



June 26, 2025

Cheryl L. McCormick, CPA
Chief, Office of State Audits and Evaluations
915 L Street
Sacramento, CA 95814-3706

Re: Confidential Draft Report—GRID Alternatives Fiscal Compliance Audit

Dear Ms. McCormick,

We have received the confidential report from the fiscal compliance audit of the GRID Alternatives (GRID) Grant Agreements G17-EZEV-01, G19-EZEV-01, and G21-EZEV-01, issued by the California Air Resources Board. This letter serves as GRID Alternatives' timely response.

Thank you for your thorough audit. GRID is committed to the careful stewardship of funds awarded by the California Air Resources Board (CARB) and has reviewed the findings and recommendations to help us improve where possible. Please see below for our responses to the findings and recommendations:

Finding 1: Reporting and Tracking of In-Kind Services

GRID acknowledges that details on in-kind services provided were not included in the Final Reports as they should have been and will ensure future Final Reports include details on in-kind services rendered, per recommendations A and B.

GRID did provide calculations estimating the monetary value of the in-kind labor provided, but did not allocate that labor to a program-specific billing code. As stated in our initial solicitation proposal, we provide cross-programmatic outreach and marketing services to our clients, enabling them to access multiple clean energy and clean transportation programs at once, which embodies the spirit of and reason behind the Access Clean California program. We

encourage CARB and the Department of Finance to provide grantees flexibility in how program labor is tracked and reported to encourage cross-programmatic work that is both more cost-effective and furthers CARB's program goals.

Finding 2: Advance Funding for Work Not Completed

GRID acknowledges the lack of support for the AmeriCorps Fellowship and will return \$7,472 to CARB, either as a lump sum payment or as a credit on a subsequent disbursement request, pending CARB's instructions. GRID has since adjusted our billing practices to only include completed work on disbursement requests, per Recommendation B. If and when GRID does need advanced payment, we will comply with CARB's advance payment and reconciliation process and show proof of work completed. As for Recommendation C, GRID is already well past the document retention requirement, which is listed in Grant Agreement G17-EZEV-01 as 3 years from the submission of the Final Report, which was submitted on May 11, 2021. As such, GRID will work with CARB to determine if a formal review is appropriate, but will be conducting an internal review regardless to determine whether all work was completed.

Finding 3: Report Submission Requirements Not Met

GRID acknowledges that the Final Report for Grant Agreement G17-EZEV-01 was submitted late and is committed to the timely submission of future reports, per Recommendation A. We would like to note, however, that throughout the grant period, GRID did provide CARB reports on quarterly basis separate from the status reports provided as part of the disbursement requests, which were submitted less frequently to reduce the administrative burden on both GRID and CARB staff.

GRID looks forward to reviewing the final report from the Department of Finance and to the continued improvement of our processes to ensure the good stewardship of CARB funds.

Sincerely,

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Taylor Sieben

Senior Program Manager, Access Clean CA

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