

APPENDIX B

Sample Grant Agreement

Adult Education & Vocational Schools Zero-Emission Vehicle Technology Training Project

[Project Name]
[Grantee Name]

Mobile Source Control Division
California Air Resources Board
August 2023

Grant Number: #####



This Sample Grant Agreement is provided as an illustration of terms that have been historically included in Grant Agreements and is subject to change at CARB's sole discretion.

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GRANT PROVISIONS

[This is a sample Grant Agreement. An actual Grant Agreement will align with a project's scope, timeline, budget, and other project-specific details. Note, however, that much of the language in a Grant Agreement is not subject to change and not negotiable, including but not limited to the language in Sections K. Oversight and Accountability, L. Project Records, and N. General Provisions.]

This Grant Agreement ("Grant", "Grant Agreement" or "Exhibit A") is entered into by and between the State of California acting by and through the California Air Resources Board (hereinafter referred to as "CARB", the "Grantor", the "State" or the "Board") and the [_____] (hereinafter referred to as the "Grantee"). Grantor and Grantee are each a "Party" and together the "Parties" to this Grant Agreement. The Parties agree as follows:

A. AGREEMENT

The Parties agree to comply with the requirements and conditions herein as well as all commitments identified in the Work Statement (Exhibit B), Grantee Application Package (Appendix A) and the Fiscal Year (FY) 2021-2022 Grant Solicitation for the Adult Education & Vocational School Zero-Emission Vehicle (ZEV) Technology Training Project (Project).

B. GRANT ACKNOWLEDGEMENT

Where applicable, the Grantee agrees to acknowledge the California Climate Investments program and CARB as a funding source for the Project, as outlined in the California Climate Investments (CCI) Messaging and Communications Guide.¹ Below are specific requirements for acknowledgement.

The Grantee agrees to include the California Climate Investments funding boilerplate language and California Climate Investments and CARB logos on all outreach and public facing materials 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. Guidelines for the usage of the California Climate Investments logo can be found at <http://www.caclimateinvestments.ca.gov/logo-graphics-request>.

The acknowledgement must read as follows: '[PROJECT NAME] is part of California

¹ California Climate Investments Communications Guide <http://www.caclimateinvestments.ca.gov/logo-graphics-request>

Climate Investments, a statewide initiative 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.’ And when applicable, the Spanish translation acknowledgement must read as follows: ‘[NOMBRE DEL PROYECTO] forma parte de las Inversiones del Clima de California, un iniciativa estatal que destina miles de millones de dólares de Cap-and-Trade para la reducción de gases de efecto invernadero, fortalecimiento de la economía y mejoramiento de la salud pública y el medio ambiente – especialmente en comunidades en desventaja.’

The California Climate Investments logo and name serves 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 adhere to the Board’s logo usage requirements in a manner directed by CARB. CARB logos shall be provided to the Grantee by CARB Project Liaison. The CARB logo is a visual representation of our air environment. The arcs represent: the different elements that make up the 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.



Finally, when preparing flyers, brochures, or other handout material that will be used to promote the Project as one of CARB’s Low Carbon Transportation Investment projects, the Grantee will incorporate Moving California typeset and branding, as appropriate. Moving California is the branding of CARB’s suite of Low Carbon Transportation Investment projects, including both light- and heavy-duty projects. The Moving California typeset is displayed below and branding materials will be provided by the CARB Project Manager.

Sample

C. GRANT SUMMARY AND AMENDMENTS

Project Title:
Authorized Official:
Title:
Project Description:
Total Grant Amount: \$
Total Resource Contribution: \$

D. GRANT PARTIES AND CONTACT INFORMATION

1. The CARB Project Manager is _____. Correspondence regarding this project shall be directed to:

[CARB Staff]
Project Manager
Mobile Source Control Division
California Air Resources Board
1001 I Street
Sacramento, California 95814
[Phone]
[Email]

2. The Grantee Liaison is _____. Correspondence regarding this project shall be directed to:

[Name]
[Title]
[Grantee]
[Address]
[Phone]
[Email]

3. If the CARB Project Manager identified above changes, CARB will notify the Grantee Liaison of said change and provide the new contact information. If the Grantee Liaison identified above changes, the Grantee will notify the CARB Project Manager of said change and provide the new contact information.

E. TERM; TERMINATION; AMENDMENTS

1. **Term.** The term of this Grant Agreement ("Term") commences the date this Grant Agreement is executed by authorized representatives of both Parties (the "Effective Date") and terminates on [DATE], unless terminated or cancelled sooner per the terms of this Grant Agreement. Grantee's performance of work or other expenses billable to CARB under this Grant may

not commence until after full execution of this Grant by authorized representatives of both Parties.

2. **Project Deemed Complete.** Upon completion of the Project, the Grantee shall submit a draft final Status Report to the CARB Project Liaison no later than [DATE] pursuant to Section J, Reporting & Documenting Expenditure of State Funds, of this Grant Agreement. Grantee's performance shall be deemed complete on the date CARB approves the final Status Report. A final request for payment and final Status Report must be received by CARB no later than [DATE] (See Section H, Fiscal Administration, of this Grant Agreement for additional details).

3. **Termination**

- i. **Termination Without Cause by Grantor.** This Grant Agreement may be terminated at any time for any or no reason by Grantor upon providing thirty (30) days advance written notice.
- ii. **Termination for Cause by Grantee.** Upon providing ninety (90) days advance written notice to Grantor, this Grant Agreement may be terminated by Grantee if Grantor has breached a material provision of the Grant Agreement.
- iii. **Termination for Cause by Grantor.** This Grant Agreement may be terminated by CARB without advance notice at any time if CARB has determined, in its sole discretion, that the Grantee, or any of the Grantee partners, consultants, contractors, subcontractors, employees, representatives, agents, officers, or affiliates have breached any of the terms or conditions of this Grant Agreement or has violated or are in violation of any of his, her, their, its respective obligations or responsibilities under this Grant Agreement or any other agreement where CARB is an intended third party beneficiary.
 - 1) **Non-performance (Breach) Provisions.** The Grantee agrees that the following is a non-exhaustive list of the circumstances that constitute non-performance (breach) under this Grant. These circumstances will be solely determined by CARB and include, but are not limited to:
 - a) Failure to comply with any of the provisions of the Grant, including Exhibits.
 - b) Failure to obligate or expend Grant Funds within established timelines, or failure to show timely interim progress to meet these timelines.
 - c) Insufficient performance or widespread deficiencies with Grant Fund or Project oversight, enforcement, recordkeeping, contracting, inspections, or any other duties.
 - d) Misuse of Grant Funds.
 - e) Funding of ineligible activities or other items.
 - f) Exceeding the allowable Grant Fund or Administrative Fee allotment.

- g) Insufficient, incomplete, or faulty documentation.
 - h) Failure to provide required documentation or reports requested from CARB, or other State agencies, in a timely manner.
 - i) Poor performance as determined by a review or fiscal audit.
- 2) **Additional Remedies.** In addition to any other requirements and remedies set out elsewhere in this Grant Agreement, upon request by CARB, the Grantee will also perform as follows:
- a) Within fourteen days of any request, timely develop and implement a corrective action plan.
 - b) Immediately cease all work and spending, and notify all contractors, subcontractors, consultants, and employees to immediately cease all work and spending.
- iv. Upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner) by either Party, the Grantee shall immediately turn over all remaining Grant Funds in its possession or control and all records, personally identifiable information ("PII"), intellectual property, documents, information and data relating to performance, accounting, administration, contracting and management of the Grant Funds, the Project and the Program, as well as any other materials requested by CARB or as otherwise required by any of the provisions of this Grant.
- v. CARB, at its sole discretion, may elect to have any or all the funding, documentation, intellectual property and other property transferred to another CARB-selected third-party administrator or designee.
- vi. Unless otherwise directed in writing by CARB, upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner) by either Party, Grantee shall immediately cease all work, and cease all expenditure of Grant Funds and Administrative Fees.
- vii. Unless otherwise directed in writing by CARB, upon termination of this Grant Agreement or upon issuance of the termination notice (whichever occurs sooner), the Grantee shall submit a final Grant Disbursement Request Form and a final Status Report covering activities up to and including the termination date. The final Status Report shall be subject to review and approval by CARB before any final payments are disbursed. Upon receipt of the Grant Disbursement Request Form, and final Status Report, and once all intellectual property and requested data, information and property have been transferred and assigned to CARB, CARB, at its sole discretion, may make a final payment to the Grantee. This payment shall be for all CARB-approved, actually incurred costs that in the opinion of CARB are justified. However, the total amount paid shall not exceed the total authorized amount for the Administrative Fee and, where payments are being requested, then no payment shall

exceed the total authorized amount for the Grant Funds.

4. **Contingency Provision.** In the event this Grant Agreement is terminated for whatever reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to use or make the Grant Funds available in a manner consistent with applicable laws, policies and the applicable Funding Plan(s), which may include but is not limited to allocating the Grant Funds to other projects or awarding the Grant to the next highest scored applicant and if an agreement cannot be reached, to the next applicant(s) until an agreement is reached.
5. **CEQA.** CARB retains full discretion to consider all available information relating to California Environmental Quality Act (CEQA) compliance before determining whether to proceed with funding or authorization of any work under this Grant Agreement. No work may be initiated by the Grantee, nor will any funding be disbursed by CARB, until CARB has affirmatively notified the Grantee in writing that this CEQA condition has been satisfied. If CARB decides not to proceed with this Grant Agreement, the Grant Agreement will be terminated immediately by CARB upon written notice to the Grantee.
6. **Amendments.** This Grant Agreement may only be amended by a written amendment to this Grant Agreement which has been fully executed by authorized representatives of both Parties.
7. **Liquidated Damages.** Grantee understands, acknowledges and agrees that failure to comply in whole or in part with Exhibit B (Work Statement), with this Grant Agreement or with applicable federal, state and local air quality rules, regulations and laws, is, in each instance, a material breach of the Grant Agreement and such breach will result in undue hardship and damages to the State of California some or all of which is impossible to easily calculate. Grantee understands, acknowledges, and agrees that Grantee's said compliance is a precondition to the award and distribution of Grant Funds (including Administrative Fees) and a continuing obligation of Grantee during the Term of the Grant Agreement and for the consecutive three (3) years following expiration, cancellation or termination of the Grant Agreement, whichever occurs later. If CARB determines, within its sole and absolute discretion, that Grantee is in breach or has breached this Grant Agreement, then Grantee, within 30 days from issuance of notice, upon demand, shall pay CARB, as liquidated damages, the full amount of all Grant Funds previously paid to Grantee to date. The Parties agree that quantifying the losses arising from Grantee's breach is inherently difficult insofar as breach may cause Grantor irreparable, serious, or substantial harm or damage to taxpayers or to the environment. The Parties further stipulate that the agreed upon amount of liquidated damages is not a penalty, but rather a reasonable measure of damages based upon the Parties' experience and given the nature of the losses that may result from said breach. The Parties hereto have computed, estimated,

and agreed upon the sum as an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the damages which will result. This provision shall apply even if there is a concurrent noncompliance or violation of air quality rules, regulations or laws caused by any third party.

8. The CARB Executive Officer retains the authority to terminate, or reduce the grant amount of, this Grant Agreement for nonperformance. In the event of such termination or reduction of the grant amount, Section H, Fiscal Administration, 6. Suspension of Payments, of this Grant Agreement shall apply.

F. DUTIES AND REQUIREMENTS

This section defines the respective duties and requirements of CARB and the Grantee in implementing the Grant.

1. CARB's Role

CARB is responsible for the following:

- a. Reviewing and approving Grantee's project plan and project schedule
- b. Providing program oversight and accountability (in conjunction with the Grantee)
- c. Participating in regular meetings with the Grantee to discuss program refinements and guide program implementation
- d. Reviewing and approving or denying and returning all Grant Disbursement Request Forms (MSCD/ISB-90)
- e. Reviewing and approving Grantee's Outreach and Awareness Plan, including but not limited to:
 - i. Grantees proposed strategies of engagement; and
 - ii. Education and outreach materials provided by the Grantee, such as outreach and education activities, timelines, materials, webpages, participant surveys, etc.
- f. Reviewing and approving or denying and returning Grantee's data collection plans, including but not limited to:
 - i. Project reporting
 - ii. Surveys and data collection
 - iii. Semi-annual CCI reports (June and December)

- g. Reviewing and approving or denying and returning Grantee's Quarterly Status Reports
- h. Reviewing and approving or denying and returning Grantee's Final Project Report

2. The Grantee's Tasks

The Grantee's key project personnel will administer the various tasks of the project including:

- a. Development and implementation of project plans and schedule
- b. Participation in meetings with CARB staff
- c. Development of Outreach and Awareness Plan
- d. Development and implementation of data collection plans, project reporting, and completing semi-annual CCI reporting requirements (June and December)
- e. Financial tracking and submitting disbursements requests
- f. Responding to CARB and public requests in a timely manner

The Grantee's responsibilities include all project development and implementation, project administration, outreach and awareness, and project reporting. The Work Statement (Exhibit B) contains the budget summary, task summary and detailed task list, task and disbursement schedule, and list of project leads.

G. GRANT AMOUNT

- 1. The total Grant fund amount ("Grant Funds") is set out in the Grant Cover Sheet to which this Exhibit A (Grant Agreement) is attached. The Grant Funds are also set out in Exhibit B (Attachment I - Budget Summary).
- 2. The administration of Grant Funds is set out in Section H, Fiscal Administration.

H. FISCAL ADMINISTRATION

1. Budget

- a. The maximum amount of this Grant is \$_____. Under no circumstance will CARB reimburse the Grantee for more than this amount. A formal Grant Agreement amendment is required whenever there is a change to the amount of this grant.
- b. The budget for this program is shown in Exhibit B, Attachment I – Budget Summary. Grant Disbursement Requests (Form MSCD/ISB-90) for funds shall not exceed the grant amount.

- c. 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 the Project.
- d. Under no circumstance will CARB reimburse a Grantee for vehicles or equipment that exceeds the purchase price.
- e. Line item shifts are not anticipated under this program. However, shifts of up to 10 percent of the grant total may be made over the life of the grant, subject to prior written approval from CARB. Line item shifts greater than 10 percent require a formal amendment to the grant. Line item shifts may be proposed by either CARB or the Grantee and must not increase or decrease the total grant amount. All line item shifts must be approved in writing by CARB within 10 business days of approval for inclusion in the grant folder. If the grant is formally amended, all line item shifts must be included in the amendment.
- f. Funds not liquidated by the end of the grant term must be returned within [number of days] of the end of the grant term. Expenditure of funds granted may not be reduced due to any loss incurred in an insured bank or investment account.

2. Eligible Project Costs

Allowable expenditures for costs associated with the grant are defined in Appendix A, Application, Attachment 3: Proposed Budget.

3. Resource and In-Kind Contributions

Resource and in-kind contributions from the Grantee can be used to increase the effectiveness and timeliness of the Project. Resource and in-kind contributions must meet the following documentation criteria:

- a. Documentation of resource and in-kind contributions must be retained for a minimum of three years after the grant term has ended.
- b. Funds expended on resource contributions must be documented in the Project Final Report to CARB.

In-kind contributions are further defined in Appendix A, Application, Attachment 3: Proposed Budget.

4. Advance Payment

Consistent with the Legislature's direction to expeditiously disburse grants, and

pursuant to Health and Safety Code Section 39603.1, 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 effective January 1, 2021. Grantee agrees that this Agreement and all advance payment requests will comply with Health and Safety Code Section 39603.1 and these regulations, which can be found at: 17 California Code of Regulations (C.C.R.) Sections 91040-91044.

CARB may provide advance payments to grantees of a grant program or project if CARB determines all 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 proposals contain 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 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, and Grantee agrees to return all 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. The Grantee shall place funds advanced under this section in an interest-bearing account. The 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 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 J, Reporting & Documenting Expenditure of State Funds, of this Grant Agreement.
- l. The 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 [Date] or the reversion date of the appropriation, whichever comes first. If the Grant Agreement is terminated early for any reason, Grantee shall remit any unused portion of the advance payment and interest earned within 90 days of the termination date.

5. Grant Disbursements

With each disbursement request, the Grantee must provide documentation as required in this section:

- a. Requests for payment shall be made with the Grant Disbursement Request

Form (MSCD/ISB-90) and conform to the instructions identified in Section H, Fiscal Administration and Section J, Reporting & Documenting Expenditure of State Funds, of this Grant Agreement. Grant payments shall be made only for reasonable costs incurred by the Grantee and only when the Grantee has submitted a Grant Disbursement Request Form; has completed milestones stipulated in Exhibit B, Attachment II - Statement of Work; the requirements specified herein, including Section F, Duties and Requirements, Section H, Fiscal Administration, Section I, Project Monitoring and Meetings, and Section J, Reporting & Documenting Expenditure of State Funds, of this Grant Agreement have been accomplished; documentation of accomplishment has been provided to CARB in the form of the Status Report; and any associated deliverables (if applicable) have been provided to CARB. CARB will have sole discretion to accelerate the timeline for allowable disbursements of funds identified in Exhibit B, Attachment II - Statement of Work and Attachment III - Timeline, Deliverables, and Budget Details (with the exception of the final disbursement of funds), necessary to assure the goals of the program are met.

- b. Grant payments are subject to CARB's advance written approval of Status Reports and any accompanying deliverables (see Section F, Duties and Requirements, Section H, Fiscal Administration, Section I, Project Monitoring and Meetings, and Section J Reporting & Documenting Expenditure of State Funds, of this Grant Agreement). A payment will not be made if the CARB Project Manager deems that a milestone has not been accomplished or documented; that a deliverable that must meet specifications has not been provided; that claimed expenses are not documented, not valid per the budget, or not reasonable; or that the Grantee has not met other terms of the grant.
- c. Grantees cannot request project funds in advance of performing the work or incurring the cost.
- d. CARB will provide approval or disapproval of a Grant Disbursement Request. No reimbursement will be made for expenses that, in the judgment of CARB, are not reasonable or do not comply with the Grant Agreement.
- e. The Grantee shall submit Grant Disbursement Requests to CARB Accounting Section at: accountspayable@arb.ca.gov with a CC to the CARB Project Manager. The Grantee may 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.

- f. CARB will withhold payment of up to 10 percent of the grant funds until completion of the Final Report, intellectual property has been relinquished to CARB in accordance with Section M, Intellectual Property, of these provisions, CARB has received and approved the Grantee's mechanism for receiving annual activity reports and submission of the Final Report to CARB by the Grantee. It is the Grantee's responsibility to submit a Grant Disbursement Request for this final disbursement of funds.
- g. The Grantee will pay out CARB funds to other recipients (including Subgrantees and subcontractors) on a reimbursement basis only.
- h. Prior to submitting to the Accounts Payable Unit, the Grantee will submit disbursement requests to the CARB Project Manager to allow for a pre-review of the request. The Grantee agrees to modify, adjust, or provide supporting documentation justifying disbursement requests, as identified by the CARB Project Manager, or as needed.

6. Suspension of Payments

- a. CARB reserves the right to issue a grant suspension order in the event that a dispute should arise. 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 will reimburse the Grantee for any expenses incurred during the suspension that are reimbursable in accordance with the terms of the grant.

7. Contingency Provision

In the event this grant is terminated for any reason, the CARB Executive Officer or designee reserves the right in his or her sole discretion to award a grant to the next highest scored Applicant and if an agreement cannot be reached, to the next Applicant(s) until an agreement is reached. If CARB is unable to award a grant under these circumstances, CARB may award a grant in a manner consistent with direction provided in the FY 2021-2022 Funding Plan for the Project.²

² Funding Plan for Fiscal Year 2021-2022 https://ww2.arb.ca.gov/sites/default/files/2021-10/fy21-22_fundingplan.pdf

8. Documentation of Expenditure of State Funds

- a. Per the terms and conditions of this Grant as set out herein above and below, the Grantee must provide CARB with documentation accounting for the proper expenditure of Grant Funds. The documentation must be provided upon CARB request, and in Status Reports, including in a final Status Report submitted at the completion of the Project prior to the Grantee receiving the disbursement of funding.
- b. 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 the Project implementation and outreach.
- c. Fees for external consultants must be documented with copies of the consultant contract and invoices. All external consultant fees must be pre-approved by CARB. Fees included in the budget as a part of the Grantee Proposal Package (Exhibit C, Grantee Proposal Package) are considered pre-approved by CARB.
- d. Printing, mailing, records retention, and travel expenses must be documented with receipts or invoices.
- e. Any reimbursement for necessary supporting project costs need receipts or invoices.
- f. Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts set by the California Department of Human Resources (CalHR). No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from CARB. The CalHR travel and per diem reimbursement amounts may be found online at: <https://www.calhr.ca.gov/employees/pages/travel-reimbursements.aspx>. Reimbursement will be at the State travel and per diem amounts that are current as of the date costs are incurred by the Grantee.
- g. 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 submittal of the final Project grant disbursement request to CARB.
- h. The above documentation must be provided to CARB in Quarterly Status Reports and a Final Report.

9. Earned Interest

“Earned interest” means any interest generated from State funds provided to the Grantee and held in an interest-bearing account.

- a. Interest earned by the Grantee on Project funds must be reported to CARB. All interest income on Project funds must be expended on eligible program costs or returned to CARB. The Grantee is responsible for reporting to CARB on all interest earned and reinvested into the Project or returned.
- b. All interest income on advance payment at CARB’s discretion must be reinvested into the program or returned to CARB. Interest earned that is reinvested in the program is not included as part of the Total Grant Amount from CARB. Grantee is responsible for reporting to CARB all project expenditures funded with interest earned on advanced funds or returned.
- c. The Grantee must maintain accounting records (e.g., general ledger) that track interest earned and expended on Project funds, as follows:
 - i. The calculation of interest must be based on 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-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 by March 31, 2026, or returned to CARB.
- d. Documentation of interest earned on Project funds must be retained for a minimum of three years after it is generated. Documentation of interest expended on the Project must be retained for a minimum of three years after the funds have been reinvested into the project.
- e. The above documentation must be provided to CARB in Quarterly Status Reports and the Final Report.

I. PROJECT MONITORING AND MEETINGS

1. Technical Monitoring

- a. Any changes in the scope or schedule for the program shall require the prior written approval of the CARB Project Manager and may require a written Grant Agreement amendment.

- b. The Grantee shall notify the CARB Project Manager in writing immediately if any circumstances arise (technical, economic, or otherwise), which might place completion of the project in jeopardy. The Grantee shall also make such notification if there is a change in key project personnel (see Exhibit B, Attachment IV - Key Project Personnel).
- c. In addition to Quarterly Status Reports in Section J, Reporting & Documenting Expenditure of State Funds, the Grantee shall provide information requested by the CARB Project Manager that is needed to assess progress in completing tasks and meeting the objectives of the program.
- d. Any change in budget allocations, re-definition of deliverables, or extension of the program schedule must be requested in writing to the CARB Project Manager and approved by CARB, in its sole discretion, and may require a Grant Agreement amendment.

2. Meetings

- a. Kick-Off Meeting: A project kick-off meeting will be held between key Grantee personnel and the CARB Project Manager before work on the program begins. The purpose of the kick-off meeting is to discuss the Grantee's overall approach to the project, details about performing essential tasks, project schedule and milestones, ongoing project team coordination and process, and any issues that may need to be resolved prior to beginning work.
- b. Monthly Meetings: After the kick-off meeting with CARB, monthly meetings will be required to discuss project progress and challenges related to the project's implementation, project tasks, milestones and deadlines, and outreach programs, etc. Additional meetings may be scheduled as necessary at the sole discretion of the CARB Project Manager. Such meetings may be conducted by videoconference, if deemed appropriate by the CARB Project Manager. The Grantee is responsible for developing the agenda in collaboration with the CARB Project Manager, and for facilitating the meetings. Monthly meeting agendas should include a brief restatement of the tasks to be discussed and a report on the status of each, including a discussion if the project is progressing according to schedule.
- c. Site Visits: If applicable, site visits shall be established by CARB Project Manager during the term of this grant.

J. REPORTING & DOCUMENTING EXPENDITURE OF STATE FUNDS

The Grantee must collect and provide CARB with qualitative and quantitative data and documentation that tracks the project's progress of tasks and performance, documentation accounting for the proper expenditure of funds, biannual reporting

CCI project reporting, and a Final Report submitted prior to the Grantee receiving their last disbursement of project funds.

1. Quarterly Status Reports

- a. The Grantee shall submit Quarterly Status Reports at minimum at the end of every third month (August, November, February, and May), starting with the first report submitted on [Date], but may be submitted more frequently, if necessary, to justify more frequent disbursements with prior approval from CARB.
- b. Quarterly Status Reports shall be provided using a CARB-developed template for Americans with Disabilities Act (ADA)- compliant Quarterly Status Reports and should meet the requirements specified herein. The Project and should be presented in monthly meetings occurring during the project in a format compatible with CARB. CARB may specify an electronic format for quarterly reporting. Each report must include all applicable items from the template which may include:
 - i. Quarterly Status Report number, title of project, name of Grantee, date of submission, and project grant number.
 - ii. Summary of work completed since the last Status Report, noting progress toward completion of tasks identified in Exhibit B, Attachment II - Statement of Work.
 - iii. Statement of work expected to be completed by the next Status Report.
 - iv. Notification of problems encountered and an assessment of their effects on the project's outcomes.
 - v. Schedule of community engagement, outreach, and education activities conducted, materials used, number of people contacted, and number of participants, where applicable.
 - vi. Accounting records, including expenditure and income information, and supporting documentation.
 - vii. Itemized invoices (invoices must include enough details to ensure that only eligible costs are paid for) and any other appropriate documentation.
 - viii. Discussion of the project's adherence to the project timeline.
 - ix. Data collected from participants since the last status report such as, but not limited to, the information outlined below in Section 2, Project Reporting. Data should be separated by reporting period but should be collected and compiled in a way that facilitates reporting in the Final Report.
 - x. Schedule of community engagement, outreach, and education activities conducted, materials used, number of people contacted, and number of participants, where applicable.

- xi. Other data and analysis as mutually agreed upon between the Grantee and CARB.

2. Project Reporting

Grantees shall collect and report to CARB project information about the progress of the training and workforce program, program benefits, and program participant information through Quarterly Status Reports, at a minimum of every three months.

- a. Program progress reporting shall include, but is not limited to:
 - Census tracts of education and training(s), outreach, and partner organizations
 - Location of trainees/participants (low-income and/or disadvantaged communities)
 - Race/ethnicity of trainees/participants
 - Number of trainees/participants in training program, and total hours of training provided
 - Number of trainees/participants completing training program (including number of certifications received)
 - Employment status, job titles, occupations, and salary wages of trainees/participants
 - Level of trainee involvement in training and curriculum design
- b. Program benefits reporting shall include, but is not limited to:
 - Geographic distribution of workforce training, curriculum, and program offerings
 - Increased connections to ZEV technology employers and industries
 - Number of job placements, including full- and part-time jobs, and paid internships or apprenticeships
 - Number of new full- and part-time jobs created and retained
 - Development of new partnerships with local and regional workforce entities, and economic/business development entities
 - Connections between training and education programs and small, women, minority, disadvantaged, and certified business employment or support in priority communities
 - Replication of concepts and program outcomes in other priority communities
 - Community education events by type of event and attendance
 - Direct address of community-specific workforce training and development needs
- c. Program participant reporting shall include, but is not limited to:

- Participant's level of satisfaction in their preparation for ZEV industry jobs and careers provided by the ZEV education and training program curriculum.
- Participant's current employment status (part- or full-time employment, or unemployed)
- Participant's level of satisfaction with services provided, including increased access to potential economic opportunities. (For example: improved outcomes over program expenses or investments, willingness to recommend the program to others)
- Participant's level of satisfaction with accessibility and ease of training program
- Participant's level of satisfaction with program workforce, career development, and job placement support and opportunities
- Portal or other resources for existing trainees to provide their experiences and feedback loops to ensure changes to programs are made over time to best meet needs and boost new student recruitment

d. CCI Project Reporting

Accountability and transparency are essential elements for all CCI funded projects. CCI reporting establishes public information requirements about how specific CCI funds are investing GGRF appropriations and what benefits are being achieved from the investments.

Grantees are responsible for collecting and submitting biannual CCI reporting in coordination with the CARB Project Manager. The CARB Project Manager will provide the Grantee the reporting templates necessary to complete reporting requirements and submit biannual CCI project reports. Grantees are required to submit reports in the format requested by CARB.

CCI reporting periods and deadlines:

- December 1st - May 31st; reporting due by June 30th
- June 1st - November 30th; reporting due by December 31st

Grantees are required to coordinate with the CARB Project Manager and must submit required CCI reporting at a minimum of three (3) weeks before June 30th and December 31st of each year through the term of the project, or as requested by the CARB Project Manager.

3. Final Report

- a. A draft Final Report is due to CARB within 90 days of project completion or by December 31, 2025, whichever comes first. CARB will provide the Grantee with a checklist or template for an ADA-compliant Final Report. The draft Final Report must be submitted to CARB in a format agreed upon

between the CARB Project Manager and the Grantee. The Final Report must meet the requirements specified herein.

- b. The Grantee must provide a Final Report to CARB after all CARB funding has been expended. The final report must be submitted within 90 days of CARB receiving the draft Final Report or by March 31, 2026, whichever comes first. The Final Report must include all applicable items from the checklist or template, at a minimum:
 - i. Expenditures in detail to date and for the period between the last Quarterly Status Report and the Final Report
 - ii. Overview of the project as a whole from inception through the end of the grant term, including project and community background, partnerships, and funding sources
 - iii. Table and narrative summary of all funded tasks
 - iv. Data collected from education and training programs, and participants compiled from all Quarterly Status Reports and project data reports
 - v. Assessments of participant evaluations, including the results of any pre- and post-surveys conducted
 - vi. Changes in participant knowledge and training of ZEV technologies and pathways to jobs
 - vii. Description of community engagement and outreach efforts, including materials used, schedule of events conducted, and an assessment of effectiveness of the efforts
 - viii. Other co-benefits provided by the project as mutually agreed upon between the Grantee and CARB
 - ix. Accounting records, including expenditure information, and supporting documentation. Includes earned interest, if any, and how it was expended or returned to CARB
 - x. Best practices and lessons learned, including suggestions for future project considerations for wider scale implementation in other communities
 - xi. Implementation challenges and recommendations for potential program improvements
 - xii. A consolidated list of subcontractors funded in whole or in part by the

Grantee, in-kind contributions, and partnerships. Include the name, address, concise statement of work done, period, and value of each

- xiii. Other data and analysis as mutually agreed upon between the Grantee and the CARB

K. OVERSIGHT AND ACCOUNTABILITY

1. The Grantee shall comply with all oversight responsibilities.
2. CARB or its designee may recoup grant funds that were received by the Grantee based upon the Grantee's misinformation or fraud, or which were received by the Grantee while the Grantee was in non-compliance with the terms of this Grant or State law. CARB also reserves the right to prohibit any entity from participating in the program due to non-compliance with program requirements or State law.
3. Grantee shall, for each occurrence, document and immediately report to CARB any and all suspected or known substandard work; suspected or actual breach of agreement, fraud, misrepresentations or abuse of funds; suspected or known violations of any Grant terms or conditions, and all misrepresentations and fraud carried out by any third parties including but not limited to Grantee's contractors, subcontractors, consultants, employees, agents, affiliates, officers, directors or representatives. Grantee shall fully cooperate and work with CARB to investigate, resolve and take appropriate action to enforce the terms and conditions of this Grant Agreement, including appropriately prosecuting or litigating any civil or criminal claims as determined necessary by CARB or its representative.

L. PROJECT RECORDS

As further described below, project records include but are not limited to Grantee, financial, and participant records. All project records must be retained for a period of three (3) years after final payment under this grant. All project records are subject to audit pursuant to Section N, General Provisions, of this Grant Agreement. Upon completion of the third year of record retention, the Grantee shall submit all project records to CARB. Hardcopy or electronic records are suitable. Acceptable forms of electronic media include hard drives, CDs, and DVDs. Other forms of electronic media may be allowed based on prior written approval from CARB.

1. Grantee Records

The Grantee shall retain a project file containing:

- a. Original executed copy of the Grant Agreement and Grant Agreement Amendments (if applicable)
- b. Copy of the Project Plan and all its parts
- c. Copies of Grant Disbursement Request Forms, associated attachments, and other expenditure tracking including timesheets
- d. Copies of Status Reports
- e. Copies of annual data reports
- f. Documentation of earned interest generation and expenditure (see Section H, Fiscal Administration)
- g. Invoices from project participants for reimbursable items
- h. All other information that documents all aspects of the project

2. Financial Records

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

- a. Establish an official file for the project, which shall 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 project
- c. Establish separate accounts which will adequately and accurately depict all income received which is attributable to the project including cash and in-kind donations, if any
- d. Establish an accounting system which will adequately depict final total costs of the project, including grant implementation costs

3. Project Participant Records

The Grantee is required to establish and maintain participant records, which must include, at minimum:

- a. Project participant proposals (denied, approved, and removed)
- b. Initial participant surveys and survey updates

- c. Unique identifier that links each project to its corresponding project and associated cost
- d. Documentation of any deviations from the normal processing of projects (examples include enforcement action, CARB case-by-case approvals)

M. INTELLECTUAL PROPERTY

1. Any webpage(s), software, databases, project data, or other intellectual property developed, licensed or purchased by the Grantee with any Grant Funds (including any Administrative Fees) shall be transferred and permanently assigned to CARB or, at CARB's sole discretion, to a new third party administrator/grantee selected by CARB if the Grant Agreement is terminated, cancelled or expires, or if Grantee is replaced by a different grantee to manage the Project. It will be the Grantee's responsibility to immediately turn over this property and information to CARB no later than 10 business days prior to the termination, cancellation, or expiration of this Grant Agreement (whichever is sooner) and provide all reasonable and necessary assistance needed to ensure a smooth transition in accordance with the Project Transition Plan.
2. Where applicable, the Grantee agrees to acknowledge the California Climate Investments Program and California Air Resources Board (CARB) as a funding source for the Project.
 - i. The California Climate Investments logo and name serves 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 of California to address climate change by reducing greenhouse gases, while also investing in disadvantaged communities and achieving many other co-benefits.
 - ii. Grantee shall acknowledge the California Air Resources Board as a funding source for the Project when publicized in any news media, websites, applications, brochures, publications, audiovisuals, or other types of promotional material. The Grantee shall adhere to the Board's logo usage requirements in a manner directed by CARB. CARB logos and any additional required materials shall be provided to the Grantee by CARB staff.
 - iii. The Grantee shall 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 acknowledgement 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 are incorporated by reference and may be changed at CARB's discretion at any time. A copy of the Guidelines applicable to this Grant Agreement can be found at <http://www.caclimateinvestments.ca.gov/logo-graphics-request>.

N. GENERAL PROVISIONS

1. **Total Agreement; Entirety.** This Grant Agreement constitutes the entire agreement and understanding between the Parties and supersedes and replaces any and all prior negotiations and agreements of any kind, whether written or oral, between the Parties concerning this Grant Agreement.
2. **Americans with Disabilities Act (ADA) Language.** Grantee must ensure that all products and services submitted to, uploaded, or otherwise provided to or funded by CARB or made available to the public by the Grantee and/or its contractors, subcontractors, including but not limited to data, software, plans, drawings, specifications, reports, operating manuals, notes and other written or graphic work prepared in the course of performance of this Grant Agreement, including Status Reports (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 or the public in PDF format, Grantee, along with its contractors, and subcontractors, shall also provide an electronic version in the original electronic format (for example, Microsoft Word or Adobe InDesign). CARB may request from the Grantee documentation 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 materials provided under this Grant Agreement.
 - i. Grantee must bring into compliance, at no cost to CARB, any Work by Grantee, or its contractors, subcontractors, and subgrantees, not meeting the Accessibility Requirements. If Grantee fails to bring the Work into compliance with the Accessibility Requirements within five

(5) business days of issuance of written notice from CARB, or within the time frame specified by CARB in its written notice, then Grantee will be responsible for all costs incurred by CARB in bringing the Work into compliance with the Accessibility Requirements. Grantee agrees to respond to and resolve any complaint brought to its attention regarding accessibility of deliverables provided under this Grant Agreement for a period of one year following delivery of the final deliverable under this Grant Agreement.

- ii. Deviations from the Accessibility Requirements are permitted only by advance written consent by CARB in each instance.
3. **No Assignment.** This Grant Agreement is not assignable, in whole or in part, by the Grantee without the advance written consent of CARB in the form of a formal written amendment signed by authorized representatives of both Parties.
4. **Audit.** Grantee agrees that CARB, the California Department of General Services, California Department of Finance, the California State Auditor, the California Bureau of State Audits, and any of their respective designated representatives shall have the right to review and copy any records and supporting documentation pertaining to the performance of this Grant Agreement and all Grant Funds received or expended. Grantee agrees to maintain such records for a possible audit for a minimum of five (5) years from the date of termination, cancellation, or expiration of this Grant Agreement or for 5 years after a funded incentive activity has concluded whichever is later. The Parties may stipulate a longer records retention period. Grantee agrees to allow such CARB and other state designated representatives (including auditors) access to such records during normal business hours, and to allow interviews of any and all employees, representatives, agents, officers, consultants, contractors and subcontractors of Grantee who might reasonably have information related to such records. Furthermore, Grantee agrees to include in all agreements, contracts and subcontracts, language identical to or similar to this paragraph to ensure CARB has the ability and right to audit records and conduct interviews of any and all contractors, consultants and subcontractors in relation to performance or use of the Grant Funds under this Grant Agreement.
5. **Availability of funds.** Grantee acknowledges, agrees, and understands that Grantor's obligations under this Grant Agreement are contingent upon the availability of funds. In the event funds are not available, Grantor shall have no obligation and no liability to pay any funds whatsoever to the Grantee or to furnish any other consideration under this Grant Agreement or for any other reason.

6. **Compliance with Law.** The Grantee agrees that it will, at all times, comply with, and require its employees, agents, representatives, officers, consultants, contractors, and subcontractors to comply with, all applicable federal, state, and local laws, rules, guidelines, regulations, and requirements during the Term.
7. **Conflict of Interest.** Conflict of Interest. Government Code Section 87104 prohibits public officials of CARB, which includes any member, officer, employee, or consultant of a CARB advisory body, from making a formal or informal appearance before, or oral or written communication to CARB for the purpose of influencing a decision by CARB on a grant or other entitlement for use, such as a contract, loan, license, or permit. Prohibited communications include grant applications, letters, emails, phone calls, meetings, or any other form of oral or written communication within or outside of a public committee meeting with CARB, or CARB staff, for the purpose of influencing a CARB decision on an application for funding submitted to CARB. A knowing or willful violation of this section may result in a member being guilty of a misdemeanor and fined up to the greater of \$10,000 or three times the amount of an amount unlawfully received. If a court determines a violation occurred and that the official action might not otherwise have been taken or approved if not for the prohibited communication, the grant may be voided. (See Gov. Code §§ 91000, 91003.)
- i. For this reason, CARB officials, including but not limited to advisory body members, also may not be a signatory, or administrator on a grant application, or on any resulting grant agreement. Such individuals should not be listed on the grant application except as necessary to show their role in the organization.
 - ii. Note that an advisory body member's organization may continue to be eligible for a grant. However, the grant must not follow any communications for purposes of influence by the advisory body member on CARB's decision on that grant agreement. Additionally, that organization would need to identify a different member of the organization to sign or be the administrator for any applications and awarded grants.
 - iii. Please also note that applications from organizations affiliated with CARB Board members may require additional review and Board approval. Although CARB will make every effort to obtain required review and approval in a timely manner, this may delay grant execution and/or distribution of funds.
 - iv. The Grantee certifies that it is, and shall remain, in compliance with all applicable State and federal conflict of interest laws during the entire Term of this Grant Agreement. The Grantee will have no interest, and shall not acquire any interest, direct or indirect, which will conflict with its

ability to impartially perform under, or complete the tasks described in, this Grant. The Grantee must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest with its duties throughout the Grant Term. CARB may consider the nature and extent of any actual, apparent, or potential conflict of interest in the Grantee's ability to perform the Grant. The Grantee must immediately advise CARB in writing of any potential new conflicts of interest throughout the Grant Term.

8. **Disputes.** The Grantee shall continue with the responsibilities under this Grant Agreement during any dispute between Grantee and CARB, unless otherwise directed by CARB. Grantee staff or management will work in good faith with CARB staff and 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 final resolution by the CARB Executive Officer, or the Executive Officer's designated representative, in the Executive Officer's sole discretion. Nothing contained in this paragraph is intended to limit any of the rights or remedies that the Parties may have under law.
9. **Alternative Enforcement.** The remedies set out in this Grant Agreement are contractual in nature. Nothing stated in this Grant Agreement in any way limits, prevents or precludes the State of California from taking any enforcement action, exercising any police power, or prosecuting any violation of law.
10. **Entitlements and Regulatory Compliance.** The Grantee agrees to comply with all applicable laws, ordinances, regulations, and standards in its performance under this Grant Agreement, including obtaining, where needed or required by law, any permits or approvals necessary to undertake the activities funded by the Grant Funds, and complying with all environmental review requirements associated with such activities.
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, genders, cultures, and income levels, including minority populations and low-income populations, of the State of California. Equal access includes, but is not limited to, ensuring language barriers are fully addressed to the satisfaction of CARB and as otherwise required by local, state and federal law.
12. **Force Majeure.** Neither CARB nor the Grantee are 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, civil unrest, war, fire, flood, earthquakes, other physical natural disasters. 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 of the intent to invoke the clause and the reasons why the force majeure event is preventing that Party from, or delaying that Party in, performing its obligations under this Grant Agreement. CARB may terminate this Grant Agreement immediately, in writing and without penalty, in the event Grantee invokes this clause, in which case Grantee shall immediately return all remaining Grant Funds to CARB or a CARB designee, cease all expenditure of Grant Funds, and turn over all documents, records, deliverables, intellectual property and other information in relation to this Grant Agreement.

- i. If the Grant Agreement is not terminated by CARB pursuant to this clause, upon completion of the force majeure event, the Grantee must immediately re-commence the performance of its obligations under this Grant Agreement. The Grantee must also provide to CARB a written proposal to revise the Project Schedule, inclusive of anticipated major milestones and timeframes for expending remaining Grant Funds, while minimizing the effects of the delay caused by the force majeure event.
- ii. An event of force majeure does not relieve a Party from any of its obligations which arose before the occurrence of the force majeure event nor is any Party relieved from those obligations which survive termination or cancellation of the Grant Agreement.

13. 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.

14. Electric Vehicle Charging Infrastructure and Equipment. Prior to executing sub-grant agreements, Grantee must ensure the following requirements are included in all subgrantee agreements and or other agreements pursuant to this Grant:

- i. Prior to authorizing work, a subgrantee that was awarded funds to install electrical charging equipment for use by on-road transportation vehicles, must require both of the following:
 - 1) 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-grantee's authorized representative; and
 - 2) EVITP Certification Numbers of each Electric Vehicle Infrastructure Training Program-certified electrician that will install electric vehicle charging infrastructure or equipment.

- ii. Evidence, such as Certification Numbers, is not required to be obtained by Grantee if AB 841 requirements do not apply to a project.
- iii. Prior to remitting payment to a subgrantee, 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.
- iv. These electric vehicle requirements 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 (Sub article 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), and
 - 3) Single-family home residential electric vehicle chargers that can use an existing 208/240-volt outlet.

15. Grantee's Responsibility for Work. The Grantee shall be responsible for all work performed pursuant to this Grant Agreement, including but not limited to work performed by any of Grantee's agents, employees, representatives, affiliates, suppliers, contractors, and subcontractors. The Grantee shall be responsible for any and all disputes arising out of its contract for work performed in relation to, as a result of or as a consequence of this Grant Agreement, including, but not limited to, payment disputes with contractors, subcontractors, employees, agents, affiliates, suppliers, and providers of services. CARB will not mediate disputes between the Grantee and any other entity concerning responsibility for performance of work performed pursuant to this Grant Agreement.

- i. All subcontracts must be submitted to CARB upon request for review prior to execution. CARB may also request them during or after the Grant term and Grantee agrees to provide them within five (5) calendar days. For subcontracts that are listed as "to be determined" in the Budget, the Schedule or elsewhere in any attachment to this Grant Agreement, the Grantee must submit a revised Budget to CARB, identifying the subcontractor and specific items of cost expected to be incurred by that subcontractor, which in each instance shall be subject to advance approval by CARB. In addition, Grantee must have a fully executed subcontract before the subcontractor can incur any costs for which the Grantee will seek reimbursement.
- ii. The Grantee is required, where feasible, to employ best contracting and procurement practices that promote open competition for all goods and services. Grantee shall obtain price quotes from an adequate number of

- sources for all subcontracts.
- iii. Upon request, Grantee will provide CARB a copy of all solicitations for services or products used or needed to carry out the terms of this Grant Agreement, including copies of the proposals or bids received.
 - iv. Grantee is responsible for handling all contractual and administrative issues arising out of or related to any subcontracts it enters into under this Grant Agreement. Nothing contained in this Grant Agreement or otherwise creates any contractual relation between CARB and any subcontractors, and no subcontract may relieve Grantee of its responsibilities under this Grant Agreement. Grantee is solely liable and responsible for the acts and omissions of its subcontractors or persons directly or indirectly employed by any of them.
 - v. The Grantee's obligation to pay its contractors, consultants, employees, agents, representatives, and subcontractors is an independent obligation from CARB's obligation to make payments to the Grantee. As a result, CARB has no obligation to pay or enforce the payment of any funds to any such third parties. The Grantee is responsible for establishing and maintaining contractual agreements with and reimbursing each such third parties for work performed in accordance with the terms of this Grant Agreement and the terms of any such third-party agreements.
 - vi. All third-party agreements must, at a minimum, incorporate all the following:
 - 1) A clear and accurate description of the material, products, or services to be procured as well as a detailed budget and timeline.
 - 2) A detailed budget and timeline.
 - 3) Provisions that allow for administrative, contractual, or legal remedies in instances where subcontractors violate or breach contract terms and provide for such sanctions and penalties as may be appropriate.
 - 4) Provisions for termination by the Grantee, including termination procedures and the basis for settlement.
 - 5) A statement that further assignments will not be made to any third or subsequent tier subcontractor without additional advance written consent of CARB.
 - 6) Language conforming to all General Provisions of this Grant Agreement.
 - vii. Without limiting any of CARB's other remedies, failure to comply with the above requirements is a material breach of this Grant Agreement and grounds for immediate termination.

16. Indemnification. The Grantee agrees to indemnify, defend, and hold harmless the State of California, CARB, and CARB officers, Board members, employees, agents, representatives, and successors-in-interest against, for and from any and all liabilities, losses, damages, claims and expenses, including reasonable

attorneys' fees, arising out of, resulting from or related to any actions or inactions of the Grantee or any of its contractors, subcontractors, affiliates, employees, officers, agents, and/or assigns, including but not limited to actions or inactions relating to, arising out of or resulting from the operation, design or manufacture of any equipment, vessels, vehicles or engines purchased, acquired, developed, modified, or used with Grant Funds, in whole or in part.

17. Independent Actor. The Grantee, its agents, employees, affiliates, contractors, subcontractors, suppliers, officers, and assigns, if any, in their, its, his or her performance of this Grant Agreement, shall act in an independent capacity and not as officers, employees or agents of the State of California or CARB.

18. Nondiscrimination. During the performance of this Grant Agreement, the Grantee and its contractors, subcontractors, consultants and agents shall ensure that no person is, on the basis of sex, race, color, religion, ancestry, national origin, ethnic group identification, age (40 or over), mental disability, physical disability, medical condition, genetic information, marital status, veteran or military status, or sexual orientation, unlawfully denied full and equal access to the benefits of, or unlawfully subjected to discrimination under, any program or activity that is conducted, operated, or administered under this Grant Agreement or funded with Grant Funds. In addition:

- i. During the performance of this Grant Agreement, the Grantee and its contractors, subcontractors, consultants, and agents shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment, because of race, religious creed, color, national origin, ethnic group identification, ancestry, physical disability, mental disability, reproductive health decision making (e.g. family-care leave, medical-care leave, or pregnancy-disability leave), medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (40 or over), sexual orientation, or veteran or military status, nor shall Grantee or any of its contractors, subcontractors, consultants or agents refuse to hire or employ any person or to refuse to select any person for a training program leading to employment, or bar or discharge any person from employment or from a training program leading to employment, or discriminate against any person in compensation or in terms, conditions, or privileges of employment because of race, religious creed, color, national origin, ethnic group identification, ancestry, physical disability, mental disability, reproductive health decision making (e.g. family-care leave, medical-care leave, or pregnancy-disability leave), medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age (40 or over), sexual orientation, or veteran or military status.

- ii. The Grantee and its contractors, subcontractors, consultants, and agents shall ensure that the evaluation and treatment of all persons receiving or applying for Grant Funds or participating in any Grant programs, projects, or activities, along with all respective employees and applicants for employment, are free of such discrimination and harassment.
- iii. The Grantee and its contractors, subcontractors, consultants, and agents shall comply with the provisions of the California Fair Employment and Housing Act (Gov. Code section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, title 2, section 10000 et seq.). The applicable regulations (California Code of Regulations, title 2, section 11000 et seq.) of the Civil Rights Council are incorporated into this Grant Agreement by reference and made a part hereof as if set forth in full.
- iv. The Grantee and its contractors, subcontractors, agents, and consultants shall give written notice of their respective obligations under this clause to labor organizations with which any may have a collective bargaining or other agreement. The Grantee shall include the nondiscrimination and compliance provisions of this clause in all contracts, subcontracts, and agreements where work is performed to fulfill any term or condition of this Grant Agreement.

19. Funding Prohibitions for Sectarian Purposes and Non-Public Schools. Grant recipients may use or authorize the use of CARB-provided funds only in any manner that is consistent with applicable laws, including California Constitution, article XVI, section 5, article IX, section 8, and federal law. CARB reserves the right to obtain additional information from Grantee and others to determine compliance with California Constitution, article XVI, section 5 and article IX, section 8. Failure to provide any requested information may result in denial of Administrative Fees, Grant Funds, future or termination of this Grant Agreement or any other agreements.

20. No Third-Party Rights. The existence of this Grant Agreement does not create, and nothing stated in this Grant Agreement creates rights in, or grants remedies to, any third party or third parties as a beneficiary or beneficiaries of this Grant Agreement, or of any duty, covenant, obligation or undertaking establish herein.

21. Third-Party Agreements, Required Terms. All grants, subgrants, technical grants, contracts, vouchers, agreements, and subcontracts entered into by and between Grantee and any third party using or applying Grant Funds (in whole or in part) shall contain the following language (or similar language with the same meaning and intent):

- i. Conflict of interest. By entering into this grant, award, voucher, contract, subcontract or agreement, said party is or may be a direct

or indirect recipient ("Recipient") of funds received from or provided by the California Air Resources Board ("CARB"), and as such certifies, represents and warrants that he, she, it is in compliance with all applicable state and federal conflict of interest laws on the date said grant, award, contract, subcontract, agreement or voucher (as applicable) is signed and shall remain in compliance with all such laws for a period of five (5) consecutive years following receipt of any and all funding amounts on a rolling continuous basis. Recipient further certifies, represents, and warrants that he, she, it has no interest, and shall not acquire any interest, direct or indirect, which will conflict with Recipient's ability to impartially perform under, or complete the tasks described in, any and all agreements, grants, awards, contracts, subcontracts, vouchers or programs. The Recipient acknowledges, understands, and accepts that Recipient must disclose any direct or indirect financial interest or situation which may pose an actual, apparent, or potential conflict of interest. The Recipient acknowledges, understands, and accepts that the nature and extent of any actual, apparent, or potential conflict of interest may be a basis for disqualification from receiving any funds. The Recipient certifies, represents, and warrants that Recipient will immediately advise the Grantee in writing of any potential new conflicts of interest as they arise.

- ii. Cooperation with Audits. Recipient warrants, represents, and agrees to cooperate fully, without delay, in all audits, inquiries and investigations initiated by or on behalf of the Grantee and/or the State of California concerning or relating to compliance with local, state, or federal air quality laws, or this agreement, including but not limited to timely submission of any and all records requested and full cooperation with any on-site inspections.
- iii. Payment on Demand. Recipient represents, warrants, and agrees that upon notification by the Grantee or its authorized representative of an overpayment, a wrongful payment, or a violation of or failure to comply with any of the grant, agreement, contract, voucher or program requirements or obligations, Recipient will, without challenge or delay, remit to the Grantee or its authorized representative the requested amount within 60 days from the date of issuance of said notice.
- iv. Separate Accounts. If Recipient has received any funds as a grant or subgrant pursuant to a grant or subgrant agreement, then Recipient shall not commingle said funds with any other accounts, revenues, grants, donations, or resources except where expressly authorized in the fully executed written agreement between Recipient and the Grantee. Recipient will maintain all such grant or subgrant funds in a separate bank account designated specifically for the purposes of carrying out the intent and purpose for which said funds were

provided. The bank account must be held in the name of the Recipient (the official legal entity's name, and not a dba), and under no other name, person, or entity. Funds received are NOT the assets of the Recipient. Grant and subgrant funds shall not be used as collateral for or an obligation to any debt, loan or other commitments of Recipient, its officers, agents, assigns, contractors, subcontractors, subgrantees or affiliates. Recipient shall ensure that the Grantee is designated in writing as a third-party beneficiary of and to all such bank accounts in which said funds are maintained or held.

- v. Third Party Beneficiary. The Recipient acknowledges, accepts, and agrees that the state of California, acting by and through the California Air Resources Board (CARB), is an intended third-party beneficiary to any and all Recipient agreements, vouchers, contracts, subcontracts, awards and grants with the Grantee where any funds provided by CARB are used or applied.
- vi. Authorized Signature. The Recipient agrees and acknowledges that it has signed or has authorized the signing of the grant, award, contract, subcontract and/or agreement with the Grantee, and by doing so hereby declares under penalty of perjury, under the laws of the State of California, that all statements and responses made in said grant, award, contract, subcontract and/or agreement are true and correct, with full knowledge that all statements and responses are subject to investigation and that any incomplete, unclear, false, or dishonest response may be grounds for disqualification from receiving any existing or further funding or participating in any programs or projects using the CARB-provided or Grantee-provided funds, or from doing business with the State of California or the Grantee. The Recipient acknowledges, understands, and accepts that by providing or making any false statements or providing false information, the Recipient may be in a violation of the California False Claims Act (Government Code Section 12650 et seq.). Recipient certifies, represents, and warrants that the individual signing on its, his or her behalf herein below is an authorized representative of Recipient with full power and legal authority to sign below and by said signature Recipient is bound to and will comply with all terms, conditions and obligations set forth in this agreement, grant, voucher, application and/or contract, as applicable.
- vii. Compliance with Air Quality Laws. Recipient understands, acknowledges, and agrees that compliance with all applicable federal, state, and local air quality rules, regulations and statutes is a precondition to the receipt or use of any state funds provided by or through the California Air Resources Board (CARB), and is a continuing obligation for the consecutive five (5) years following receipt of any state funds on a rolling continuous basis. Recipient understands, acknowledges and agrees that a failure to comply in

whole or in part with any local, state or federal air quality rules, regulations or statutes, or a failure to comply, in whole or in part, with any of the requirements or obligations under the project or program, agreement, contract, subcontract, award, voucher, or grant (as applicable) is, in each instance, a material breach of the conditions under which state funds were provided or made available, and such breach will result in undue hardship and damages to the Grantee and the State of California some or all of which may be impossible to easily calculate.

- viii. Liquidated Damages. If the Grantee or the state of California determines, within its or their sole and absolute discretion, that Recipient is in breach or has breached any obligation to remain in compliance with any applicable federal, state or local air quality rules, regulations and statutes, then Recipient, immediately upon demand, will pay the Grantee (or to CARB, as requested), as liquidated damages, the full amount of all state funds received to date. The Recipient agrees that quantifying the losses arising from any breach is inherently difficult insofar as breach may cause the state of California or the Grantee irreparable, serious, or substantial harm or damage, including to taxpayers or to the environment. Recipient further stipulates that the agreed upon amount of liquidated damages is not a penalty, but rather a reasonable measure of damages based upon experience and given the nature of the losses that may result from said breach. The Recipient agrees that the liquidated damages have been computed, estimated, and agreed upon by all parties and represents an attempt to make a reasonable forecast of probable actual loss because of the difficulty of estimating with exactness the damages which will result. This obligation shall apply even if there is a concurrent noncompliance or violation of air quality rules, regulations or laws caused by a third party. The remedies set out in this paragraph are contractual in nature.
- ix. Nothing stated herein above in any way limits, prevents, or precludes the State of California or the Grantee from taking any enforcement action, exercising any police power, or prosecuting any violation of law against Recipient, its employees, officers, agents, assigns, representatives, contractors, subcontractors, affiliates, grantees, subgrantees, or any third parties.
- x. Survival. Recipient acknowledges, agrees and accepts that those terms, conditions, provisions and exhibits which by their nature should survive termination, cancellation or expiration of the grant, award, contract, voucher, subcontract or agreement, shall so survive, including but not limited to those sections and provisions pertaining to indemnity, recordkeeping, audit, third party beneficiary status, return of funds, data security, insurance, confidentiality, and the general provisions.

22. **Executive Order N-6-22 – Russia Sanctions.** On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. “Economic Sanctions” refers to sanctions imposed by the U.S. government in response to Russia’s actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts and grants with, and to refrain from entering any new contracts and grants with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor or Grantee is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor or Grantee advance written notice of such termination, allowing Contractor or Grantee at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.
23. **Office of Foreign Asset Control.** The Office of Foreign Assets Control (“OFAC”) of the U.S. Department of the Treasury administers and enforces economic and trade sanctions based on U.S. foreign policy and national security goals against targeted foreign countries and regimes, terrorists, international narcotics traffickers, those engaged in activities related to the proliferation of weapons of mass destruction, and other threats to the national security, foreign policy, or economy of the United States. OFAC publishes lists of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. These lists can be found at <https://home.treasury.gov/policy-issues/office-of-foreign-assets-control-sanctions-programs-and-information>. Grantee represents, warrants and agrees that neither Grantee nor any of its contractors, subcontractors, affiliates, agents, employees, officers, representatives or assigns are in violation of any federal law or laws pertaining to any entity or individual listed on any of the OFAC lists. Unless otherwise authorized or exempt, transactions by U.S. persons or in the United States may be or are prohibited if they involve transferring, paying, exporting, withdrawing, or otherwise dealing in the property or interests in property of an entity or individual listed on the Office of Foreign Asset Control’s (OFAC) SDN or other Lists. The property and interests in property of an entity that is 50 percent or more owned, whether individually or in the aggregate, directly or indirectly, by one or more persons whose property and interests in property are blocked pursuant to any part of 31 C.F.R. chapter V are also blocked, regardless of whether the entity itself is listed. Refer also to the U.S. Department of the Treasury website: <https://home.treasury.gov/policy-issues/financial-sanctions/sanctions-programs-and-country-information/ukraine-russia-related-sanctions>.

24. **Cumulative Remedies.** The rights and remedies of the Parties to this Grant Agreement, whether pursuant to this Grant Agreement or in accordance with law, shall be construed as cumulative, and the exercise of any single right or remedy shall constitute neither a bar to the exercise of nor the waiver of any other available right or remedy.
25. **Equipment/Vehicle Ownership.** Equipment, acquired by Grantee or any of Grantee's employees, agents, affiliates, officers, contractors, subcontractors, or representatives, is defined as having a useful life of at least one year from the date of purchase, having an acquisition unit cost of at least \$5,000, and purchased with CARB funds. Equipment means any products, objects, vehicles, computers, software, hardware, licenses, vessels, engines, machinery, apparatus, implements, or tools purchased, used, or constructed within the Term. CARB, within its discretion, may elect to determine the normal useful life of such Equipment. All such Equipment is, upon acquisition, the exclusive property of CARB, and shall be used solely for the purposes of carrying out the obligations of this Grant Agreement during the Term. If requested by CARB, the Equipment shall be returned to CARB upon cancellation, termination, or expiration of this Grant Agreement, whichever occurs first, and CARB shall solely determine the future use of all Equipment.
26. **Paragraph Headings.** The headings and captions of the various paragraphs, subparagraphs and sections hereof are for convenience only, and they shall not limit, expand, or otherwise affect the construction or interpretation of this Grant Agreement.
27. **Disadvantaged Communities.** The Grantee, for the purposes of this Program, will designate disadvantaged communities, as identified by CalEnviroScreen 4.0. The identified disadvantaged community census tracts are available at: <https://oehha.ca.gov/calenviroscreen/report/calenviroscreen-30> .
28. **Construction.** This Grant Agreement shall not be construed more strongly against either Party regardless of who is more responsible for its preparation.
29. **Assurances.** CARB reserves the right, but not the obligation, to seek further written assurances from the Grantee and any of Grantee's contractors, subcontractors, employees, agents, officers, or affiliates, that the work performed under this Grant Agreement will be performed consistent with the terms and conditions of this Grant Agreement.
30. **Prevailing Wage and Labor Compliance.** Where applicable, the Grantee agrees to be bound by and comply with all the provisions of California Labor Code Section 1771 et seq. regarding prevailing wages. Grantee agrees to monitor all agreements subject to reimbursement from this Grant Agreement to

ensure that the provisions of California Labor Code Sections 1720-1861 are being met by Grantee and all Grant Recipients.

31. **Professionals.** Grantee agrees that only licensed professionals will be used to perform services or conduct work under this Grant Agreement where such services are called for and where licensed professionals are required for those services under California law.
32. **Authority.** Each person executing this Grant Agreement on behalf of a Party represents that he or she is duly authorized to execute and deliver this Grant Agreement on that Party's behalf.
33. **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, and will remain in full force and effect.
34. **Timeliness.** Time is of the essence in the performance of this Grant Agreement. Grantee shall proceed with and complete all its obligations under this Grant Agreement in a timely and expeditious manner.
35. **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 CARB provided for in this Grant Agreement are in addition to any other rights and remedies provided by law.
36. **CARB as Third-Party Beneficiary.** Grantee represents, warrants, and agrees that Grantee shall name CARB and the State of California as third-party beneficiaries in all contracts, subcontracts, grants, subgrants and other agreements entered into using Grant Funds or for the purpose of carry out any of the terms or conditions of this Grant Agreement during the Term.
37. **Compliance with AB794.** Grantee shall ensure that all contractors, subcontractors, consultants, affiliates, or representatives who receive or use any Grant Funds to support the purchase of new drayage or short-haul trucks (the "fleet purchaser") always comply with the requirements of AB794 as a condition of Grant Fund receipt or use and as a condition of participation in the Program.
 - a. Grantee shall ensure that beginning with the 2022–23 fiscal year, and each fiscal year thereafter, each fleet purchaser of a new drayage or short-haul truck shall only be allowed to participate in this Grant Program or receive or use Grant Funds if it can demonstrate that it does not have any applicable law violation at the time of applying for Grant Funds, it is not on the list maintained by the California Division of Labor Standards Enforcement under

Section 2810.4 of the Labor Code, and it attests it will retain direct control over the manner and means for performance of any individual using or driving the vehicle. Grantee shall ensure that each fleet purchaser attest in writing to all the following as a condition of eligibility and before receipt of any Grant Funds:

- 1) That it does not have any applicable law violations at the time of applying for the Grant Funds.
 - 2) That it will maintain compliance with applicable laws for at least three years from the date of application for Grant Funds or the duration of the Grant Recipient agreement, whichever is longer.
 - 3) That it will retain direct control over the manner and means for performance of any individual using or driving the vehicle for at least three years from the date of application for Grant Funds or the duration of the Grant Recipient agreement, whichever is longer.
- b. Grantee shall also ensure that each fleet purchaser shall, on a yearly basis, for the life of the Grant Recipient agreement, disclose or provide to CARB all the following:
- 1) An attestation in writing that it has done both of the following:
 - a) Maintained compliance with applicable laws and does not have any applicable law violations.
 - b) Maintained direct control of the individuals operating the vehicle and maintained full ownership and operational control of the vehicle
 - 2) A copy of any judgments, rulings, citations, decisions, orders, or awards finding that the fleet purchaser or any parent company or subsidiary or other commonly controlled entity has applicable law violations as of the date of the disclosure made pursuant to this Section 15.11.
 - 3) A list of all operating authorities under which the vehicle purchased will be or was operated.
 - 4) A certification that the fleet purchaser has completed all required maintenance and upkeep on the vehicle purchased with the Grant Funds.
- c. A failure of a fleet purchaser to always comply fully with all the provisions set out in this Section 15.11. and all applicable provisions of Sections 39680 through 39693 of the California Health and Safety Code, is a breach of this Grant Agreement, a breach of the Grant Recipient Agreement and is cause for immediate termination of this Grant Agreement and the Grant Recipient Agreement without advance notice.

38. Order of Precedence. In the event of any inconsistency between the 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 Agreement Terms and Conditions
- c. Exhibit B – Statement of Work
- d. All other Exhibits incorporated into the Grant Agreement or as otherwise listed on the Grant Agreement Cover Sheet.

39. **Survival.** Those terms, conditions, provisions, and exhibits which by their nature should survive termination, cancellation, or expiration of this Grant Agreement, shall so survive, including but not limited to those sections pertaining to indemnity, insurance, recordkeeping, audit, return of funds, data security, confidentiality, transition, ownership, and the general provisions.

40. **Confidentiality and data security:** Except as required by applicable law, or as otherwise expressly authorized by this Grant Agreement, the Grantee shall not disclose to any third party any record which CARB has designated as confidential. If the Grantee believes disclosure of a confidential record may be required under the California Public Records Act (California Government Code Section 6250 et seq.) or other law, the Grantee shall give CARB at least 10 calendar days written notice prior to any planned disclosure and the Grantee shall not object to CARB seeking a court order preventing disclosure. It is expressly understood and agreed that information the Grantee collects on behalf of the Grantor or from a third party in performing its obligations under this Grant Agreement may be deemed confidential by the Grantor. Therefore:

- a. All information or data gathered pursuant to this Grant shall be held confidential accessible only to the Grantee's employees, agents, or contractors as needed to perform the Grantee's obligations under this Grant Agreement and released only to CARB or other entities as CARB may specify in writing unless such disclosure is required by law or legal process.
- b. The Grantee certifies that it has appropriate systems and controls in place to ensure that Grant 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 or other intellectual property laws.
- c. Information or data, including but not limited to personally identifiable information (PII) and all application records and supporting documentation that personally identifies or describes 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, records, applications, and data which comes into its possession under this Grant Agreement in perpetuity and shall not release or publish any such information without first obtaining in each instance the advance written approval of an

authorized representative of CARB. The Grantee shall dispose of such information in accordance with the Grantee's data retention policy and the requirements in this Grant Agreement.

- d. The Grantee must observe complete confidentiality with respect to such information or data collected pursuant to this Grant, including without limitation, agreeing not to disclose or otherwise permit access to such information or data by any person or entity in any manner whatsoever unless such disclosure is required by law or legal process.
- e. Subject to paragraph 1 above, the Grantee must acknowledge the confidential nature of such information and ensure by agreement or otherwise that the Grantee, its employees, contractors, subcontractors, subgrantees, affiliates, officers, agents, and assigns are prohibited from copying or revealing, for any purpose whatsoever, the contents of such information or any part thereof, or from taking any action otherwise prohibited under any provision or section of this Grant Agreement.
- f. The Grantee must ensure that the Grantee's employees, contractors, subcontractors and subgrantees are informed of the confidential nature of any shared information or data and ensure by written agreement that such individuals and entities are prohibited from (i) copying, revealing, or utilizing such information or data (or any parts thereof) for any purpose other than fulfillment of this Grant and (ii) from taking any action otherwise prohibited under any provision or section of this Grant Agreement.
- g. The Grantee shall limit access to information and data gathered pursuant to this Grant only to necessary employees, agents, and contractors to perform their job duties in fulfillment of the Grant Agreement provisions.
- h. The Grantee must not use such information or any part thereof in the performance of services to others or for the benefit of others in any form whatsoever whether gratuitously or for valuable consideration.
- i. The Grantee must notify the Grantor promptly and in writing of the circumstances surrounding any possession, use or knowledge of such information or any part thereof by any person other than those authorized by this document.
- j. The Grantee must adhere to all CARB confidentiality, disclosure, and privacy policies.
- k. The Grantee must treat all information, deliverables, and work products developed or collected pursuant to this Grant as confidential. All

information, deliverables, and work products cannot be disclosed in any form to any third party except for CARB and the Subgrantees designated in Exhibit B, Attachment IV - Key Project Personnel, of this Agreement without first obtaining the written consent of an authorized representative of CARB or except as otherwise authorized by this Grant Agreement.

- l. The Grantee must not use, without CARB written approval, any CARB materials, data, information, PII, or documentation for any purpose other than for the sole purpose of performing the Grantee's duties and obligations under this Grant Agreement.
- m. At the conclusion of the engagement or upon termination of this Grant Agreement, the Grantee shall surrender all information in any form developed or collected pursuant to this Grant.
- n. If the Grantee suspects loss or theft, the Grantee must report any lost or stolen information, data, or equipment developed or collected pursuant to this Grant to CARB immediately and to state or federal officials where required by applicable laws.
- o. The Grantee must 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.
- p. The Grantee must sign all non-disclosure and confidentiality agreements as provided by CARB shall require employees, contractors, and subcontractors to do the same when requested by CARB.
- q. The Grantee agrees to notify CARB immediately of any security incident involving the information system, servers, data, or any other information developed or collected pursuant to this Grant. 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 shall cooperate fully in such investigations.
- r. The Grantee agrees that it shall be responsible for all costs incurred by CARB due to a security incident resulting from the acts or omissions of the Grantee or any of its employees, agents, officers, contractors, subcontractors, or subgrantees, including any acts or omissions resulting in an unauthorized disclosure, release, access, review, or destruction of data or information; or loss, theft, or misuse of information or data developed or gathered pursuant to this Grant. If the Grantee experiences a loss or breach of data, the Grantee shall immediately report the loss or breach to CARB and, where required by applicable law, to state or federal officials. If applicable law requires or if CARB determines that notice to

the individuals whose data has been lost or breached is needed, then the Grantee shall provide all such notification and will bear any and all costs associated with the notice or any mitigation selected by CARB. These costs include, but are not limited to, staff time, material costs, postage, media announcements, credit monitoring for impacted individuals, and other identifiable costs associated with the breach or loss of data.

- s. 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 advance written notice prior to any planned disclosure so that CARB can seek, solely at CARB's discretion, an order preventing disclosure from a court of competent jurisdiction. The Grantee agrees that it shall immediately notify and work cooperatively with CARB to respond timely and correctly to any and all public records requests.
- t. The Grantee shall ensure that confidential, sensitive, and/or PII information shall be encrypted in accordance with California State Administrative Manual 5350.1 and California Statewide Information Management Manual 5305-A.
- u. The Grantee assumes all responsibility and liability for the security and confidentiality of the PII and confidential information under its control.
- v. **RIGHTS TO DATA:** The Grantee acknowledges, accepts, and agrees that, as between the Grantee and the Grantor, all rights, including all intellectual property rights, in and to PII, data, information, documentation, and materials shall remain the exclusive property of the Grantor, and the Grantee has a limited, non-exclusive license to access and use said information as provided to the Grantee solely for performing its obligations under the Grant Agreement. Nothing herein shall be construed to confer any license or right to said PII, data, documentations, materials, or information, including user tracking and exception data, by implication, estoppel, or otherwise, under copyright or other intellectual property rights, to any third party. Unauthorized use of said information by the Grantee or third parties is prohibited. For the purposes of this requirement, the phrase "unauthorized use" means the data mining or processing of data, stored or transmitted by any Grantee or third-party service, for unrelated or commercial purposes, advertising or advertising-related purposes, or for any other purpose other than security or service delivery analysis that is not explicitly authorized by the Grantor.
- w. The Grantee certifies, represents, and warrants that:
 - i. Its data and information security standards, tools, technologies, and procedures are sufficient to protect such

information and data;

ii. The Grantee is in compliance and shall remain in compliance at all times during the Grant Term with the following requirements and obligations:

(1) The California Information Practices Act (Civil Code Sections 1798 et seq.);

(2) Current NIST special publications 800-171 Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations. Third party audit results and the Grantee's plan to correct any negative findings shall be made available to the Grantor upon request;

(3) Undergo an annual Statement on Standards for Attestation Engagements (SSAE) No. 16 Service Organization Control (SOC) 2 Type II audit. Third party audit results and the Grantee's plan to correct any negative findings and implementation progress reports shall be made available to the Grantor upon request; and

(4) Privacy provisions of the Federal Privacy Act of 1974;

iii. Compliance with industry standards and guidelines applicable to the work performed under the Grant Agreement. Relevant security provisions may include but are not limited to: Health Insurance Portability and Accountability Act of 1996, IRS 1075, Health Information Technology for Economic and Clinical (HITECH) Act, Criminal Justice Information Services (CJIS) Security Policy, Social Security Administration (SSA) Electronic Information Exchange Security Requirements, and the Payment Card Industry (PCI) Data Security Standard (DSS) as well as their associated Cloud Computing Guidelines.

41. 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 California law or this Grant Agreement. Unless otherwise prohibited by State or local law, the Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.

a. Except where otherwise expressly prohibited by applicable law, the Grantee shall not commingle Grant funds with any other accounts, revenues, grants, donations, or funds. Except where otherwise expressly prohibited by applicable law, Grantee shall maintain all Grant funds in a

separate bank account designated specifically for the purposes of carrying out the obligations of this Grant Agreement. The bank account must be held in the name of the Grantee (the official non-profit corporate name, and not a dba), and no other person or entity. Grant funds are not the assets of the Grantee and shall not be used, obligated, or relied upon for any purposes other than those purposes and uses set out in this Grant Agreement. Grant funds shall not be used as collateral for or an obligation to any debt, loan or other commitments of Grantee, its officers, agents, assigns, contractors, subcontractors, subgrantees or affiliates. The Grantee shall ensure that the Grantor is designated in writing as a third-party beneficiary of all bank accounts in which Grant funds are maintained.

42. Insurance requirements: The Grantee, including its contractors and subcontractors who are performing work under this Grant, must comply with all requirements outlined in the (1) General Provisions and (2) Insurance Requirements outlined below. No payments will be made under the grant until the Grantee fully complies with all insurance requirements.

1. General Provisions Applying to All Policies:

- a. Coverage Term – Coverage needs to be in force for the complete term of the grant. If insurance is set to expire 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 – The 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. If 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. Satisfying a Self-Insured Retention (SIR) –All policies with an SIR shall be endorsed to allow the State to satisfy the SIR or Deductible at the State’s discretion. The State may deduct from any amounts otherwise due to Grantee to fund the SIR/deductible. Policies shall not contain any provision that limits the satisfaction of the SIR / deductible to the Named Insured. The Grantee’s insurer may also eliminate the SIR / deductible in favor of the State’s interests.
 - i. Available Coverages/Limits – All coverage and limits available to the Grantee shall also be available and applicable to the State.
 - j. Use of Contractor or Subcontractor – In the case of the Grantee’s utilization of contractors or subcontractors to complete the Grant scope of work, the Grantee shall include all subcontractors as insureds under the Grantee’s insurance or supply evidence of the contractor’s and subcontractor’s insurance to the State subject to all the insurance requirements below.
2. Grant Insurance Requirements – The Grantee (and its contractors and subcontractors) shall display evidence of the following on a certificate of insurance. 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 and all endorsements required must be attached:
- a. Commercial General Liability – The Grantee, its contractors, and subcontractors, shall each obtain and maintain, during the Grant Term, commercial general liability insurance covering bodily injury and property damage in a form and with coverages that are satisfactory to the State. This insurance shall include personal and advertising injury liability, premises, independent contractor, operations, products, completed

operations, and contractual liability coverage for the indemnity provided under this Grant. Coverage shall be written on an occurrence basis in an amount not less than \$2,000,000 per occurrence. Annual aggregate limit shall not be less than \$5,000,000. The State of California, the California Air Resources Board and its/their officers, agents, and employees are to be covered as additional insureds with respect to liability arising out of work or operations performed or carried out in relation to or under the Grant. A "per project aggregate" endorsement is required. This insurance shall apply separately to each insured against whom claim is made or suit is brought. Upon request, Grantee shall provide CARB with proof of insurance coverage.

- b. Automobile Liability – If the Grantee, or its contractors or subcontractors, will be using vehicles to complete the project or driving a vehicle onto State property, then motor vehicle liability insurance is required. Grantee, and its contractors and subcontractors, shall have motor vehicle liability insurance that complies with these provisions upon procurement of the vehicle. Grantee, and its contractors and subcontractors, shall each obtain and maintain motor vehicle liability insurance with limits of not less than \$1,000,000 combined single limit per accident. Such insurance shall cover liability arising out of a motor vehicle, including owned, hired, and non-owned motor vehicles. At the request CARB, the Grantee must show proof of motor vehicle liability insurance. Failure to provide proof upon request will result in termination of the Grant. The policy must name "The State of California, the California Air Resources Board, and its/their officers, agents, and employees as additional insureds, but only with respect to work or operations performed or carried out in relation to or under the Grant."
- c. Workers Compensation and Employers 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 certificate. By signing this Grant Agreement, Grantee acknowledges compliance with the State of California Workers Compensation regulations.
- d. Non-Profit Organization with Volunteers Only (if applicable): A Volunteer Accident Insurance Policy with a limit not less than \$1,000,000. The policy shall contain a waiver of subrogation in favor of the State of

California, if such endorsement is available in the open market. Said policy shall be issued by an insurance company with a rating which is acceptable to the Department of General Services, Office of Risk and Insurance Management. CARB in consultation with DGS reserves the right to review and adjust insurance requirements as necessary during the Grant Term.

- e. Cyber Liability coverage, with limits not less than \$1,000,000 per occurrence or claim. Coverage shall be sufficiently broad to respond to the duties and obligations as is undertaken by the Grantee in the Grant Agreement and shall include, but not be limited to, claims involving infringement of intellectual property, including but not limited to infringement of copyright, trademark, trade dress, invasion of privacy violations, information theft, damage to or destruction of electronic information, release of private information, alteration of electronic information, extortion and network security. The policy shall provide coverage for breach response costs as well as regulatory fines and penalties as well.
- f. **Crime Insurance** – Crime insurance requirements are negotiable at CARB’s sole discretion. At a minimum, the maximum amount of funding that the Grantee will have on hand at any time should be covered. Coverage shall include but not be limited to employee dishonesty, theft, forgery or alteration, and inside/outside money and securities coverages including first and third-party theft for state-owned or leased property in the care, custody, and/or control of the Grantee. The policy shall include as loss payee, the State of California, California Air Resources Board.

WORK STATEMENT

- Attachment I: Budget Summary
- Attachment II: Statement of Work
- Attachment III: Timeline, Deliverables and Budget Details
- Attachment IV: Key Project Personnel

Sample

Attachment I – Budget Summary

Grantee:
 Project:
 Grant Number:

...	Total Costs
Direct Grant Management Costs (Part of Task 1)	\$
Indirect Grant Management Costs (Part of Task 1)	\$
Project Costs (All other tasks)	\$
...	Total Funding
CARB Funds	\$
Resource & In-kind Contributions	\$
Total	\$

Sample

Attachment II – Statement of Work

Grantee:
Project:
Grant Number:

CARB will include the scope from the Grantee’s full phase application in this section.

Task 1: Grant Management

1.1.

1.2.

1.3.

Task 2:

2.1.

2.2.

2.3.

Task 3:

3.1.

3.2.

3.3.

Task 4:

4.1.

4.2.

4.3.

Sample

Attachment III – Timeline, Deliverables, and Budget Details

Grantee:
 Project:
 Grant Number:

Task #	Task Description	Expected Start Date	Expected End Date	Deliverables (If applicable)	CARB Funds	Resource Contributions
1	\$	\$
2	\$	\$
3	\$	\$
4	\$	\$
...	Total	\$	\$

Sample

Attachment IV – Key Project Personnel

EXHIBIT B

Grantee:
Project:
Grant Number:

Role & Name of Entity	Personnel Name & Title	Expected Duties
...
...
...
...
...
...

Sample

GRANTEE PROPOSAL PACKAGE

This section will include selected portions of the Grantee's full phase application in this section.

Sample

GRANT SOLICITATION PACKAGE

This section will include the grant solicitation package in this section.

Sample

PAYEE DATA RECORD

This section will include the Grantee's payee data record in this section.

Sample