facility.

4.11 Subcontracts

- A. Contractor may enter into subcontract(s) to provide services pursuant to this Contract in the service area(s) specified in Section 1.2 of Article 1, Part I. Subcontracts must require that parties comply with all applicable provisions of this Contract. Such requirement shall not relieve Contractor from any performance obligation created herein, nor from liability for a subcontractor's failure of performance.
- 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, if 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 from the System for Award Management (SAM) at <https://www.sam.gov>.
- 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

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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 Contract are allowable and allocable and Contractor must adopt fiscal control and accounting procedures sufficient to enable the tracing of funds paid to any subcontractor to a level of expenditure adequate to establish that such funds have not been used in violation of this Contract. Contractor shall ensure that any subcontracts under this Contract contain all provisions necessary to ensure adequate substantiation and controls of the expenditure of such funds. Contractor may achieve this through detailed invoices, by periodic monitoring of subcontractor's program activities and fiscal accountability, by retaining a right of reasonable access to the subcontractor's books and records, or by any other method sufficient to meet Contractor's responsibility to substantiate costs required by the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards (45 CFR Part 75).
- G. Contractor shall notify subcontractor(s) in writing within five business days of such action in the event CSD suspends, terminates, and/or makes changes to services to be performed that materially alter the obligation of the subcontractor under this Contract.
- H. Contractor is liable for the failure of performance of the terms, conditions, assurances, and certifications of this Contract, without recourse against CSD over matters involving subcontracts entered into for the implementation of this Contract, including but not limited to disputes, claims, or other legal action for breach of contract, negligence, torts or criminal acts and other misconduct.
- I. Nothing in this Contract creates or implies a contractual relationship between CSD and any subcontractor or creates any obligation by CSD to any subcontractor. Contractor is liable to CSD for damages to CSD for the acts and omissions of its subcontractors that occur in connection with the implementation of this Contract. Contractor's obligation to pay its subcontractors is independent of any obligation of CSD to pay Contractor, and Contractor shall not represent to subcontractors any such obligation of CSD 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 LIHWAP. The policies and procedures shall be in writing and Contractor shall provide the complaint process to interested individuals upon request.

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- 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 business 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 appeal process to enable applicants who are denied benefits or services, or who receive untimely response or unsatisfactory performance, the right to appeal the decision or performance to the Contractor. Contractor’s process shall include, at a minimum, all of the requirements of 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

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time provide a copy of the final decision to the Manager of CSD's Energy Services Division; and

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 LIHWAP 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 LIHWAP 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.

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SUBPART B – FINANCIAL REQUIREMENTS

**ARTICLE 5 – ADMINISTRATIVE AND PROGRAM EXPENDITURES
REQUIREMENTS**

5.1 Budget Guidelines

- A. If Contractor intends to request a minor modification to this Contract, 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 e-mail.
- B. The minor modification which Contractor may propose for approval by CSD is transferring funds between target service areas, which shall be conditioned upon Contractor meeting its target service areas expenditure requirements, as stated in Article 5.6, section C.

5.2 Water Assistance (WA) Expenditure Requirements

- A. The WA portion, also referred to as the Water Assistance Allocation, of Contractor’s grant shall be retained by CSD to enable CSD’s third-party funds disbursement partner to make payments to water service providers. Contractor’s Administrative and Program Support shall be based on Contractor’s total allocation, including the Water Assistance Allocation.
- B. The total amount allocated to WA shall be administered by Contractor in accordance with the terms of this Contract, with payments to water service providers on behalf of recipients issued by CSD’s third-party funds disbursement partner.

5.3 Working Capital Advance

Working Capital Advance (WCA)

Contractor may, in accordance with applicable law, receive WCA payments of allowable program costs per this Contract, *provided* Contractor shall comply with the provisions of this section and such additional guidance issued by CSD as is needed to implement this section (collectively “WCA”). In order to receive a WCA, Contractor’s financial management systems shall be compliant with the provisions of this Contract, WCA Requirements, applicable CPNs and CPAs, 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).

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- A. WCA Requirements include the following standards:
1. 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 Contract;
 2. WCA Requirements issued by CSD to Contractor, while conforming to the requirements of this Section, shall take into account the practical requirements and limitations of efficient administration and the effective implementation of this Contract by both Contractor and the CSD;
 3. Interest on Advances. Contractor shall deposit all advances in an interest-bearing account. The account shall be sufficiently segregated to enable the tracking and accounting of WCA funds by CSD. Any interest earned on LIHWAP advances shall be accounted for and expended pursuant to 2 CFR § 200.305(b)(9); (45 CFR § 75.305(b)(9)); and
 4. Non-advance Payments and Offsets. If Contractor elects not to request a WCA, payment for allowable expenses under this Contract 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. 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.
- B. Contractor shall adhere to the WCA Requirements outlined in [CPN-E-19-001](#), with the exception of the last quarter of the Contract. CSD shall not issue a WCA for the last quarter for LIHWAP.
- C. WCA
- Pursuant to 22 CCR § 100840 (a) the total amount advanced to Contractor at any time, shall not exceed 25% of Contractor’s total contract amount, excluding the WA allocation amount. If the WCA request exceeds the remaining balance, then CSD shall only provide Contractor with the amount of the remaining balance. Advance amounts repaid by Contractor may be replaced by additional advances at any time as allowed in this Section 5.3 and corresponding guidance.

5.4 Program Income

- A. Contractor shall maintain records of the receipt and disposition of all “program

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income” defined in 22 CCR § 100855(c) and pursuant to [CPN-A-18-01](#), as income that is generated or earned as a result of LIHWAP 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 LIHWAP grant award.
- C. Expenditure and Reporting of Program Income
1. Program income must be expended in accordance with the requirements for expenditure of regular LIHWAP funds, for allowable program purposes.
 2. Contractor may expend program income during the term of this Contract. Contractor shall report all such expenditures, along with remaining unexpended program income, at the close-out of this Contract or at such other time(s) as CSD reasonably requires.

5.5 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.

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- b. Contractor shall not use funds provided under this Contract to cover administrative costs incurred in the LIHEAP, Community Services Block Grant (CSBG), or other CSD programs in excess of each respective program contractual limitations.
 - c. 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, 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.
- C. Program Support
- 1. Outreach and Intake

Outreach and Intake costs shall be limited to actual costs necessary to sustain the direct effort involved in Outreach, Intake and those activities defined as related to facilities, office and computer equipment, office supplies, telephone, and travel as allowable program support costs to administer the grant program.
 - 2. Equipment Less Than \$10,000 – Acquisition Costs.

Equipment costs under \$10,000 per unit must follow all federal and state rules and regulations governing LIHWAP pertaining to procurement standards.
 - 3. 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.
 - 4. Liability Insurance

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

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5. General Operating Costs

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

6. Automation Costs

- a. Contractor can expend funds to the Automation Costs (AC), to be used to meet contract program startup requirements such as IT automation needs to comply with updated or new Expenditure Activity Reporting System, and Core (“CSD System”) requirements or contractual reporting requirements programmatic in nature, related to CSD System IT expenses, and with ongoing programmatic IT expenses. AC funds are not limited exclusively to CSD System-related IT expenditures, but any IT expense related to CSD System costs incurred including necessary training on upgrades to Contractor’s system.
- b. If Contractor expended funds in prior year for a system and now wants to purchase a new system with AC 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 AC plan is appropriately revised and CSD gives its written approval of the plan and request for variance.
- c. All IT expenditures may include, but is not limited to, computer and IT equipment; approved front-end database acquisition and ongoing subscription costs; IT security implementation costs; and IT systems training. All costs reported in this line item must be directly related to program functions. IT costs directly related to administrative functions shall be reported as administrative costs pursuant to the Uniform Administrative Requirements, Cost Principles and Audit Requirements for HHS Awards (45 CFR Part 75).
- d. CSD System-related IT costs charged to the AC shall be submitted for reimbursement in accordance with CSD’s normal reporting and accounting procedures.
- e. Services procured by Contractor in order to implement updates to Contractor’s automated reporting system shall be conducted in

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compliance with Contractor’s procurement policy and with all applicable contract requirements and the provisions of federal and state law.

5.6 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 LIHWAP Allocation Spreadsheet attached to this Contract.

Target Allocation means that sum of money from the LIHWAP 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.

- B. This section shall apply to Contractor if this Contract involves funding for LIHWAP services provided by Contractor in multiple Service Areas.
- C. The Target Allocation(s) specified in this Contract 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 Water Assistance funds designated for a particular Target Service Area are not expended for services in another Service Area without good cause.

Contractor may, subject to CSD’s written approval to expend all or a portion of the LIHWAP Allocation in another service area in which Contractor provides services pursuant to this Contract, under the following circumstances:

- a. When there is no acute need or ready opportunity for full expenditure of WA funds in the Target Service Area; and
- b. When Contractor can readily expend WA funds in an alternate service area to avoid under expenditure or a loss of funding.

Article 5 – Administrative and Program Expenditures Requirements

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- D. Notwithstanding the provisions of paragraph C, Contractor is authorized under the terms of this Contract to combine the Administrative and Program Support 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.

5.7 Water Service Provider Referrals

- A. In order to assist Contractor while maximizing financial assistance to income eligible households, Contractor may refer local water service providers not enrolled in the LIHWAP Direct Pay Program to CSD's third-party funds disbursement partner, until Contractor's funds are fully expended.
- B. Contractor may initiate referrals when a potential or interested applicant contacts Contractor for water assistance and the applicant water services provider is not enrolled in the LIHWAP Direct Pay Program. In addition, Contractor may initiate a referral if a water service provider shows interest in enrolling into the LIHWAP Direct Pay Program.
- C. CSD shall ensure CSD's third-party funds disbursement partner prioritizes Contractor's referral(s) and contacts the water service provider for enrollment within 3 business days from receipt of the referral.
- D. CSD shall provide regular reports on the status and managing of referrals.

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ARTICLE 6 – REPORTING POLICIES AND PROCEDURES

6.1 Reporting Requirements

A. General

1. Contractor shall request reimbursement for expenditures associated with Administration and Program Support contract activities (excluding WA) by reporting in the Expenditure Activity Reporting System (EARS):
 - a. Expenditures for Administrative and Program Support shall be reimbursed through the LIHWAP Admin/Support Monthly Expenditure Activity Report via EARS.
 - b. EARS reporting shall be in accordance with CPN-E-19-002 Energy Policies and Procedures, with the exception of monthly reporting due dates, which shall be on or before the fifteenth calendar day following the end of the reporting period.
 - c. Payment to Contractor for any given month shall be contingent upon receipt and approval by CSD of the preceding monthly submission.
 - d. In order to afford Contractor maximum time for performance, all monthly reports and adjustments must be submitted by Contractor, no later than September 15, 2023. Any expenditures not submitted by Contractor by the deadline, will not be reimbursed to Contractor or allowable under another CSD contract. Accordingly, Contractor is encouraged to conduct a quarterly cost reconciliation to ensure the accuracy of reports and minimize the possibility of anomalies at the time the final report is submitted.
2. Contractor shall collect and report in EARS the following data on a monthly basis:
 - a. If Contractor's WA allocation has been fully expended and the Contract has not been closed-out in accordance with Article 6, Section D.1, Contractor shall continue to accept applications and create an applicant waiting list. It is not necessary for Contractor to perform eligibility verification of applicants placed on the waiting list. Contractor shall submit the total monthly number of applicants residing on the applicant waiting list in EARS.
 - b. The total number of applicants denied WA, due to the applicant not carrying a past-due balance for water services at the time of

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- applying for WA. Contractor shall submit the monthly total of applicants denied for this reason in EARS. CSD will notify Contractor in writing when the collection of this data is no longer required.
- c. The total number of applicants denied WA due to the applicant's water service provider not enrolled with CSD's third-party funds disbursement partner at the time of applying for WA. Contractor shall submit the monthly total of applicants denied for this reason in EARS for the term of the contract or until the contract is closed out.
 - d. The total number of applicants denied WA and not captured in subparagraph b and c, above shall be reported to EARS.
 - e. Contractor shall exercise due care to ensure duplication in reporting for any one category does not occur.
3. Contractor shall submit information for approved LIHWAP applicants to CSD's Combined Outcome Reporting Engine (CORE) system for WA services in accordance with the following:
 - a. Commence the submission of approved LIHWAP applicant information to CORE upon receiving CSD official notice of the system's readiness to accept applicant submissions from local LIHWAP administrators, notwithstanding Article 7.2., section C.
 - b. Approved LIHWAP applicant information as soon as possible or not later than the 15 calendar days from the application certification date.
 - c. Ensure client information for approved LIHWAP application are submitted to CORE no later than August 15, 2023, regardless of applicant's certification date.
 - d. Ensure adjustments to LIHWAP application submissions to CORE are submitted no later than August 29, 2023.
 - e. All client detail records must be reconciled in CORE no later than August 29, 2023.
 4. Contractor shall submit requested client files, records, and documents to the File Transfer Protocol (FTP) Server as requested by CSD. CSD shall use Contractor submitted documents to perform an in-house desk review to verify compliance with financial, administrative, and programmatic

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requirements.

5. Reporting System 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 adjusting eligibility guidelines.
 - b. Major reporting changes, upon receipt of the specifications, shall be implemented in Contractor's local system as negotiated by CSD. Major IT system changes are those changes made to the business rule validations as listed in the most current Utility and Water Assistance Data Transfer Business Rules document. The most current Utility and Water Data Transfer Rules document is located on the Local Agencies Portal.

B. Quarterly Reporting

1. Contractor shall submit a quarterly report, regardless of expenditures, detailing program administration and implementation achievements and challenges inhibiting successful program administration and achievement of expenditure benchmarks and other performance objectives of this Contract. Contractor shall indicate plans to mitigate any challenge and/or barrier noted in the Contractor's quarterly report submission.
2. Contractor's final quarterly report will include lessons learned, suggestion for program modification to further enhance program design and administration, if future funding is received. If Contractor fully expends mid quarter, the final quarterly report shall be submitted no later than that quarter's reporting due date.

Quarterly Reporting Period		Report Due
Q1	April 1, 2022 – June 30, 2022	July 15, 2022
Q2	July 1, 2022 – September 30, 2022	October 17, 2022
Q3	October 1, 2022 – December 31, 2022	January 17, 2023
Q4	January 1, 2023 – March 31, 2023	April 17, 2023
Q5	April 1, 2023 – June 30, 2023	July 17, 2023
Q6	July 1, 2023 – August 31, 2023	September 15, 2023

Article 6 – Reporting Policies and Procedures

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- C. CSD Review and Approval of Reports
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 Contract.
 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 Contract.
- D. Close-out Report
1. Contractor shall submit a final reimbursement report no later than September 15, 2023, which will reflect Contractor's full and complete expenditures under this Contract. If Contractor fully expends its Contract Allocation to include Admin, Program Support and Water Assistance Allocation, the Contractor may close-out early by submitting the final reimbursement report and providing written notification to CSD. In addition, Contractor shall submit the close-out report consisting of the Close-out Checklist and Interest and Program Income Earned Reconciliation Report (CSD 733W).
 2. Notwithstanding any other provisions in this section to the contrary, Contractor shall, in addition to the required monthly EARS reporting, remit payment to CSD for unexpended Program Income, Interest Earned and remaining Working Capital Advance that exceeds the final reimbursement owed to CSD. In addition, the Contractor shall adhere to the following budget provisions:
 - a. Administrative costs shall not exceed the maximum allowable amounts.
 - b. Administrative or Contract amount, excluding Water Assistance Allocation incurred and reported by the Contractor in excess of the amount as set forth in the allocation spreadsheet shall be disallowed. Contractor shall remit payment to CSD for any excess reimbursement payment of Administrative and Contract amount made to the Contractor within 15 calendar days after Contractor fully expends its allocation or no later than September 15, 2023, whichever occurs first.

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- 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 Contract.
3. The issuance of other CSD contracts, and reimbursement and advance payments for existing contracts, may be withheld, absent receipt of the Close-out Checklist and Interest and Program Income Earned Reconciliation Report (CSD 733W) which are due no later than 15 days after Contractor fully expends or no later than September 15, 2023.
4. Interest and Program Income-Earned

Contractor shall use CSD Form 733W, LIHWAP Interest and Program Income Earned Close-out Reconciliation, to report actual costs and/or interest income earned and expended. Pursuant to 22 CCR § 100855, program income earned and expended is subject to the expenditure and reimbursement guidelines for the program year in which expenditures occur.

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SUBPART C – PROGRAMMATIC REQUIREMENTS**

ARTICLE 7 – PROGRAM POLICIES AND PROCEDURES

7.1 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 Contract as if attached hereto:
 - a. Official State and Federal Program Notices and Guidance Documents;
 - b. Current Eligibility and Verification Guide and LIHWAP Special Addendum; and
 - c. Utility and Water Data Transfer Rules Data Transfer Business Rules.

Upon signing the Contract, Contractor is acknowledging receipt of all current policies and procedures.

2. In the event of inconsistencies between Policies and Procedures and this Contract, Contractor shall abide by the terms of this Contract.

7.2 Service Guidelines

- A. Contractor shall provide WA on a first-come, first-serve basis to households that income qualify and meet all LIHWAP eligibility requirements.
- B. In the event CSD issues a CSD Program Notice modifying eligibility requirements to provide financial assistance to eligible households to offset current bills, Contractor shall prioritize eligible households with past due water service bills, particularly those households that are at risk of being disconnected before providing benefits to eligible households with current bills.
- C. Contractor has discretion on the timeframe for accepting applications from customers based on factors such as when water systems in Contractor's service area are enrolled in the Direct Payment Program or when Contractor has established operational readiness to being accepting application.

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- D. Households that receive WA are not subject to the LIHEAP Local Agency Plan and Priority Plan points for purposes of receiving benefits under this Contract, per the Eligibility and Verification Guide and LIHWAP Special Addendum.
- E. Equitable Treatment
- Contractor shall ensure that low-income owners and renters that receive water services from an eligible service provider receive equitable treatment under this program.
- F. See Section 10.2 B, “Eligibility to Receive Federally Funded Public Benefits” concerning Federal restrictions on receipt of benefits.

7.3 Program Support Guidelines

A. Outreach

Contractor shall use Program support to perform appropriate outreach activities to ensure that low-income households in the service area(s) are informed of the availability of LIHWAP assistance and opportunity to apply for such assistance.

B. Intake

Contractor shall use Program Support funds for intake of applicants seeking LIHWAP services. Services include the process of providing means for individuals to apply for services, assisting individuals with completing an application for assistance, assessing application submissions for completeness, determining applicant eligibility for assistance, and informing applicants of their approval or denial for assistance. Contractor shall:

1. Establish reasonable hours whereby applicants have access during regular business hours to seek program information and instruction on how to apply for assistance 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 LIHWAP applications. Contractor may satisfy this requirement by posting their application for download on their website;
3. Accept applications for assistance during regular business hours;

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4. Accept applications for LIHWAP 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 LIHWAP without leaving their residences;
6. All sites where intake is conducted must be accessible to the disabled;
7. Contractor shall utilize the LIHWAP Intake Form (CSD 41) for standalone applications or the Energy Intake Form (CSD 43) and LIHWAP Intake Form Addendum (CSD X43-A) for dual application process, or approved Contractor's equivalent, as a multipurpose form.
8. Contractor shall establish methods to inform applicants with water services included in rent of pre-eligibility requirements such as noticing requirements on the Contractor's website, on the application checklist, during pre-screening, etc. If applicant meets the pre-eligibility criteria, then the applicant shall be provided with a LIHWAP application, along with the instructions to obtain a signed Landlord Agreement.
9. 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 LIHWAP Intake Form (CSD 41) for standalone applications, or the Energy Intake Form (CSD 43) and LIHWAP Intake Form Addendum (CSD 43-A) for dual applications, or approved Contractor's equivalent, Contractor must apply eligibility requirements, income guidelines, as applicable, when prescreening applicants. If the applicant appears to be ineligible, Contractor must inform the applicant of the right to apply for benefits upon changes in the prescreened applicant's circumstances and status. LIHWAP Intake Form (CSD 41) for a standalone application, Energy Intake Form (CSD 43) and LIHWAP Intake Form Addendum (CSD 43-A) for dual applications, 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. Contractor shall provide a duplicate notification to the landlord, if applicant has provided an executed Landlord Agreement.

1. If approved, the notice shall indicate the nature and an approximate timeframe in which the water assistance payment will be provided. The

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name of the water company and the amount of the benefits also shall be included in the notification for LIHWAP.

2. If approved and applicant's water services are included in rent, the notice shall indicate the nature and an approximate timeframe in which the water assistance payment will be provided. The name of the water company, amount of the benefit and the requirement that the applicant/tenant will reduce their next rental payment or subsequent rental payments by the amount of the benefit also shall be included in the notification for LIHWAP.
3. If denied, the notice shall indicate the reason for the denial and information regarding the appeal process.
4. If incomplete, the notice shall indicate what additional information or documentation is required.
5. 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.
6. If added to the waitlist for WA benefits 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.

7.4 Leveraging Administration and Program Support

- A. Contractor may leverage LIHWAP for the purpose of attaining greater efficiencies with program administration and program support activities with the understanding that the funding streams are distinct and must be accounted for and reported in accordance with the provisions of this Contract.
- B. The provisions of this Contract are intended to enhance the purposes and objectives of LIHWAP and shall not unduly and adversely impact the effectiveness of LIHEAP, DOE or other CSD programs, nor shall they violate the program requirements of LIHEAP, as set forth in applicable statutes, regulations, program guidance or the requirements of this Agreement.

7.5 Record-Keeping Responsibilities

- A. Client Files – Intake

Contractor shall maintain client intake form(s), together with appropriate supporting documentation and shall maintain separate client files containing supporting documents related to disqualifications, denials, and appeals for each

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applicant who is not certified as being eligible to receive assistance.

B. 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. LIHWAP Intake Form (CSD 41) for standalone applications, or Energy Intake Form (CSD 43) and LIHWAP Intake Form Addendum (CSD 43-A) for dual application, or approved Contractor's equivalent;
3. Water Service bill(s) verification for qualified households;
4. Documentation supporting eligibility in accordance with the Eligibility and Verification Guide and LIHWAP Special Addendum; and
5. Client denial or approval notification in accordance with Eligibility and Verification Guide and LIHWAP Special Addendum.

C. Client Files – Water Service Included in Rent

Contractor shall maintain the Landlord Agreement and documentation substantiating the portion of rent that is allocated toward water services (past due and current charges).

D. 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.

E. Automation

1. Contractor shall use an automated application system capable of supporting LIHWAP data collection, reporting requirements, and client data transmission to CSD's CORE program system. 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

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LIHWAP Data Transfer Rules layout found at
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

Contractor shall adhere to best practices and perform a daily backup of all client data/application systems that capture LIHWAP service detail.

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 CSD 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 LIHWAP reports to attain data specific to the following: rejected records, intake data, client and payment status, expenditures and current allocation balance, returned benefits, and a year-to-date goal status.

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ARTICLE 8 – PROGRAM IMPLEMENTATION

8.1 LIHWAP WA Guidelines

- A. Applicant Eligibility
1. Assistance shall be available to households with incomes that do not exceed an amount equal to 60% of the State median income; or
 2. Assistance shall be available to households that are categorically eligible, if any member of the household is receiving LIHEAP, CalFresh or CalWORKs at the time of application, regardless of income level. Households approved for LIHEAP benefits or services are categorically eligible for LIHWAP up to 120 days from the LIHEAP application certification date.
 3. Contractor shall provide WA services to households with past due water services or past due rent, if cost for these services is included in rent.
 4. Contractor shall ensure that the household's water service provider, which provides service to the eligible household's residence, is participating in the LIHWAP Direct Pay Program.
 5. Applicant eligibility shall be determined in accordance with the Eligibility and Verification Guide and LIHWAP Special Addendum at <https://agencies.csd.ca.gov/home/Energy/Pages/Home.aspx>.
- B. Eligible households shall receive only one LIHWAP payment per program year.
- C. Contractor must exercise due care to ensure that duplication of LIHWAP payments does not occur at any time during the term of this Contract.
- D. Contractor shall determine the benefit amount based on past due charges, current charges, fees, penalties, and other charges associated with the water service provider, as identified on the customer's bill, not to exceed \$2,000. In accordance with the LIHWAP Special Addendum, applicants that receive water services in combination with other non-water services (such as waste disposal, recycle pick-up, etc.), Contractor shall isolate water service charges in order to calculate the applicant's WA benefit, which shall not exceed \$2,000.
- E. If the household's water services are included in rent, Contractor shall determine the benefit based on the past due water service amount as reflected on the completed Landlord Agreement, not to exceed \$2,000. Contractor shall refer to the LIHWAP Special Addendum on how to calculate the benefit.

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SUBPART D – COMPLIANCE REQUIREMENTS**

ARTICLE 9 – COMPLIANCE POLICIES AND PROCEDURES

9.1 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 Contract 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 Contract are allowable and allocable, including, but not limited to files, books, documents, papers, and records. Contractor agrees to make such information and materials available to the federal government, the State, or any of their duly authorized agents or representatives, for purpose of examination, copying, or mechanical reproduction, on or off the premises of the subject entity.
- C. Any duly authorized agent or representative of the federal or state government shall have the right to undertake investigations in accordance with the LIHWAP Supplemental Terms and Conditions and 45 CFR Part 75 as amended.
- D. All Contracts entered into by Contractor with audit firms for purposes of conducting independent audits under this Contract shall contain a clause allowing CSD or any duly authorized agent or representative of the federal or state government timely access to the working papers of the audit firm(s).

9.2 Auditing Standards and Reports

- A. Auditing Standards
 - 1. *Applicability of 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 75 Subpart 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 Contract by reference in Part II, Subpart H.

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The Supplemental Audit Guide may be accessed at
<https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

- B. Audit Reports
1. Funds provided under this Contract 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 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. *Failure to File IRS Form 990 for Tax-Exempt Organizations.* If Contractor fails to file Form 990 timely, Contractor must provide:
1. Evidence of an extension request with an estimated timeframe for submission;
or
 2. An explanation of why Contractor does not plan to file Form 990.
- E. The audit report(s) and all supplemental financial information must be submitted to the following addresses:
- Electronic copy:
audits@csd.ca.gov.
- In accordance with the guidelines of the Division of Audits of the California State Controller’s Office (SCO), if Contractor is a local government agency, additional copies of the audit report must be submitted to the following address:

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- F. If Contractor fails to comply with Federal statutes, regulations or the terms and conditions of this Contract, CSD may impose additional conditions, as described in 2 CFR § 200.208 (45 CFR § 75.207). 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 - § 75.375 *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.
- G. Collection of Disallowed Costs
1. If Contractor challenges questioned costs and submits complete and accurate information or documentary evidence in support of the allowability of questioned costs, CSD shall, after consideration of Contractor's submission issue a final TR, no later than 30 days after receipt of Contractor's information or documentation. If questioned costs are determined to be owing, CSD's Fiscal Accounting Services Unit (FASU) will send an invoice. Contractor will tender payment to FASU or a repayment plan acceptable to FASU.
 2. All statements, notices, responses and demands issued in accordance with this paragraph shall be in writing.
 3. CSD may, at its discretion, reasonably extend the time periods allowed for responses specified in this paragraph.

9.3 Compliance Monitoring

- A. As the recipient of federal LIHWAP grant funds under this Contract, Contractor must substantiate that all costs claimed pursuant to this Contract are allowable and

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- 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 LIHWAP grant for the State, CSD is required to ensure the funds allocated to Contractor are expended for the purposes identified in federal and state LIHWAP law, in accordance with the LIHWAP, 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 or in-house and follow-up monitoring of Contractor to ensure that Contractor meets the Production Plan, administrative standards, financial management requirements, and other requirements of the federal and State LIHWAP program.
 - D. CSD shall provide Contractor reasonable advance notice in writing of on-site and/or in-house monitoring reviews of Contractor's program or fiscal performance.
 - E. Compliance monitoring will consist of a questionnaire that contractors will be required to complete and return to CSD within 30 calendar days from receiving the questionnaire.
 - F. CSD will conduct client file reviews to verify compliance with financial and program requirements. CSD shall notify Contractor of the client files requested, and Contractor shall provide the client files within five business days.
 - G. CSD may increase the number of client files reviewed and frequency of client file reviews based on the severity of non-compliance issues identified during the client file review process.
 - H. In accordance with the 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 Contract. To the extent Contractor maintains records and documents in an electronic format, Contractor must make such records and documents readily available to CSD program and audit staff and other representatives: 1) for review on an appropriate electronic device provided by Contractor; and/or 2) for reproduction in electronic and/or hard copy format, as is necessary to effect the purposes of this paragraph. In order to realize the objectives of this subparagraph and to ensure that the integrity of the

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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 for which LIHWAP 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 water service programs, collectively “Associated Programs.”
2. With respect to such list of clients provide CSD and/ or the investigative entities or persons referenced in Article 9.1, subsection A., 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 Contract, or applicable federal and/or Supplemental Terms and Conditions.
3. For purposes of this paragraph H:
 - 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 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 LIHWAP services have been provided and the client 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 contract between Contractor and the funding source of such Associated Program, then Contractor shall so inform CSD by written declaration and provide supporting documentation for such declaration. Contractor shall, together with any declaration made,

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certify to CSD in writing that:

- a. Contractor has not submitted duplicate billings to both LIHWAP and Associated Program; or
 - b. Contractor has not otherwise engaged in similar actions in violation of federal or state law.
- I. CSD will host a File Transfer Protocol (FTP) Server and provide Contractor with specifications, documentation, and sample of FTP file configurations screens, as necessary, to enable Contractor to use the FTP Server to upload client files, records, and documents. Contractor shall submit client files, records, and documents via the FTP to allow CSD to complete an in-house review.
- J. In the event that CSD determines that Contractor is not in compliance with material or other legal requirements of this Contract, CSD shall provide the observations, recommendations, or findings and request for a corrective action plan to Contractor in writing. Contractor shall submit to CSD a specific action plan for correcting the noncompliance.
- K. 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 E, subparagraph 5 of this Contract, 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.

Article 9 – Compliance Policies and Procedures

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

9.4 Enforcement Process - Noncompliance with Requirement of this Contract

A. Tax-Exempt Status Requirement

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

B. General

The authority for CSD Enforcement Actions, as defined in paragraph C, 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 Contract 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:

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

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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 Contract 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.

- D. 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;

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- 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 Contract, 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

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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.
- E. Cost Disallowance
- 1. If Contractor's non-compliance with the terms of this Contract results in an enforcement action, and if CSD determines that Contractor's non-compliance has resulted in questioned costs, CSD shall provide Contractor with a Statement of Questioned Costs along with the Notice of Enforcement Action, or at such later time in the Enforcement Process as questioned costs have been identified.
 - 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

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- 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 D. 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 D. 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

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

9.5 Expenditure and Reporting Requirements

- A. Service Delivery and Expenditure of Funds
 1. Contractor is obligated: a) to ensure that the maximum numbers of persons are served, consistent with the effective and efficient service delivery, with

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program requirements and with applicable law; and b) to fully expend program funds by the date identified in the Contract.

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 Contract." Such failure of performance may, in accordance with the provisions of this article, result in a reduction in Contractor's grant allocation and the redistribution of future funding to other performing service providers.

B. Contractor Expenditure and Reporting Requirements

Contractor shall be at 100% expenditure of the contract by August 31, 2023.

1. CSD will monitor Contractor's target expenditures monthly, when circumstances warrant, and quarterly to evaluate compliance with meeting performance benchmark:
 - a. Quarter 2, no less than 15% by September 30, 2022
 - b. Quarter 3, no less than 40% by December 31, 2022
 - c. Quarter 4, no less than 60% by March 31, 2023
 - d. Quarter 5, no less than 90% by June 30, 2023
 - e. Quarter 6, no less than 100% by August 31, 2023
2. Contractor shall submit timely expenditure reports, that allow CSD to evaluate Contractor's compliance with required target performance benchmark levels both monthly and quarterly. Based upon these reports, CSD may determine that Contractor has not met quarterly target expenditure requirement and is out of compliance with this Contract.
3. If Contractor determines they are unable to overcome administrative challenges, or the program limitations prevent Contractor from meeting the target expenditure performance benchmarks, Contractor shall determine the Administration, Program Support and Water Assistance Allocation by service area that shall be redistribution to another Contractor. If Contractor makes such determination on or before January 31, 2023, CSD shall not penalize Contractor.

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4. Should the Contractor's actual expenditure trend indicate the Contractor is unlikely to meet the target performance benchmark requirements CSD may, at its sole option, notify Contractor in writing that Contractor's total remaining allocation, or a portion of the remaining allocation, shall be reallocated.

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SUBPART E – CERTIFICATIONS AND ASSURANCES

ARTICLE 10 – FEDERAL AND STATE POLICY PROVISIONS

10.1 Certifications

- A. Contractor’s signature affixed to Part I of this Contract shall constitute a certification that to the best of its ability and knowledge it will, unless exempted, comply with the provisions set forth in the following:
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/Workers’ 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. Safeguarding Access to State Data (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 Contract. To access these documents, please visit the CSD Local Agencies Portal at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>.

10.2 Provisions for Federally Funded Grants

- A. Contractor certifies that it possesses legal authority to apply to the State for LIHWAP funds and assures compliance with the purposes as set forth in Public Law 117-2, Section 2912, Public Law 116-260, Section 533, Government Code

Article 10 – Federal and State Policy Provisions

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Section 12087.2, and 45 CFR 75.

B. Eligibility to Receive Federally Funded Public Benefits

Pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) (Public Law (Pub. L.) 104-193), as amended, and Executive Order W13596, dated August 27, 1996, while in effect, applicants for federally funded public benefits are required to provide proof of U.S. citizenship, U.S. non-citizen national, or qualified alien status. (8 USC §§ 1611, 1612, & 1642.) Contractor shall verify client eligibility in accordance with CSD Applicant Verification of Eligibility Procedures and Regulations, forms, and other written guidance provided by CSD.

C. Under the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (IIRIRA) Section 508, and NO VERIFICATION REQUIREMENT FOR NONPROFIT CHARITABLE ORGANIZATIONS, Section 432 (d) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 USC § 1642 et seq.) as amended, Nonprofit Charitable Organizations are exempt from the requirement to determine, verify, or otherwise require proof of U.S. citizenship, U.S. non-citizen national, or qualified alien status of any applicant for such benefits in providing any Federal public benefit (as defined in 8 USC § 1611(c)) or any State or local public benefit (as defined in 8 USC § 1621(c)). (Pub. L. 104-208, Title V, Section 508; and 8 USC § 1642(d)).

D. Federal Funding Accountability and Transparency Act reporting requirement (FFATA) (Pub. L. 109-282).

a. Pursuant to the FFATA, CSD is required to report information regarding contractors (sub-awardees) receiving LIHWAP funds. Contractor must complete CSD form 279 and return with the Contract to enable CSD to comply with FFATA reporting requirements.

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

E. Federal Funds Accountability and Transparency Act (FFATA) Requirements. Awards under these programs are included under the provisions of P.L. 109-282, the “Federal Funds Accountability and Transparency Act of 2006” (FFATA). Under this statute, the grant recipient is required to report information regarding executive compensation and all subawards, contracts, and subcontracts in excess of \$25,000 through the Federal Subaward Reporting System (<https://www.fsrs.gov/>) and in accordance with the terms found in Federal regulations at 2 CFR Part 170, including Appendix A.

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- F. Salary Limitation – Federal Executive Level II. Federal funds for grant programs consistently include a provision as part of the Consolidated Appropriations Act of 2017 (Pub. L. 115-31) from Congress that the amount that “shall be used to pay the salary of an individual, through the grant or other extramural mechanism” including non-federal share, must not exceed the amount of the Federal Executive Level II salary for that calendar year. This amount is published annually by the U.S. Office of Personnel Management and can be found on their website at <https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/>. This amount reflects an individual's base salary exclusive of fringe benefits and any income that an individual may be permitted to earn outside of the duties of the non-Federal entities’ organization. This salary limitation also applies to subawards, contracts, and subcontracts under an ACF grant or cooperative agreement.
- G. Human Trafficking Provisions. Contractor is subject to the requirements of Section 106(g) of the “Trafficking Victims Protection Act of 2000” (22 USC § 7104). The full text of this requirement can be found at <https://www.acf.hhs.gov/grants/award-term-and-condition-for-trafficking-in-persons>.
- H. Prohibition on Use or Procurement. Pursuant to the “Prohibition on certain telecommunications and video surveillance services or equipment” (2 CFR § 200.216), contractors are prohibited from expending grant funds on “equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in Public Law 115-232, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities)”. The full text of this requirement can be found at [Electronic Code of Federal Regulations \(eCFR\)](#).

10.3 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 Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction;

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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;
- D. Have not within a three-year period preceding this Contract 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 Contract or set further conditions of this Contract. In the event any of the above conditions are true and not disclosed by Contractor, it shall be deemed a material breach of this Contract, and CSD may terminate this Contract for cause immediately pursuant to the termination provisions of State and federal law governing the 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.

10.4 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, and Sections 60-741.40 through 60-741.47.
- C. Each contractor or subcontractor with less than 50 employees shall comply with Executive Order 11246, Part II, Section 202, 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.

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10.5 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. 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 (42 USC §§ 2000d et seq. and 2000e et seq.);
 - 3. Rehabilitation Act of 1973, as amended (29 USC §§ 701 et seq.);
 - 4. Vietnam Era Veterans' Readjustment Assistance Act of 1974, as amended (38 USC § 4211 et seq.; 41 CFR Subpart B, Part 60-300);
 - 5. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor (41 CFR Subtitle B, Chapter 60, as amended); and
 - 6. Americans with Disabilities Act of 1990 (Pub. L. 101-336, 42 USC §§ 12101 et seq.).

10.6 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, (42 USC § 2000d et seq.) Contractor has the right to request a fair hearing in response to such violation or alleged violation within 30 calendar days from the date of such action.
- B. The State shall conduct such fair hearing in accordance with Title 45, Code of Federal Regulations (CFR), Part 81.

10.7 Specific Assurances

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

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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. 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 (Health & Safety Code §§ 25249.5 et seq.); Universal Waste Rule (Hazardous Waste Management System: Modification of the Hazardous Waste Recycling Regulatory Program) (60 FR 25492, codified at 40 CFR Part 273); and California Workers' Compensation laws (Labor Code §§ 3200 et seq.).

C. 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 Contract.
2. Contractor is prohibited from any activity that is designed to provide voters or prospective voters with transportation to the polls or to provide similar assistance in connection with an election if such activities involve the use of any funds that are subject to this Contract.

D. 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 Contract or any other fund, programs, projects, or activities that flow from this Contract.
2. If Contractor engages in lobbying activities, Contractor shall complete, sign and date the CERTIFICATION REGARDING LOBBYING/DISCLOSURE OF LOBBYING ACTIVITIES, as required by the HHS (45 CFR Part 93, Appendix A).

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SUBPART F – DEFINITIONS**

All terms used in this Contract shall be those as defined in applicable federal and state law (Public Law 117-2, Section 2912, Public Law 116-260, Section 533, and Government Code Section 12087.2) and regulation (see 45 CFR Part 75 and 22 CCR § 100800 et seq.), 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.

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

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

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

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.

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.

Categorically Eligible: Certain households will be determined “categorically eligible” to participate in LIHWAP without consideration for income, as long as the household meets all the eligibility criteria. This policy only applies to households receiving CalWORKS, CalFresh or LIHEAP (within 120 days of the LIHEAP certification date).

SUBPART F - Definitions

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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 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.

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

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.

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

CSD's Third-Party Funds Disbursement Partner: CSD has contracted with a third-party funds disbursement partner, HORNE, LLP, to establish and enroll water service providers into a formal Direct Pay Agreement and the management of payments to enrolled water systems.

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

Direct Pay Program: The Direct Pay Program requires Water Service Providers to enroll into a Direct Payment Agreement with CSD's Third Party Disbursement Partner, HORNE, LLP. The Direct Pay Agreement ensures HORNE, LLP is able to disburse payments to the Water Service Providers in accordance with state and federal requirements.

DOE: The United States (U.S.) Department of Energy that provides funds for the Weatherization Assistance Program for Low-Income Persons. This program is authorized by Title IV of the Energy Conservation and Production Act (Pub. L. 94-385). The federal regulations for this program are in 10 CFR Part 440.

Electric File: The term "electronic file" means a contract or other record created, generated, sent, communicated, received, or stored by electronic means.

SUBPART F - Definitions

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Equipment Costs: Actual costs associated with the purchase of office equipment under \$10,000 per unit used for the purpose of delivery of program services. Purchases must follow all federal and state rules and regulations governing HHS awards pertaining to procurement standards.

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.

Intake: Includes, but is not limited to, the process of completing an intake form and reviewing applicant documentation in order to verify eligibility.

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

Interest Income: The interest earned by a Contractor directly generated or earned as a result of unexpended LIHWAP 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.

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.

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

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

Non-assisted Clients: The number of clients who returned an application to the agency for LIHWAP 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 be 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.

SUBPART F - Definitions

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Outreach and Its Related Costs: Outreach activities are designed to ensure that eligible households, especially employment impacted 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: LIHWAP services provided under Public Law 117-2, Section 2912, Public Law 116-260, Section 533, and Government Code Section 12087.2, as amended.

Program Income: Program income means gross income earned by Contractor that is directly generated by a supported activity or earned as a result of the Federal award during the period of performance except as provided in 45 CFR § 75.307 paragraph (f). “During the period of performance” is the time between the time in which the CSD may incur new obligation to carry out the work authorized under the award.

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 Contract.

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

Vendor: An individual, sole proprietorship, firm, partnership, corporation, or any other business venture from which materials and goods are supplied and purchased.

Water Assistance Allocation: The portion of the Contractor’s grant retained by CSD to enable CSD’s third-party funds disbursement partner to make payments to water service providers.

Water Services: The service provided to households for drinking water, wastewater, or stormwater service are referred to as “water services”.

Workers’ Compensation: Insurance that covers medical and rehabilitation costs and lost wages for employees injured at work. Workers’ compensation shall mean those actual

SUBPART F - Definitions

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costs associated with workers' compensation coverage for program staff whose salaries and wages are chargeable under program costs.

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SUBPART G – TABLE OF FORMS**

The following forms and documents are available on the CSD Providers' website at <https://agencies.csd.ca.gov/home/Energy/Pages/Home.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); and
 - C. Federal Funding Accountability and Transparency Act Report (CSD 279).
- H.2 The following documents are hereby incorporated by this reference:
- A. 2022 LIHWAP Numbers, Contractors, and Service Territories;
 - B. State Administrative Manual Section at <http://sam.dgs.ca.gov/TOC/5300.aspx>;
 - C. State Information Management Manual at http://www.cio.ca.gov/Government/IT_Policy/SIMM.html;
 - D. Supplemental Audit Guide at <https://agencies.csd.ca.gov/home/Energy/Pages/Resources.aspx>;