

APPENDIX B

SAMPLE GRANT AGREEMENT

An actual grant agreement will align with a project’s implementation plan, schedule, budget, and other details. Note, however, that certain sections of a grant agreement are not subject to change and are not negotiable, including Section N. Project Records, Section O. Oversight and Accountability, and Exhibit B. General Provisions.

Statewide Clean Cars 4 All and Financing Assistance Projects

Mobile Source Control Division
California Air Resources Board



SAMPLE

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EXHIBIT A

GRANT PROVISIONS

A. AGREEMENT

The parties agree to comply with the requirements and conditions contained herein, as well as all commitments identified in the Fiscal Year XXXX Grant Solicitation for the Air Quality Improvement Program (AQIP) and Low Carbon Transportation Investments from the Greenhouse Gas Emission Reduction Fund Light-Duty Statewide Clean Cars 4 All (CC4A) and Financing Assistance in Project and the Grantee Application Package. This includes all provisions, roles, and responsibilities identified in the current Terms and Conditions and the current Implementation Manual.

- B.** Where applicable, the Grantee agrees to acknowledge the California Climate Investments program and California Air Resources Board (CARB) as a funding source for the Light-Duty Statewide CC4A and Financing Assistance Project. Below are specific requirements for acknowledgment.

The California Climate Investments logo and name serve to bring under a single brand the many investments whose funding comes from the Greenhouse Gas Reduction Fund (GGRF). The logo represents a consolidated and coordinated initiative by the State to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits. The Grantee agrees to acknowledge the California Climate Investments program as a funding source from CARB's Low Carbon Transportation program whenever projects funded, in whole or in part by this Agreement, are publicized in any news media, websites, brochures, publications, audiovisuals, or other types of promotional material. The acknowledgment must read as follows: "This Project is part of California Climate Investments, a statewide program that puts billions of Cap-and-Trade dollars to work reducing greenhouse gas emissions, strengthening the economy, and improving public health and the environment, particularly in disadvantaged communities." Guidelines for the usage of the CCI logo can be found at <http://www.caclimateinvestments.ca.gov/logo-graphics-request>.



Grantee agrees to acknowledge the California Air Resources Board (hereinafter referred to as CARB or the Board) as a funding source for the Light-Duty Statewide CC4A and Financing Assistance Project when publicized in any news media, websites, applications, brochures, publications, audiovisuals, or other types of promotional material. The grantee agrees to adhere to the Board's logo usage requirements in a manner directed by CARB. CARB logos shall be provided to the Grantee by CARB staff.



The CARB logo is a visual representation of our air environment. The arcs represent; the different elements that make up air we breathe, the protection of our atmosphere and the efforts we take to protect the health of Californians, the collaboration of multiple stakeholders all moving in the same direction together, and innovation with the arcs all growing and changing.

C. GRANT SUMMARY AND AMENDMENTS (if applicable)

Project Title: Statewide CC4A and Financing Assistance Project
Authorized Official:
Total Grant Amount:
Total Match and In-Kind:
Total Project Cost:

D. GRANT AMENDMENTS

Where and when applicable, if any.

E. GRANT PARTIES AND CONTACT INFORMATION

This Grant is from the California Air Resources Board (hereinafter referred to as CARB or Board) to TBD (hereinafter referred to as Grantee).

The CARB Project Liaison is Ali Koohestani. Correspondence regarding this project must be directed to:

Ali Koohestani
California Air Resources Board
Mobile Source Control Division
1001 I St.
Sacramento, California 95812
Phone: (279) 208-7153

Email: Ali.Koohestani@arb.ca.gov

The Grantee Liaison is _____ TBD _____ Correspondence regarding this project must be directed to:

Name:

Title:

Address:

Phone:

Email:

F. TIME PERIOD

1. Performance of work or other expenses billable to CARB under this Grant may commence after full execution of this Grant by both parties. Performance on this Grant ends once the Grantee has submitted the final and quarterly report or if this Grant is terminated, whichever is earlier.
2. Upon completion of the project, the Grantee must submit a draft final report to the CARB Project Liaison no later than **date** (See Section M, Reporting, of this Grant Agreement).
3. Final request for payment and Final Report must be received by CARB no later than **date** (See Sections M and N of this Grant Agreement).
4. The CARB Executive Officer retains the authority to terminate or reduce the dollar amount of this Grant if by **date**, 60 percent of project funding has not been expended by the Grantee. In the event of such termination, Section J(5) of these provisions apply.

G. CONFIDENTIALITY AND DATA SECURITY

- a. "Confidential Information" means information or data that is considered confidential under relevant State or federal laws, including but not limited to, application records and supporting documentation that personally identifies or describes an individual or individuals (see California Civil Code sections 1798, et seq.), unless waived by the subrecipient in writing. The Implementation Manual will describe the scope of the waivers. The Grantee will observe all confidentiality requirements required by law with respect to such information, and not disclose Confidential Information except as otherwise provided herein or required by law.
- b. The Grantee will ensure that the Grantee's employees working on this grant are informed of the confidential nature of the Confidential Information and ensure by agreement or otherwise that they are prohibited from copying, revealing, or utilizing for any purpose, other than in the fulfillment of this Grant Agreement, the contents of such information or any part thereof, or from taking any action otherwise prohibited under this section. The Grantee will

provide access to Confidential Information to those employees needing it to perform their job duties and will maintain a list of such employees.

- (1) The Grantee will not use information or data gathered under this Grant Agreement for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration except in the performance of this Grant Agreement.
- (2) The Grantee will notify CARB promptly and in writing of the circumstances surrounding the disclosure of Confidential Information not authorized under this Grant Agreement.
- (3) The Grantee will not use, without CARB written approval, any CARB materials for any purpose other than performing the agreed upon services.
- (4) At the conclusion of the engagement or upon termination of this Grant Agreement, the Grantee will surrender all Confidential Information in any form developed or collected pursuant to this Agreement upon CARB's written request.
- (5) If the Grantee suspects loss or theft of information, data, or equipment developed or collected pursuant to this Grant Agreement, the Grantee will report this to CARB immediately.
- (6) The Grantee will provide CARB all pass phrases/passwords used for private keys to encrypt data used, produced or acquired in the course of performing duties under this Grant Agreement.
- (7) The Grantee agrees to notify CARB immediately of any known security incident involving the information system, servers, data, or any other information developed or collected pursuant to this Grant Agreement. The Grantee agrees that CARB has the right to participate in the investigation of a security incident involving its data or conduct its own independent investigation, and that the Grantee will cooperate fully in such investigations.
- (8) Any information or data required to be publicly accessible by CARB or pursuant to an approved Implementation Manual (such as placement of such information or data in a publicly accessible website or database) is not Confidential Information. In addition, the Grantee may disclose Confidential Information to its governing board, including personally identifying individuals, for the purpose of providing status updates and obtaining necessary approvals for awarding contracts under this Grant Agreement.
- (9) Notwithstanding the provisions of this Grant Agreement, Grantee may disclose any of the Confidential Information in the event it is required to do so by law or legal process. Prior to making such disclosure, Grantee shall provide reasonable advanced written notice of any such requirement to CARB so that CARB may seek a protective order or other appropriate remedies.

- (10) The approved Implementation Manual will identify the data fields that contain or constitute Confidential Information.

H. DUTIES AND REQUIREMENTS

This section defines the respective duties and requirements of CARB and the Grantee in implementing the Statewide CC4A and Financing Assistance Project.

California Air Resources Board

CARB is responsible for the following:

- a)** Updating and finalizing the Implementation Manual in consultation with the Grantee.
- b)** Ensure compliance with applicable requirements of the FY 202X-2X Funding Plan
- c)** Setting interest rate and buy-down caps for Statewide CC4A and Financing Assistance programs as follows:
 - i.** Loan loss reserve account-premiums up to 20 percent of the loan amount on the first \$300,000 in enrolled loans, at that point CARB contributions will be reduced to 10 percent.
 - ii.** For all financing project types the maximum interest rate a lender may charge is 8 percent annual percentage rate (APR).
 - iii.** For price buy-down, the funding maximums are as follows:
 - a.** For a plug-in hybrid and zero emission vehicle, 8 years old and newer with combined fuel economy rating of at least 28 miles per gallon of fuel or more depending on the model year as described in Table 1: Minimum U.S. EPA Combined Fuel Economy Rating by Model Year, a maximum price buy-down of \$5,000 is allowed.
 - b.** Alterations may be required to the loan loss reserve premiums, interest rate, and price buy-down caps, at CARB's sole discretion.
 - c.** Designating advanced technology vehicles eligible for this Statewide CC4A and Financing Assistance Project funding.
 - d.** Determining Statewide CC4A and Financing Assistance interest rate cap and price buy-down caps based on vehicle type.
 - e.** Determining eligible lower income consumer criteria.
 - f.** Participating in discussions with the Grantee to guide project implementation and project refinements.

- g. Reviewing and approving project elements provided by the Grantee, such as the type of financial assistance, educational curriculum, outreach, and quarterly and final reports.
- h. Review and approve all Grant Disbursement Request Forms (Form MSCD/ISB-90) and distribute Statewide CC4A and Financing Assistance Project funds to the Grantee.
- i. Providing project oversight and accountability (in conjunction with the Grantee).

I. ELIGIBLE ADVANCED TECHNOLOGY VEHICLES

Grantee must confirm the vehicle being purchased or leased meets the following vehicle eligibility criteria. Eligible vehicles for the purpose of this Statewide CC4A and Financing Assistance Project include light-duty passenger vehicles that are a plug-in hybrid electric vehicle (PHEV), a battery electric vehicle (BEV), or a fuel cell electric vehicle (FCEV).

Any used advance technology clean vehicle selected must have less than 75,000 original miles. This project excludes neighborhood electric vehicles and zero-emission motorcycles.

Additional vehicle requirements:

1. A chassis that has been modified with aftermarket parts or equipment to create a PHEV or zero-emission vehicle (ZEV) is not eligible.
2. No modifications to the vehicle's emission control systems, hardware, software calibrations, or hybrid system (California Vehicle Code (CVC) section 27156).
3. Vehicle title cannot be salvaged (as defined in CVC section 544).
4. Vehicle inspection must be completed by a licensed automotive mechanic.
5. Vehicle history to be provided and attached to the Statewide CC4A and Financing Assistance paperwork.
6. Vehicle must have no outstanding recall notices. If there is a recall notice(s), the vehicle must be fixed before the vehicle can be purchased or leased (see: <http://www.recalls.gov/nhtsa.html>).

B. ELIGIBLE ELECTRIC VEHICLE SUPPLY EQUIPMENT (EVSE)

Grantee must provide a mechanism to allow financial assistance in the form of grant of up to \$2,000 for the purchase and installation of Electric Vehicle Supply Equipment (EVSE) and related infrastructure expenses, such as electrical panel updates or subsidized solar power systems, for consumers purchasing or leasing a BEV/PHEV. If infrastructure cannot be installed at consumer's residence, a portion of the funding may go toward subsidizing cost of electricity from public charging

stations. The Grantee must provide a description of the process for funding EVSE and issuing EVSE funds in the Project Implementation Plan. At CARB’s discretion, the vehicle eligibility criteria may change during the term of this project.

J. GRANTEE SCOPE OF WORK

The Grantee is responsible for on-the-ground project implementation of distributing vehicle price buy-down for eligible vehicles and facilitating access to loans for the purchase or lease of an advanced technology clean vehicle, including, but not limited to the following tasks. Any requirements identified below are minimum requirements and are not comprehensive:

1. Throughout the grant term and in consultation with CARB, update and finalize both the Terms and Conditions and the Project Implementation Plan.
2. Provide lower-income consumer the following:
 - a. A low interest loan; the project sets an eight percent annual percentage rate cap on loans.
 - b. Provide a vehicle price buy-down grant: up to \$5,000 for a FCEV, BEV or PHEV. If the price of the vehicle is less than a vehicle price buy-down, the price buy-down cannot exceed the price buy-down amount minus \$1,000. At CARB’s discretion, the types of eligible vehicles or grant amounts may change during the term of the project.
 - c. For a BEV/PHEV purchaser, allow up to \$2,000 in the form of a grant for the purchase and installation of EVSE and related infrastructure expenses, such as electrical panel updates or solar power systems. If infrastructure cannot be installed at consumer’s residence, a portion of the funding may go toward subsidizing cost of electricity from public charging stations. Funding amounts may be changed at CARB’s discretion.
 - d. Education and Outreach: provide the consumer with financial and vehicle technology familiarization training (See Table 2) and provide customers with vehicle purchasing assistance.

Table 2: Financial and Vehicle Technology Familiarization Training

Subject	Topics include but are not limited to the following:
Financial	<p>Money Smart Adult Financial Education Curriculum similar to the Federal Deposit Insurance Corporation modules found at: https://www.fdic.gov/consumers/consumer/moneysmart/mscbi/mscbi.html</p> <ul style="list-style-type: none"> • Introduction to bank services • Introduction to credit • Rights as a consumer • How your credit history will affect your credit future

	<ul style="list-style-type: none"> • Know what your borrowing before you buy • Vehicle expenses (payments, insurance, fuel, maintenance, battery replacement costs)
Vehicle	<ul style="list-style-type: none"> • Basic auto maintenance • Vehicle safety (tire, proper maintenance) and care • Fluid level check • Electrical System • Lubrication System • Fuel System • Advanced technologies including battery technology, useful life, warning indicators, charging needs
Infrastructure	<ul style="list-style-type: none"> • Charging infrastructure options

- e. Grantee must coordinate administration of the program with CARB's other light-duty projects including Clean Cars 4 All, Clean Vehicle Rebate Project (CVRP), Access Clean California, and other ZEV and ZEV infrastructure incentive programs.
- f. Work with CARB to determine income verification requirements to align with and complement other programs such as Clean Cars 4 All, CVRP, Access Clean California, and CARB's other vehicle purchase incentive programs.
- g. Program criteria are subject to change at CARB's discretion.
- h. Prepare outreach and educational materials that are clear and effective, in consultation with CARB, and conduct statewide or local (as project requires) public outreach necessary for the project to be successful. Outreach should target lower-income consumers with an emphasis in disadvantaged communities, as well as California tribes. Grantee must also coordinate outreach efforts with the administrators of Clean Cars 4 All, Clean Mobility Options/Car Sharing projects, CVRP and Access Clean California. The Grantee shall clearly identify an outreach plan that contains, at a minimum:
 - i. The types of outreach planned, printed materials, web-based content, social media, multimedia tools, video, et cetera. Outreach materials must be approved by CARB prior to use.
 - ii. A strategy to support organizations and groups that are representative of disadvantaged and low-income communities. These groups, tribes, and organizations should be connected to a network of similar organizations, culturally-relevant institutions, and community service providers, regional or centralized community based-organizations, local air districts, utility groups, or community colleges, to provide education, technical assistance, ride and drive opportunities, et cetera.
 - iii. An approximate number of community events and geographic locations that will be attended to promote the Statewide CC4A and Financing Assistance project and educate the public on advanced clean vehicle technology.

- iv. A strategy to engage lower-income consumers through activities relevant to the community being served. This should include the use of language- specific and culturally-appropriate outreach and education materials.
- v. A strategy to align outreach efforts and coordinate messaging between Clean Cars 4 All, CVRP, and Access Clean California. The goal is for the consumer to have clear messaging of how these complimentary programs can get them into an advanced technology vehicle.
- i. Grantee must facilitate the selection and purchase/lease of the advanced technology clean vehicle, subject to the vehicle eligibility requirements described in Section G, Eligible Advanced Technology Vehicles, as follows:
 - i. Ensure inspection for used vehicles is completed by a licensed automotive mechanic and is provided to the consumer prior to purchase or lease.
 - ii. As part of consumer protection, ensure vehicle has no outstanding recall notices. If there is a recall notice(s), the vehicle must be fixed before the vehicle can be purchased or leased (see: <http://www.recalls.gov/nhtsa.html>).
 - iii. Distribute vehicle price buy-down payments to the dealership for consumer's purchase or lease transaction.
 - iv. Offer an option to purchase, if available, an extended vehicle warranty, a battery warranty, or a battery replacement option if necessary.
- j. Grantee must ensure the consumer meets all applicable Statewide CC4A and Financing Assistance Program requirements:
 - i. Consumer must have a household income less than or equal to 400 percent of the Federal Poverty Level. The Federal Poverty guidelines (U.S. Department of Health and Human Services, Office of Assistant Secretary for Planning and Evaluation: <https://aspe.hhs.gov/poverty-guidelines>) on income thresholds are updated annually and vary by household size.
 - ii. Consumer must reside in California.
 - iii. Consumer must complete a financial and vehicle technology familiarization training prior to receiving financial assistance.
 - iv. Consumer must have a minimum loan or down payment of \$1,000. If participating in Clean Cars 4 All, consumer would meet this requirement through the scrapping of their old vehicle. If a consumer participates in the grant or rebate portion of the Clean Cars 4 All or CVRP programs they are not eligible for the price buy-down in the Statewide CC4A and Financing Assistance Project. Appropriate documentation to verify participation is required.
 - v. Consumer must possess a valid California Class C driver's license.

- k. Grantee must work with CARB to determine income verification requirements to align with and complement other programs such as Clean Cars 4 All, CVRP, Access Clean California, and CARB's other vehicle purchase incentive programs.
- l. Grantee must work with CARB to administer additional consumer requirements once the vehicle is purchased or leased, as included in the Implementation Manual, under Exhibit H, and the Terms and Conditions, under Exhibit I.
- m. Ongoing Grantee responsibilities:
 - i. Establish and maintain project records, as described in Section O, Project Records.
 - ii. Conduct consumer surveys during the term of the loan or financial assistance. Provide a summary of responses which includes survey statistics.
 - iii. Establish a process to track and enforce measures for defaulted loans or returned vehicles, cancellations, et cetera.
 - iv. For a direct loan model: track status of each loan throughout loan term, defaults, and transactions.
 - v. For a loan loss reserve (LLR) model: track premiums, defaults and transactions associated with LLR account. For a LLR, CARB requires the LLR premiums up to twenty percent of the loan amount. Note that in a LLR account project, once all loans guaranteed by the LLR account have been repaid, the Grantee must return to CARB the premium contributions funded in the lender's LLR accounts made on behalf of the borrower and lender.
 - vi. Track and report vehicle and consumer information, track expenditures by grant award, fiscal year, and funding sources.
 - vii. Track and report interest earned on grant funds.
 - viii. Upon request, provide CARB with access to all project records described in Section O, Project Records.
- n. Develop program related user-friendly public webpages or a CARB-approved third-party webpage with the ability to integrate and/or communicate with the Access Clean California platform. Webpages must include, at a minimum:
 - i. List of types of eligible vehicles and each vehicle type's vehicle price buy-down amount.
 - ii. Contact information and applicable documents and forms related to the project.

- iii. Links to CARB's other vehicle purchase incentive programs (i.e. Clean Cars 4 All, CVRP, Clean Mobility Options/Car Sharing projects).
- o. Develop an Implementation Manual, Policies and Procedures, Terms and Conditions, and a flow chart that describes the Grantee's administrative action for conducting financial and vehicle familiarization training, processing consumer paperwork and the loan approval process. CARB may at any time require the Grantee to update these documents to reflect any changes made since the plan was last approved. The Implementation Manual will provide necessary definitions, explanations, and processes associated with the project's minimum requirements, and may be periodically updated as needed to clarify project requirements and improve project effectiveness.
- p. Store all records in a safe and secure storage facility that maintains confidentiality and provides fire and natural disaster protection. Files shall be retained during the term of the Grant Agreement plus three years. Upon completion of the third year of record retention, the Grantee must submit all project records to CARB. Hardcopy of electronic records are suitable. Acceptable forms of electronic media include hard drives, CDs, DVDs, and flash drives. Other forms of electronic media may be allowed based on prior written concurrence from CARB.
- q. Maintain copies of all disapproved applications for the amount of time agreed-upon by CARB and Grantee.
- r. Develop and maintain accounting procedures to track expenditures by grant award and all Statewide CC4A and Financing Assistance Project funding sources.
- s. Track vehicle price buy-down per funding source issued in lower-income and disadvantaged communities.
- t. Respond to public inquiries regarding Statewide CC4A and Financing Assistance Project.
- u. Provide CARB with Quarterly Reports and a project Final Report as described in Section N, Reporting.
- v. Develop a project transfer plan in a manner directed by CARB incorporating the following tasks (CARB and Grantee may from time to time agree on additional tasks. In addition, tasks are subject to change at CARB's discretion, in which case Section R will apply):
 - i. Loans processed and record of vehicle price buy-down for all project consumers.
 - ii. Complete all Grantee tasks associated with closeout.
 - iii. Process for completing the current applications for loans and vehicle price buy-down for up to three months after closeout, to ensure a smooth transition to another administrator.

- iv. If applicable, transfer Statewide CC4A and Financing Assistance Project data and website to a new Grantee/administrator selected by CARB according to the agreed upon transfer plan.
- w. Provide documentation verifying that Grantee is in good standing with the Internal Revenue Service, California Franchise Tax Board, California Secretary of State, and/or any other state or federal agency as required for applicable organizations. In addition, documentation must be provided with the application that verifies the organization is in full compliance with all federal and state regulations and requirements in order to fulfill the requirements of this project such as verification to be a Finance Lender and Broker in California, to the extent applicable.
- x. All information and data received or generated under this Grant Agreement are the property of CARB. No information or data received or generated by the Grantee under this agreement shall be released without CARB's approval, subject to Section F10 and F11 of this grant agreement.
- y. Meet applicable requirements of statutes of the Low Carbon Transportation Greenhouse Gas Reduction Fund Investments as stated in the Fiscal Year 20XX-XX Funding Plan for Clean Transportation, and the Fiscal Year 20XX-XX Statewide CC4A and Financing Assistance Project Solicitation.
- z. Assess the influence of incentives on used clean vehicles.
 - i. Establish a waiting list if the project becomes oversubscribed and CARB determines a waiting list is appropriate.
 - ii. Insurance Requirements

The Grantee must comply with all requirements outlined in the (1) General Provisions section and (2) Insurance Requirements section. No payments will be made under the grant until the Grantee fully complies with all insurance requirements.

iii. General Provisions

- a) Coverage Term – Coverage needs to be in force for the complete term of the grant. If insurance expires during the term of the grant, a new certificate must be received by the State at least ten days prior to the expiration of this insurance. Any new insurance must comply with the original grant terms.
- b) Policy Cancellation or Termination & Notice of Non-Renewal – Grantee is responsible to notify the State within five business days of any cancellation, non-renewal, or material change that affects required insurance coverage. New certificates of insurance are subject to the approval of the Department of General Services and the Grantee agrees no work or services will be performed prior to obtaining such approval. In the event that the Grantee fails to keep

in effect at all times the specified insurance coverage, the State may, in addition to any other remedies it may have, terminate the grant upon the occurrence of such event, subject to the provisions of the grant.

- c) Premiums, Assessments and Deductibles – The Grantee is responsible for any premiums, policy assessments, deductibles or self-insured retentions contained within their insurance program.
 - d) Primary Clause – Any required insurance contained in the grant shall be primary, and not excess or contributory, to any other insurance carried by the State.
 - e) Insurance Carrier Required Rating – All insurance companies must carry an AM Best rating of at least “A–” with a financial category rating of no lower than VI. If the Grantee is self-insured for a portion or all of its insurance, review of financial information including a letter of credit may be required.
 - f) Endorsements – Any required endorsements requested by the State must be physically attached to all requested certificates of insurance and not substituted by referring to such coverage on the certificate of insurance.
 - g) Inadequate Insurance – Inadequate or lack of insurance does not negate the Grantee’s obligations under the grant.
 - h) Use of Subcontractor – In the case of the Grantee’s utilization of subcontractors to complete the grant scope of work, the Grantee shall include all subcontractors as insured’s under the Grantee’s insurance or supply evidence of the subcontractor’s insurance to the State equal to policies, coverages, and limits required of the Grantee.
- iv. Grant Insurance Requirements – The Grantee shall display evidence of the following on a certificate of insurance. After the solicitation is awarded, failure to provide the certificate upon request will result in the termination of the grant. The following coverages must be evidenced on the certificate of insurance:
- a) Commercial General Liability – The Grantee shall maintain general liability on an occurrence form with limits not less than \$1,000,000 per occurrence for bodily injury and property damage liability combined with a \$2,000,000 annual policy aggregate. A “per project aggregate” endorsement is required. The policy shall include coverage for liabilities arising out of premises, operations, independent Grantees, products, completed operations, personal and advertising injury, and liability assumed under an insured contract or grant. This insurance shall apply separately to each insured against whom claim is made or suit is brought subject to Grantee’s limit of liability. The policy must name the State of California, its officers,

agents, and employees as additional insured, but only with respect to work performed under the grant.

- b) Automobile Liability – If the Grantee will be using vehicles to complete the project or driving a vehicle onto State property, automobile liability insurance is required. The Grantee shall maintain motor vehicle liability with limits of not less than \$1 million per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired, and non-owned motor vehicles. At the request of CARB, the Grantee must show proof of automobile liability. Failure to provide proof upon request will result in the termination of the grant. The policy must name the State of California, its officers, agents, and employees as additional insured, but only with respect to work performed under the grant.
- c) Workers' Compensation and Employer's Liability – The Grantee shall maintain statutory worker's compensation and employer's liability coverage for all its employees who will be engaged in the performance of the grant. In addition, employer's liability limits of \$1,000,000 are required. A Waiver of Subrogation or Right to Recover endorsement in favor of the State of California must be attached to the certificate.

K. CALIFORNIA AIR RESOURCES BOARD

CARB is responsible for the following:

1. Evaluating alterations to the loan loss reserve premiums, interest rate, vehicle price buy-down based on vehicle type, EVSE grant amount, and other program criteria.
2. Setting maximum interest rate, vehicle price buy-down amount, maximum EVSE grant amount for purchase and installation when purchasing a BEV or PHEV, and maximum lender loan loss reserve premiums for the project.
3. Establishing vehicle price buy-down amounts for lower-income consumers. The funding maximums are subject to change at CARB's discretion.
4. For a BEV/PHEV purchaser or lessee, allow up to \$2,000 in the form of a grant for the purchase and/or installation of EVSE and related infrastructure expenses.
5. For a LLR, CARB requires the LLR premiums up to twenty percent of the loan amount. Note that in a LLR account project, once all loans guaranteed by the LLR account have been repaid, the Grantee must return to CARB the premium contributions funded in the lender's LLR accounts made on behalf of the borrower and lender.
6. Designating advanced technology vehicles eligible for this Statewide CC4A and Financing Assistance Project funding.

7. Determining eligible lower-income consumer criteria.
8. Participating in discussions with the Grantee to guide project implementation and refinements.
9. Reviewing and approving the Statewide CC4A and Financing Assistance Project elements provided by the Grantee, such as the financial assistance product, education requirement, outreach, surveys, Implementation Manual, Terms and Conditions, quarterly and final reports, and Policies and Procedures.
10. Reviewing and Approving all Grant Disbursement Request Forms (Form MSCD/ISB-90) and Advance Payment Request Forms, distribute Statewide CC4A and Financing Assistance Project funds to the Grantee.
11. Providing Statewide CC4A and Financing Assistance Project oversight and accountability (in conjunction with the Grantee).
12. Through written direction to the Grantee, and only as needed for case-by-case situations, waive program criteria as laid out in Grant Agreement. CARB will not hold the Grantee responsible for deviating from criteria laid forth in the Grant Agreement provided there is a written record of the instruction.

L. FISCAL ADMINISTRATION

1. Budget

- a. The maximum amount of this Grant is up to **\$XX.XX**. Under no circumstance will CARB reimburse the Grantee for more than this amount. A written Grant Agreement amendment is required whenever there is a change to the amount of this grant.
- b. The budget summary for this project is shown in Exhibit C, Attachment I. Grant disbursement requests for the Statewide CC4A and Financing Assistance Project must not exceed the grant amount.
- c. The grant funding may be reallocated by CARB at CARB's sole discretion in the event that the Grantee requests less than the total allocated fund amounts stated in the budget.
- d. In consultation with CARB and subject to CARB's written approval, the Grantee may redirect any grant or loan processing fees to fund additional price buy-downs for eligible vehicles and grants for EVSE, and the loan loss reserve.
- e. Notwithstanding Paragraph d. above, subject to prior written approval from CARB, line item shifts of up to ten percent may be made over the life of the grant. Grantee can continue work upon written approval of line item shifts by CARB, and CARB will follow up with a formal amendment to the grant. Line item shifts may be proposed by either the State or the Grantee and must not increase the total grant amount.

- f. No grant funds may be used to purchase equipment or computers that would be required to be returned to the State at the completion of this project (if applicable).
- g. The Grantee's project budget is shown in Exhibit G.
- h. CARB agrees to promptly notify Grantee if it becomes aware that it might lose its funding for this Grant, or if CARB is exercising its rights under Section P, Oversight and Accountability, of this Grant Agreement to hold funds contingent on CARB's receipt and approval of existing audit findings or reports and/or Grantee's timely response to requests for a program review. If at any time Grantee believes that CARB funding may be at risk, Grantee may suspend all activities required by the Grant Agreement until CARB provides assurances reasonably acceptable to Grantee that CARB will be able to timely pay Grantee in accordance with the requirements of this Grant Agreement.

2. Project Funding

a. Implementation Funds

Implementation funds can be used for project expenses which may include one or more of the following:

- i. Vehicle price buy-down.
- ii. Loan loss reserve premiums.
- iii. Interest rate buy-down.
- iv. Labor expenses (including total staff time and labor costs).
- v. External consultant fees for completed work (if applicable).
- vi. Printing, mailing, travel, education classes, and other outreach expenses.

Additional invoices may be provided to CARB if warranted. Documentation substantiating these costs must be maintained by the Grantee and provided to CARB upon request, as described in this section and in Sections L of the Grant Agreement.

3. Documentation of Implementation Funds

Implementation funds used for Statewide CC4A and Financing Assistance Project include processing loans, vehicle price buy-down, interest rate buy-down, outreach or support of other financial assistance enhancements. Implementation funds also include: the Grantee's personnel costs; fringe benefit costs, operating costs (including rent, supplies, and equipment), indirect costs (general administrative services, office space, and telephone services), travel expenses and per diem rates set at the rate specified by California

Department of Human Resources (CalHR)¹, overhead, consultant fees (if pre-approved by CARB); printing, records retention, and mailing.

- a. The Grantee must maintain documentation of all Statewide CC4A and Financing Assistance funds, as follows:
 - i. Personnel documentation must make use of timesheets or other labor tracking software. Duty statements or other documentation may also be used to verify the number of staff and actual hours or percent of time staff devoted to Statewide CC4A and Financing Assistance Project administration and outreach.
 - ii. Funds and fees for external consultants must be documented with copies of the consultant contract and invoices.
 - iii. Printing, mailing, records retention, and travel expenses must be documented with receipts and/or invoices.
 - iv. Any reimbursement for necessary travel and per diem must be at rates not to exceed those amounts paid to the State's represented employees. No travel outside the State of California will be reimbursed unless prior written authorization is obtained from CARB. CalHR's travel and per diem reimbursement amounts may be found online at <http://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement must be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee.
 - v. If indirect costs are used to document implementation funds for the Statewide CC4A and Financing Assistance Project, the Grantee must describe how these costs are determined.
- b. The above documentation, records, and referenced materials must be made available for review during monitoring visits and audits by CARB, or its designee. These records must be retained for a minimum of three years after expenditure of the final Statewide CC4A and Financing Assistance Project funds.
- c. The above documentation must be provided to CARB in Quarterly Reports and a Final Report.
- d. CARB and Grantee may from time to time agree on changes to the reporting requirements set forth in this Section K.3. In addition, reporting requirements are subject to change at CARB's discretion, in which case Section R will apply.

¹ Under no circumstances should the Grantee exceed travel expenses and per diem rates set by CalHR.

4. Grant Disbursements

The CARB will release the first disbursement from the total grant award after the Grantee submits the following to CARB:

- a. A fully executed Grant Agreement.
- b. Grant Disbursement Request Form (Form MSCD/ISB-90)
- c. The Grantee must mail Grant Disbursement Requests to the CARB Project Liaison. Disbursement request must be made in conjunction with completed milestones, details depend on the grantee's Statewide CC4A and Financing Assistance model.
- d. CARB will have sole discretion to accelerate the timeline for allowable disbursements of funds identified in Exhibit C. Request for payments are subject to CARB's receipt and approval of Quarterly Reports and any accompanying deliverables to demonstrate program needs.
- e. CARB will disburse funds on a reimbursement basis, provided sufficient documentation is provided to support the disbursement amount requested.
- f. Should advance payment be needed for this Grant, advance payments may be requested with a grant disbursement, as outlined in Advance Payments (4);
- g. Grant Disbursement Request Forms must be supported by documentation of expenses incurred as of the date of the Grant Disbursement Request. Supporting documentation must be attached to the Grant Disbursement Request Form. Acceptable supporting documentation shall include but not limited to; purchase orders with confirmed delivery dates, invoices, bills of lading, contracts, confirmed packing lists, time reports and any other appropriate documentation required by CARB.
- h. At no point shall the Grantee be required to use funds from a source other than CARB to fund activities directly or indirectly related to the program that have not already been committed in the budget as match or in-kind funds. As stated in Section K(1), Grantee may suspend all activities required by the Grant Agreement until CARB provides assurances reasonably acceptable to Grantee that CARB will be able to timely pay Grantee in accordance with the requirements of this Grant Agreement.
- i. The Grantee shall submit the Grant Disbursement Requests to CARB Accounting Section at accountspayable@arb.ca.gov with a CC to the CARB project liaison. The Grantee must submit this electronically, based on CARB's current electronic submission guidance at the time of request. Requests for payment must be made with the Grant Disbursement Request Form and contain all documentation required with the form.

CARB's Chief of the Mobile Source Control Division or designee of CARB may review the CARB Project Liaison's approval or disapproval of a Grant Disbursement Request. No reimbursement will be made for expenses that, in the judgment of CARB's Chief of the Mobile Source Control Division or designee of CARB, are not reasonable or do not comply with the Grant.

Subsequent disbursements will be released when project milestones have been met and grantee submits a completed Grant Disbursement Request Form.

5. Advance Payments

Consistent with the Legislature's direction to expeditiously disburse grants, CARB in its sole discretion may provide advance payments of grant awards in a timely manner to support program initiation and implementation with a focus on mitigating the constraints of modest reserves and potential cash flow problems.

Grantee acknowledges that CARB has finalized Advance Payment regulations which become effective on January 1, 2021. Grantee agrees that this Agreement and all advance payment requests will comply with these regulations, which can be found at: 17 California Code of Regulations (C.C.R.) Sections 91040-91044.

Recognizing that appropriate safeguards are needed to ensure grant monies are used responsibly, CARB has developed the grant conditions described below to establish control procedures for advance payments. CARB may provide advance payments to grantees of a grant program or project if CARB determines all of the following:

- a. The advance payments are necessary to meet the purposes of the grant project.
- b. The use of the advance funds is adequately regulated by grant or budgetary controls.
- c. The request for application or the request for proposals contains the terms and conditions under which an advance payment may be received consistent with this section.
- d. The Grantee is either a small air district or the Grantee meets all of the following criteria:
 - i. Has no outstanding financial audit findings related to any of the moneys eligible for advance payment and is in good standing with the Franchise Tax Board and Internal Revenue Service.

- ii. Agrees to revert all unused moneys to CARB if they are not liquidated within the timeline specified in the grant agreement.
- iii. Submits a spending plan to CARB for review prior to receiving the advance payment.
- iv. The spending plan shall include project schedules, timelines, milestones, and the Grantee's fund balance for all state grant programs.
- v. CARB shall consider the available fund balance when determining the amount of the advance payment.
- vi. Reports to CARB any material changes to the spending plan within 30 days.
- vii. Agrees to not provide advance payment to any other entity.
- e. In the event of the nonperformance of the Grantee, CARB shall require the full recovery of the unspent moneys. A Grantee shall provide a money transfer confirmation within 45 days upon the receipt of a notice from CARB.
- f. The Grantee must complete and submit to CARB for review and approval, an Advance Payment Request Form, along with each grant disbursement that is requesting advance payment. The Advance Payment Request Form shall be provided by CARB to the Grantee after the grant execution.
- g. Grantee must also submit a certification to CARB pursuant to 17 C.C.R. Section 91043 for each advance payment request.
- h. CARB may provide an advance of the direct project costs of the grant, if the program has moderate reserves and potential cash flow issues. Advance payments will not exceed the Grantee's interim cash needs.
- i. The grantee assumes legal and financial risk of the advance payment.
- j. Grantee shall place funds advanced under this section in an interest-bearing account. Grantee shall track interest accrued on the advance payment. Interest earned on the advance payment shall only be used for eligible grant-related expenses as outlined in the Grant Provisions, Exhibit A or will be returned to CARB.
- k. Grantee shall report to CARB the value of any unused balance of the advance payment and interest earned and submit quarterly fiscal accounting reports consistent with Section 9 (Reporting and Documenting Expenditure of State Funds) of this grant agreement.
- l. Grantee shall remit to CARB any unused portion of the advance payment and interest earned within 90 days following the end date of this Grant Agreement term on June 30, 202X or the reversion date of the appropriation.

6. Suspension of Payments and Grant Termination

- a. CARB reserves the right to issue a grant suspension order in the event that a dispute should arise. The grant suspension order shall only apply to those activities or amounts in dispute and will not apply to commitments made by Grantee in accordance with this Grant before receiving notice of the suspension. The grant suspension order will be in effect until the dispute has been resolved or the grant has been terminated. If the Grantee chooses to continue work on the project after receiving a grant suspension order, the Grantee will not be reimbursed for any expenditure incurred during the suspension in the event CARB terminates the grant. If CARB rescinds the suspension order and does not terminate the grant, CARB at its sole discretion will reimburse the Grantee for any expenses incurred during the suspension that CARB deems reimbursable in accordance with the terms of the grant.
- b. CARB reserves the right to terminate this Grant upon 30 days' written notice to the Grantee. In the case of early termination, the Grantee will submit a Quarterly Report covering activities up to, and including, the termination date and following the requirements specified herein and in Section I of these provisions and immediately return remaining funds.
- c. The Grantee reserves the right to terminate this Grant upon 60 days' written notice to CARB. In the case of early termination, the Grantee will submit a Quarterly Report covering activities up to, and including, the termination date and following the requirements specified herein and in Section I of these provisions and immediately return remaining funds.
- d. CARB reserves the right to immediately terminate this Grant in accordance with Exhibit B, General Grant Provisions (23).
- e. Upon termination, remaining grant funds must be immediately returned to CARB.

7. Contingency Provision

In the event, this Grant is terminated for whatever reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award any remaining funds to other Statewide CC4A and Financing Assistance Project recipients (or Grantees) or other projects.

8. Earned Interest

"Earned interest" means any interest generated from Statewide CC4A and Financing Assistance Project funds provided to the Grantee and held in an interest-bearing account.

- a. Interest earned by the Grantee on the Statewide CC4A and Financing Assistance Project funds must be reported to CARB. All interest income on

the Statewide CC4A and Financing Assistance Project funds must be reinvested in the Statewide CC4A and Financing Assistance Project to fund additional eligible vehicles. The Grantee is responsible for reporting to CARB on all vehicles and consumers funded with interest earned on the Statewide CC4A and Financing Assistance Project funds.

- b. The Grantee must maintain accounting records (e.g. general ledger) that tracks interest earned and expended on the Statewide CC4A and Financing Assistance Project funds, as follows:
 - i. The calculation of interest must be based on an average daily balance or some other reasonable and demonstrable method of allocating the proceeds from the interest-generating account back into the program.
 - ii. The methodology for tracking earned interest must ensure that it is separately identifiable from interest earned on non-Statewide CC4A and Financing Assistance Project funds.
 - iii. The methodology for calculating earned interest must be consistent with how it is calculated for the Grantee's other fiscal programs.
 - iv. Earned interest must be fully expended or returned to CARB by completion of project, or by **date**, whichever comes first.
- c. Documentation of interest earned on the Statewide CC4A and Financing Assistance Projects funds must be retained for a minimum of three years after it is generated. Documentation of interest expended on eligible vehicles must be retained for a minimum of three years after the interest-funded Statewide CC4A and Financing Assistance has been redeemed.
- d. The above documentation must be provided to CARB in Quarterly Reports and Final Report.
- e. Interest on the loan loss reserve funds will be held in the loan loss reserve account.
- f. CARB acknowledges and agrees that Grantee will deposit the Grant funds in a commercial checking account at Beneficial State Bank, an affiliate of Grantee, and that Beneficial State Bank will pay interest and charge fees on that account in accordance with its customary interest and fee schedules in effect from time to time.

Grantee and CARB agree that any interest earned on deposit accounts held by the Grantee at Beneficial State Bank which hold the loan loss reserves provided by CARB for the Project will be used by the Project in accordance with the terms of section K. 8 "Earned Interest" of this Grant Agreement. CARB agrees that no amounts earned by Beneficial State Bank arising out of the Project and the loan loss reserves will be treated for any purposes as amounts subject to restrictions or uses set forth in the Grant Agreement.

9. In-Kind Services

The Grantee is encouraged, but not required, to contribute in-kind services to improve Statewide CC4A and Financing Assistance Project effectiveness. “In-kind services”, for the purposes of Statewide CC4A and Financing Assistance Project, means payments or contributions made in the form of goods and services, rather than direct monetary contributions. Funds expended on in-kind services must meet all the requirements described herein and must be documented in the Quarterly Status Report(s) and Final Report to CARB.

10. Grantee Match Funding

Match funding from the Grantee is encouraged, but not required, and may include funding from other State, federal, non-profit, or private revenue sources. All match funding sources and amounts must be reported to CARB in the Quarterly Status Report(s) and the Final Report.

M. PROJECT MONITORING

1. Meetings with CARB (and any sub-contractor)

- a. Initial meeting: After a grant agreement is executed, a meeting will be held between key project personnel and CARB staff before work on the Statewide CC4A and Financing Assistance Project begins. The purpose of the first meeting will be to discuss the overall plan, details of performing the tasks, the project schedule, and any issues that may need to be resolved. Topics may include process for program decision-making, frequency and process for ongoing project team coordination, and process for coordinating activities with CARB’s other equity projects and Public Information Office.
- b. Review meetings: Meetings to discuss progress may be held beginning three months after the initial meeting. Additional meetings may be scheduled at the sole discretion of the CARB Project Liaison or by the Grantee upon request. Such meetings may be conducted by phone, if deemed appropriate by the CARB Project Liaison. The Grantee is responsible for developing the agenda in collaboration with CARB Project Liaison, and for facilitating the quarterly meetings.
- c. Site visits: Site visits may be established by the CARB Project Liaison during the term of this grant.

2. Technical Monitoring

- a. Any change in the scope or schedule for the project requires the prior written approval of the CARB Project Liaison and possibly a written Grant Agreement Amendment. Technical monitoring may be necessary or adjustments to the project scope or requirements may need to be made.

- b. The Grantee must notify the CARB Project Liaison and Grant Coordinator in writing, immediately if any circumstances arise (technical, economic, or otherwise), which might place completion of the project in jeopardy. The Grantee must also make such notification if there is a change in key project personnel.
- c. In addition to Quarterly Reports (see Section M, Reporting, of this Grant Agreement), the Grantee must provide information requested by the CARB Project Liaison that is needed to assess progress in completing tasks and meeting the objectives of the project.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the project schedule must be requested in writing to the CARB Project Liaison and approved by CARB, in its sole discretion and may require a written Grant Agreement Amendment.

N. REPORTING AND DOCUMENTING EXPENDITURE OF STATE FUNDS

The Grantee must provide CARB with documentation accounting for the proper expenditure of CARB funds. The documentation must be provided in Quarterly Status Reports submitted at least every three months to CARB and a Final Report submitted after all Statewide CC4A and Financing Assistance funds have been expended.

1. REPORTING

1. Quarterly Status Reports

- a. The Grantee must submit Quarterly Status Reports at a minimum of three-month intervals. The Quarterly Status Reports must be provided in a format agreed upon between the CARB Project Liaison and the Grantee and meet the requirements specified herein. CARB may specify an electronic format for quarterly reporting.
- b. The Grantee must provide a Quarterly Status Report to CARB detailing the vehicles, consumers, and associated Statewide CC4A and Financing Assistance amounts assigned and redeemed to date. The Quarterly Status Report must include the following components:
 - i. Excel spreadsheet of:
 - a) Purchased or leased vehicle Information, including make, model, model year, vehicle identification number, mileage at time of purchase and vehicle type.
 - b) Dollar amount of the Statewide CC4A and Financing Assistance (loan, vehicle price buy-down or other financial assistance mechanism), financing terms (interest rate, term of loan), consumer's income level,

consumer's zip code, census tract, identifying if the consumer resides in a disadvantaged community census tract, whether the vehicle is purchased or leased and purchase/lease date.

- c) If a consumer is purchasing a BEV/PHEV and financial assistance is provided for EVSE, report must include EVSE purchase and installation costs.

ii. Summary report of:

- a) Program participation rates.
- b) Status of education and outreach efforts
- c) Survey results, feedback received from consumers, including those consumers that ultimately did not receive any Statewide CC4A and Financing Assistance, if available.
- d) Remaining grant funds available.
- e) Accounting records, including expenditure and supporting documentation.
- f) If a loan loss reserve account is used, any changes (withdrawals or deposits) from loan loss reserve account, claims, net proceeds, or other withdrawals or deposits with a description of transaction (fees, sales records, etc.).
- g) Copies of any reports from sub-contractors or partner agencies concerning the performance of the program, if appropriate.
- h) Identified problems or concerns, proposed solutions, lessons learned, and suggested best practices, if applicable.
- i) Other data and analysis as required by CARB.

- c. The Quarterly Status Report provides a mechanism for the Grantee to justify a need for additional Statewide CC4A and Financing Assistance Project funds from CARB. The Quarterly Status Report must be submitted at least every three months but may be provided on an as needed basis to justify payment from CARB. The first Quarterly Status Report must be submitted three months after the grant agreement is fully executed or when requesting additional disbursement of funds, whichever is sooner.

2. Status Reports

- a. The Status Report provides a mechanism for the Grantee to justify a need for additional incentive funding and may be provided on an as needed basis to request additional funding from CARB. The Status Report is intended to be a streamlined reporting mechanism by which the Grantee can receive timely disbursements from CARB.

- b. The Status Reports shall be provided in a format agreed upon between the CARB Project Liaison and the Grantee and meet the requirements specified herein. CARB may specify an electronic format for Status Reports. CARB and Grantee may from time to time agree on additional items to be included in the Status Reports.
- c. The Status Report must include:
 - i. Excel spreadsheet of vehicle incentives and/or EVSE incentives issued to date.
 - ii. Summary of incentive applications received and/or applications approved for funding, and associated dollar amount of incentives reserved.

3. Final Report

- a. The Grantee must submit a Final Report to CARB within 30 days of the project end date. The Final Report must include the following components:

The Final Report must include, at a minimum:

- i. Excel spreadsheet of:
 - a) Purchased or leased vehicle information, including make, model, vehicle identification number, model year, mileage at time of purchase or lease, and vehicle type.
 - b) Dollar amount of the Statewide CC4A and Financing Assistance (loan, vehicle price buy-down, or other financial assistance mechanism), financing terms (interest rate, term of loan), consumer's income level, consumer's zip code, census tract, identifying if the consumer resides in a disadvantaged community census tract, whether the vehicle is purchased or leased and purchase/lease date.
 - c) Expenditure documentation of Statewide CC4A and Financing Assistance, administration costs, match and in-kind contributions.
 - d) If a consumer is purchasing a BEV/PHEV and financial assistance is provided for EVSE, report must include EVSE purchase and installation costs.
- ii. Summary report of:
 - a) Program participation rates.
 - b) Outreach efforts.
 - c) Survey results, feedback received from consumers, including those consumers that ultimately did not receive any Statewide CC4A and Financing Assistance, if available.

- d) Copies of any reports from sub-contractors or partner agencies concerning the performance of the program, if appropriate.
 - e) Accounting records, including expenditure and supporting documentation.
 - f) Project records, including any changes (withdrawals or deposits) from the loan loss reserve account, claims, net proceeds, or other withdrawal or deposit with auditable documentation.
 - g) Implementation challenges and recommendation for potential program improvements.
 - h) Other data and analysis as required by CARB.
 - i) Remaining grant funds available.
 - j) Earned interest.
- iii. Overview of the Statewide CC4A and Financing Assistance Project from inception through project end, including project background, partnerships, funding sources, challenges, successes, and suggestions going forward.
 - iv. Table of milestones and narrative of how the milestones have been met.
 - v. Other co-benefits to the disadvantaged community, including customer testimonials.
 - vi. Expenditure and income information and supporting documentation.
 - vii. Other data and analysis as developed with CARB.

Additional reporting requirements may be added during the project period if deemed necessary by CARB.

- b. The draft Final Report must be submitted to CARB in an appropriate format as directed by CARB. The Final Report must meet the requirements specified herein. Upon approval of the draft Final Report by the CARB Project Liaison, the Grantee must provide either a hard copy of the final version, or an electronic file.
- c. In addition to the Final Report, the Grantee must submit to CARB all Statewide CC4A and Financing Assistance records and supporting documentation in an electronic format.

O. PROJECT RECORDS

Project records consist of the financial and Statewide CC4A and Financing Assistance records described below. CARB and Grantee may from time to time agree on additional project records to be maintained. In addition, project record requirements are subject to change at CARB's discretion, in which case Section R will apply. All project records must be retained for period of three years after final

payment under this Grant. All project records are subject to audit pursuant to Exhibit B, General Grant Provision (4) of this Grant Agreement. Upon completion of the third year of record retention, the Grantee must submit all project records to CARB.

1. Grantee Record:

The Grantee must retain all Statewide CC4A and Financing Assistance Project files containing:

- a. Original executed copy of the Statewide CC4A and Financing Assistance Project Grant Agreement and Grant Agreement Amendments (if applicable).
- b. Project Implementation Manual and policies and procedures documentation
- c. Copies of Grant Disbursement Request Forms
- d. Documentation of earned interest generation and expenditure (see Section K (8) for more information).

2. Financial Records:

Without limitation of the requirement to maintain project accounts in accordance with generally accepted accounting principles, the Grantee must:

- a. Establish an official file for Statewide CC4A and Financing Assistance Project which must adequately document all significant actions relative to the project.
- b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on the Statewide CC4A and Financing Assistance Project.
- c. Establish separate accounts which will adequately and accurately depict all income received which is attributable to the Statewide CC4A and Financing Assistance Project.
- d. Establish an accounting system which will adequately depict final total costs of the Statewide CC4A and Financing Assistance Project.

3. Statewide CC4A and Financing Assistance Records:

Grantee is required to establish and maintain Statewide CC4A and Financing Assistance records which must include, at a minimum:

- a. Consumer Statewide CC4A and Financing Assistance Project application, containing consumer details (Federal Poverty Level, address, census tract, disadvantaged community designation, etc.) and assistance details (vehicle type, loan amount, interest rate, term, price buy-down amount, EVSE, training, etc.). CARB and Grantee may from time to time agree on additional application features. In addition, application features are subject to change at

CARB's discretion, in which case Section R will apply. For vehicle price buy-down, provide vehicle details (make, model, model year, mileage at purchase, etc.).

- b. Copy of loan documentation, Statewide CC4A and Financing Assistance check(s) or other form of documentation demonstrating how the funds were spent.
- c. Documentation on any deviations from the normal processing of Statewide CC4A and Financing Assurances (examples include enforcement action, CARB case-by-case approvals).
- d. Develop a system to track all disapproved Statewide CC4A and Financing Assistance applications, including explanation(s) of disapproval.

P. OVERSIGHT AND ACCOUNTABILITY

1. Funding for this grant may be held contingent upon CARB review and approval of any existing audit findings or reports and/or Grantee's timely response to requests for a program review.
2. The Grantee must comply with all oversight responsibilities identified herein.
3. CARB or its designee may recoup the GGRF investments which were received based upon misinformation or fraud, or for which a Grantee, vehicle manufacturer, technology provider, or lower-income consumer is in significant or continual non-compliance with the terms of this Grant Agreement or State law. CARB also reserves the right to prohibit any entity from participating in Statewide CC4A and Financing Assistance Projects due to non-compliance with project requirements.
4. If the Grantee detects any actual and/or potentially fraudulent activity by a finance assistance administrator, vehicle dealer, purchaser, or lessee, it must notify CARB as soon as possible and work with CARB to determine an appropriate course of action.

Q. INTELLECTUAL PROPERTY

Any webpage(s), software, databases, project data, or other intellectual property developed or purchased by the Grantee for the purposes of administering or implementing the Statewide CC4A and Financing Assistance Project are the property of CARB. Should a different grantee be selected to manage the Statewide CC4A and Financing Assistance Project in subsequent funding years, it will be the Grantee's responsibility to turn over this property and information to CARB and the new grantee and provide all reasonable and necessary assistance needed to ensure a smooth transfer. It is CARB's intention that Statewide CC4A and Financing Assistance access and redemption be seamless to vehicle purchasers and lessees as Statewide CC4A and Financing Assistance Project transfers to each new fiscal year.

R. CHANGES BY CARB

Where CARB has the right under this Grant to require new terms and conditions of or make changes to the program, require currently unspecified Alignment or otherwise exercise discretion (each, a “**Change**”), the following rules will apply:

- a. No Changes may increase Grantee’s unreimbursed costs or require Grantee to advance funds.
- b. CARB will provide such advance notice, in reasonable detail, of the Change or exercise so as to enable Grantee to mobilize the resources needed to smoothly implement the action, minimize adverse impacts to project participants and maintain the reputation of the program. During this time the parties will in good faith work together to resolve these concerns or, if applicable, to initiate the termination and wind down contemplated by Section R.d.
- c. The Change will not require Grantee to delay performance of or fail to perform program commitments that were made by Grantee in accordance with this Grant before it received notice of the Change.
- d. If the Grantee in good faith believes that the Change is unreasonable or will make it impracticable or unduly burdensome to continue with the program, the Grantee may initiate the termination and wind down process described in this Grant.
- e. A reasonable timeframe for implementing the Change will be determined by the Grantee and CARB.
- f. As feasible, Grantee must comply with and implement program criteria changes that occur throughout the project term in a reasonable timeframe.

EXHIBIT B

GENERAL GRANT PROVISIONS

1. Amendment: No amendment or variation of the terms of this Grant Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or agreement not incorporated in the Grant Agreement is binding on any of the parties.
2. Americans with Disabilities Act (ADA) Language: Grantee must ensure that products and services submitted to CARB, uploaded, or otherwise provided to CARB by the Grantee and/or its subcontractors, subgrantees, and any other agreement (hereinafter referred to as subawardees) under this Grant, as specified in Exhibit (insert exhibit # here) or (list items here) to (collectively, the "Work"), comply with Web Content Accessibility Guidelines 2.0, levels A and AA, and otherwise meet the accessibility requirements set forth in California Government Code Sections 7405 and 11135, Section 202 of the federal Americans with Disabilities Act (42 U.S.C. § 12132), and Section 508 of the federal Rehabilitation Act (29 U.S.C. § 794d) and the regulations promulgated thereunder (36 C.F.R. Parts 1193 and 1194) (collectively, the "Accessibility Requirements"). For any Work provided to CARB in PDF format, Grantee shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign). CARB may request documentation from the Grantee of compliance with the requirements described above and may perform testing to verify compliance. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant. Deviations from the Accessibility Requirements are permitted only by written consent by CARB.
3. Assignment: This grant is not assignable by the Grantee either in whole or in part, without the consent of CARB in the form of a formal written amendment.
4. Audit: Grantee agrees that CARB, the Department of General Services, Department of Finance, the California State Auditor, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Grant and all State funds received. Grantee agrees to maintain such records for possible audit for a minimum of three (3) years after the term of this Grant is completed, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include similar right of the State to audit records and interview staff in any Grant or Contract related to performance of this

Agreement.

5. Availability of funds: It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this grant does not appropriate sufficient funds for the program, this grant shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this grant and Grantee shall not be obligated to perform any provisions of this grant.
6. Compliance with law, regulations, etc.: The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal, State and local laws, rules, guidelines, regulations, and requirements.
7. Computer software: The Grantee certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Grant Agreement for the acquisition, operation, or maintenance of computer software in violation of copyright laws.
8. Confidentiality: Prior to CARB releasing any information to Grantee which CARB has designated as confidential, CARB will notify Grantee in writing of such confidential designation. Except as may be required by the California Public Records Act (California Government Code Section 6250 et seq.), no record which has been designated as confidential by CARB, shall be disclosed by the Grantee. If the Grantee believes disclosure of a confidential record may be required under the California Public Records Act, the Grantee shall first give CARB at least 10 calendar days written notice prior to any planned disclosure so CARB can seek an order preventing disclosure from a court of competent jurisdiction.
9. Conflict of interest: The Grantee certifies that it is in compliance with applicable State and/or federal conflict of interest laws.
10. Disputes: The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute. Grantee staff or management may work in good faith with CARB staff or management to resolve any disagreements or conflicts arising from implementation of this Grant Agreement. However, any disagreements that cannot be resolved at the management level within 30 days of when the issue is first raised with CARB staff shall be subject to resolution by the CARB Executive Officer, or his designated representative. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the parties may have under law.

11. Environmental Justice: In the performance of this Grant Agreement, the GRANTEE shall conduct its programs, policies, and activities that substantially affect human health or the environment in a manner that ensures the fair treatment of people of all races, cultures, and income levels, including minority populations and low-income population of the State.
12. Fiscal management systems and accounting standards: The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of State law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Grant award accounts in accordance with generally accepted accounting principles.
13. Force Majeure: Neither CARB nor the Grantee must be liable for or deemed to be in default for any delay or failure in performance under this Grant Agreement or interruption of services resulting, directly or indirectly, from acts of God, enemy or hostile governmental action, civil commotion, strikes, government declaration of emergency, national or state declared pandemics, lockouts, labor disputes, fire, flood, earthquakes or other physical natural disaster. If either party intends to invoke this clause to excuse or delay performance, the party invoking the clause must provide written notice to the other party immediately but no later than within fifteen (15) calendar days of the intent to invoke the clause and reasons that the force majeure event is preventing that party from or delaying that party in performing its obligations under this grant. CARB may terminate this Grant Agreement immediately in writing without penalty in the event Grantee invokes this clause.
14. If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the event of force majeure, the Grantee must as soon as reasonably practicable recommence the performance of its obligations under this Grant Agreement. The Grantee must also provide a revised schedule to minimize the effects of the delay caused by the event of force majeure. An event of force majeure does not relieve a party from liability for an obligation which arose before the occurrence of that event.
15. Governing law and venue: This Grant Agreement is governed by and shall be interpreted in accordance with the laws of the State of California. CARB and the Grantee hereby agree that any action arising out of this Grant Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento,

California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Grant Agreement.

16. Grantee's responsibility for work: The Grantee shall be responsible for work and for persons or entities engaged in work, including, but not limited to, contractors, subcontractors, suppliers, and providers of services. The Grantee shall be responsible for any and all disputes arising out of its contract for work on a Project funded by this Grant Award, including but not limited to payment disputes with contractors, subcontractors, and providers of services. The State will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work.
17. Grantee's requirements for electric vehicle charging infrastructure and equipment: The requirements of this section do not apply to any of the following:
 - 1) Electric vehicle charging infrastructure installed by employees of an electrical corporation or local publicly owned electric utility.
 - 2) Electric vehicle charging infrastructure funded by moneys derived from credits generated from the Low Carbon Fuel Standard Program (Subarticle 7 (commencing with Section 95480) of Article 4 of Subchapter 10 of Chapter 1 of Division 3 of Title 17 of the California Code of Regulations).
 - 3) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

Prior to executing contracts grantee must ensure the following requirements are included in all subawardee contracts and or other agreements:

- a. Prior to authorizing work, a subawardee that was awarded funds to install electrical charging equipment for use by on-road transportation vehicles, must require both:
 - a. An *AB 841 Certification* that certifies the project will comply with all AB 841 (2020) requirements or describes why the AB 841 requirements do not apply to the project. The certification shall be signed by the sub-awardees authorized representative.
 - b. *EVITP Certification Numbers* of each Electric Vehicle Infrastructure Training Program certified electrician that will install electric vehicle charging infrastructure or equipment. Evidence such as Certification Numbers is not required to be obtained by Grantee if AB 841 requirements do not apply to a project. Prior to remitting payment to a sub-awardee, the grantee is responsible for collecting all AB 841 Certifications to ensure the

project did comply with all AB 841 (2020) requirements and shall retain Certification Numbers in accordance with the grantee's records retention schedule.

18. Indemnification: The Grantee agrees to indemnify, defend, and hold harmless the State and CARB and its officers, employees, agents, representatives, and successors-in-interest against any and all liability, loss, and expense, including reasonable attorneys' fees, from any and all claims for injury or damages arising out of the performance by the Grantee, and out of the operation of equipment that is purchased with funds from this Grant Award.
19. Independent contractor: The Grantee, and its agents and employees, if any, in their performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of CARB.
20. Nondiscrimination: During the performance of this Grant Agreement, the Grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (over 40), sexual orientation, or veteran or military status, or allow denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment. The Grantee and its contractors shall comply with the provisions of the Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 11000 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code section 12990 (a)-(f), set forth in Chapter 5 of Division 4.1 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part hereof as if set forth in full. The Grantee and its contractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Grant Agreement.

21. No third party rights: The parties to this Grant Agreement do not create rights in, or grant remedies to, any third party as a beneficiary of this Grant Agreement, or of any duty, covenant, obligation or undertaking established herein.
22. Ownership: All information or data received or generated by the Grantee under this Grant Agreement shall become the property of CARB. No information or data received or generated under this Grant Agreement shall be released without CARB approval.
23. Personally identifiable information: Information or data that personally identifies an individual or individuals is confidential in accordance with California Civil Code sections 1798, et seq. and other relevant State or Federal statutes and regulations. The Grantee shall safeguard all such information or data which comes into their possession under this Grant Agreement in perpetuity, and shall not release or publish any such information or data.
24. Prevailing wages and labor compliance: Grantee agrees to monitor all agreements subject to reimbursement from this Grant Agreement to ensure that the provisions of Labor Code Sections 1720-1861 are being met by sub awardees.
25. Professionals: Grantee agrees that only licensed professionals will be used to perform services under this Grant Agreement where such services are called for and licensed professionals are required for those services under State law.
26. Severability: If a court of competent jurisdiction holds any provision of this Grant Agreement to be illegal, unenforceable or invalid in whole or in part for any reason, the validity and enforceability of the remaining provisions, or portions of those provisions, will not be affected.
27. Termination: CARB may terminate this Grant Agreement for cause by written notice at any time prior to completion of projects funded by this Grant Award, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Grant Agreement within the time frame set forth by CARB via written notice to the Grantee.
28. Timeliness: Time is of the essence in this Grant Agreement. Grantee shall proceed with and complete the projects in an expeditious manner.
29. Waiver of Rights: Any waiver of rights with respect to a

default or other matter arising under the Grant Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.

30. Order of precedence: In the event of any inconsistency between the article exhibits, attachments, specifications, or provisions which constitute this Grant Agreement, the following order of precedence shall apply:
- a. Grant Agreement Cover Sheet
 - b. Exhibit A – Grant Provisions
 - c. Exhibit B – Work Statement
 - d. Exhibit D – Grant Solicitation Package
 - e. All other Exhibits incorporated into the Grant Agreement as listed on the Grant Agreement Cover Sheet.

EXHIBIT C

WORK STATEMENT

Attachment I – Budget Summary

Grantee:

Grant No.:

Project: Statewide CC4A and Financing Assistance Project

Total Funding

Funding Source	Amount
Total Project	

SAMPLE

EXHIBIT C

WORK STATEMENT

Attachment II – Estimated Project Milestones and Disbursement Schedule

Grantee:

Grant No.:

Project: Statewide CC4A and Financing Assistance Project

#	Task	Project Milestones	Start Date	End Date	Disbursement Amount (Up to)
1	Execute Grant Agreement	Kick-off meeting	X/XX/XX	X/XX/XX	\$ 0
2	Milestone	Task	X/XX/XX	X/XX/XX	\$ XXX
3	Milestone	Task	X/XX/XX	X/XX/XX	\$ XXX
4	Milestone	Task	X/XX/XX	X/XX/XX	\$ XXX

Disbursement Schedule:

Disbursement	Disbursement Description	Associated Task	Up to Amount
1.1	Vehicle buy-downs	XXX	\$XXX
1.2	Loan Loss Reserve	XXX	\$XXX
1.3	EVSE	XXX	\$XXX
1.4	Processing Fee	XXX	\$XXX
Total			\$XXX

EXHIBIT C

WORK STATEMENT

Attachment III – Key Project Personnel

Grantee:

Grant No.:

Project: Statewide CC4A and Financing Assistance Project

Name	Position	Duties

SOLICITATION

SAMPLE

EXHIBIT E
APPLICATION PACKAGE

SAMPLE

EXHIBIT F

SAMPLE CONSUMER SURVEY

1. On a scale of 1 to 10, with 1 being very unsatisfied and 10 being very satisfied, how satisfied are you with the vehicle you chose?
2. On a scale of 1 to 10, with 1 being very unsatisfied and 10 being very satisfied, how satisfied are you with the finance assistance process to purchase your vehicle?
3. On a scale of 1 to 10, with 1 being very unsatisfied and 10 being very satisfied, how satisfied are you with the terms of your loan?
4. Do you expect to be able to keep up with your loan payments?
5. What, if anything, about your loan worries you?
6. Has the vehicle you purchased or leased changed your employment opportunities or your plans for your future?
7. How much more or how much less is your income now that you have a newer vehicle?
8. How much have you spent in repairs on the vehicle?
9. How much do you spend on gas for your vehicle each month?
10. Date of vehicle purchase or lease and number of miles at the time of purchase or lease?
11. Date of recording mileage and miles driven since vehicle purchase or lease?
12. On average, how many miles do you drive in a month?
13. Approximately how many miles have you driven this year?
14. What, if anything, about your new vehicle worries you?
15. What, if anything, do you like/enjoy about your vehicle?
16. Would you be willing to answer some follow up questions in a few months to help us continue to improve the replacement program?

(Optional) Name:

Date:

Contact number:

Please return to:

EXHIBIT G
BUDGET

SAMPLE