



American Recovery and Reinvestment Act Recipient Compliance Manual

Department for Energy Development and Independence



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On February 17, 2009, President Barack Obama signed into law the American Recovery and Reinvestment Act of 2009 (ARRA).

ARRA funds received by the Kentucky Department for Energy Development and Independence (DEDI) are being utilized for energy projects that work toward the objectives in the Commonwealth's Energy Plan entitled "Intelligent Energy Choice for Kentucky's Future: Kentucky's 7-Point Strategy for Energy Independence."

This Compliance Manual has been prepared by DEDI for all ARRA-funded grant recipients to help them comply with the terms and conditions of the grant and their agreement with DEDI. Because of the level of oversight, transparency, and reporting required by these funds, the grant recipient must be aware of the many requirements and conditions associated with these funds.

To that end, it is our hope that this document will provide useful guidance. Should the reader have any suggestions for revisions or clarification in the document or process, DEDI is willing to discuss this at any time.

We look forward to working with all our project partners and wish for you a successful project.

Sincerely,

A handwritten signature in black ink that reads "Gregory Guess".

Gregory Guess
Director
Division of Efficiency & Conservation

Reporting

1. Follow reporting requirements described in Appendix A of the contract, memorandum of agreement (MOA) or personal service contract (PSC), with the Department for Energy Development and Independence (DEDI). Recipients will submit fiscal, programmatic, compliance, special status and annual reports. Go to EnergyReports.ky.gov to submit programmatic status reports, milestones, and metrics. See specific reporting sections below for more details.
2. All monthly or quarterly reports are due not later than five (5) calendar days after the end of each reporting period. All annual reports are due not later than fifteen (15) calendar days after June 30.
3. The DEDI Project Manager (PM) will provide access to and training for the electronic reporting database.
4. All recipients filling positions funded totally or in part by ARRA funds shall post the job on the state job bank Web site at (<https://e3.ky.gov>) prior to filling.
5. See <http://energy.ky.gov/StimulusPrograms/Pages/StimulusReporting.aspx> for downloading templates, forms, and worksheets required for reporting.

Fiscal Reporting

1. Hard copy invoices shall be submitted to:
Recovery Grant Invoices
Dept. for Energy Development and Independence
12th Floor Capital Plaza Tower
500 Mero Street
Frankfort, KY 40601
2. Invoices and corresponding verification may be submitted electronically to:
Energy.Grants@KY.Gov
Include the project name, contract number and “invoice” in the subject line.
3. Include proper identifiers on all invoices including:
 1. Project name
 2. Name and address of recipient
 3. Contract number (provided by DEDI)
 4. Invoice period
4. Invoices shall be submitted with proper verification and will not be processed without proper verification. Examples of adequate verification include:
 1. Personnel—payroll spreadsheet showing time worked within the invoice period. The spreadsheet shall contain salary information, name of employee or some identifiable number, percent of time applied to grant and fringe per person.
 2. Fringe—include in payroll spreadsheet.
 3. Travel—travel voucher (state agencies may use the eMARS travel voucher) or invoices showing airfare, hotel expenses, etc. Mileage will be paid based on rate established through a travel policy by the recipient. If no rate has been established, the recipient may use the state or Federal mileage rate.
 4. Equipment—receipt marked paid for an item that costs greater than \$1,000 (an invoice shall be submitted after equipment is paid for).
 5. Supplies—receipt marked paid for any item that costs less than \$1,000 (an invoice shall be submitted after supplies are paid for).
 6. Contractual—invoice and documentation that it was paid (recipient shall verify invoice).
 7. Construction—invoices, receipts marked paid and any other documents that properly verify expenses.
5. All payments will be made on a reimbursement basis.
6. Invoices shall be submitted monthly by the 5th day of the month following the month the expense is paid by the recipient.

7. The Cabinet will have 30 days upon receipt of invoice to pay undisputed portions.
8. The allowable indirect cost rate that recipients may apply is based on the following:
 - State agency—Apply the rate approved by cognizant federal agency
 - Nonprofit organizations without an approved indirect cost rate with the cognizant Federal agency (U.S. Department of Energy) shall only direct bill for expenses.
 - Universities may charge a rate agreed to by the cognizant Federal agency or 15% whichever is lower. In this case the rate may be included in the invoice as a percent of total amount invoiced.

Programmatic Status Report

The Programmatic Status Report (PSR), required by Appendix A of the contract, MOA or PSC, complements the metrics and milestones by allowing the grant recipient the opportunity to provide narrative describe the status of project activity. Depending upon your funding source, you may need to use a different PSR template and outline. See <http://energy.ky.gov/StimulusPrograms/Pages/StimulusReporting.aspx> to download the appropriate PSR template. In most cases you can determine your funding source by checking the title page of the contract.

If you are funded under **State Energy Program (SEP)**, your basic narrative outline will include the following:

- Accomplishments, publicity, news
- Performance outcome data
- Remarks (problems, issues variances from plan)
- Compliance review and confirmation
- Annual Report

If you are funded under **Energy Efficiency Conservation Block Grant (EECBG)**, your basic narrative outline will include the following:

- Infrastructure Investment: Does this activity contain an infrastructure investment? Y / N
- Infrastructure Investment Rationale
- Major Activities, Significant Results, Major Findings, and Key Outcomes
- Are you following the plan? If not, describe the change in approach, and reasons for the change
- Actual or Anticipated Problems or Delays and Corrective Action Plan
- Products Produced or Technology Transfer Activities Accomplished During the Reporting Period
- Compliance review and confirmation
- Annual Report

Metrics and Milestones

The metrics and milestones described below are designed to track the accomplishments of projects funded by the ARRA. Recipients will be expected to report their achievements in specific terms as required by their MOA Appendix A using the DEDI eReporting system at <http://energyreports.ky.gov/>. This system allows the reporting of responses to metric questions milestones, and narrative progress reports. To access this system, each recipients will receive a secure username and password for entering all required reporting information.

The recipient's MOA is very inclusive of all the possible metric questions that might apply to the project. However, if a particular question turns out to not be applicable, or no activity occurs for a given metric and reporting period, then the questions should be left blank. The eReporting system may require that some questions be answered. If this is the case, and no activity can be reported for that metric or milestone, simply report zero (0).

It is understood that some metrics may only be reported or summarized towards the end of the project; however, others may be reported each month. Recipients shall use metrics and milestones to keep track of activity goals and obligations. DEDI will be reviewing these metrics to monitor grant activities and ensure progress in reaching goals.

Some recipients may be receiving multiple grants under separate agreements. While each agreement will have metric reporting obligations, it is very important that the recipient avoid double-counting on the various metrics.

Example 1: If Project A funds the hiring of staff to work on performance contracting in government buildings, while Project B provides funding to implement Energy Management Software, it is possible there would be a particular building that might benefit from both projects. In this case, how does one report the energy savings? Are they attributable to Project A or Project B? The answer is that you can only estimate the proportion of the energy savings that might be attributable to either project. In this case you might say that 60% of the savings will be reported under Project A, while the other 40% is reported under Project B. What's important is that the savings not be double-counted and reported under both projects.

Example 2: If two separate recipients each receive a share of ARRA funds, but partner on workshops. Who gets to report the metrics, such as number of workshops and attendees? Generally, the lead on the partnership project should do the reporting. Up-front communications among all partners will be very important to avoid double counting of project metrics. Again, what is important is that the achievements are not double-counted among multiple partners.

All metrics and milestones are to be reported on a quarterly basis, or as specified in the MOA. **In summarizing information for each metric, the data should represent that time period only, and should not be cumulative.** For example, in reporting the total number audits performed for January to March 2010 quarter, only report the audits performed between January

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1 and March 31 of that year; for the April to June quarterly report, only report the number of audits from April 1 and June 30. Do not report a total of all audits performed to-date. Similarly, for all other metrics only report information for that reporting period.

To help the recipient better understand the nature of the metric questions, a complete description of all metrics is provided below. A glossary of terms is provided at the end of this section.

Output Activities:

Building Codes and Standards – Were new building codes, ordinances, or standards put in place? Report only those codes or standards for the reporting period in which they were finalized or approved. Report:

- *Name of new code adopted*
- *Name of old code replaced*
- *Number of new and existing buildings covered by new code*

Building Retrofits – Were buildings retrofitted to make them more energy efficient? Report:

- *Number of buildings retrofitted, by sector* – count building as retrofitted if any measure has been implemented that can reasonably be expected to produce reproducible and measurable energy savings in that building or facility.
- *Square footage of buildings retrofitted, by sector* – count total square footage of building(s) affected by any retrofit measure that can reasonably be expected to produce reproducible and measurable energy savings in that building or facility. If the retrofit only affects part of the building – say, lighting is upgraded in 50% of building – then only that square footage of the building should be counted. If the measure affects entire building, then count total square footage of building.

As a point of comparison for this metric, consider the following examples [Source: Buildings earning the ENERGY STAR in Kentucky in 2009]

- An elementary school of 600 students may contain 70,000 sq ft of space
- A commercial grocery store may contain 34,000 sq ft of space
- A commercial office complex may contain from 80,000 to 150,000 sq ft of space

In some cases it may not be so simple to determine whether or not to count a building or estimate square footage following a “retrofit”. For example, a pump is replaced in a particular operation, but can not be attributed to a particular square footage of the building. In such cases, count the buildings as “retrofitted” if measurable energy savings can be expected; however, estimating square footage is more problematic. This will be the recipients call. A few guides may be considered:

Q: Can the measure be associated with a particular part of the building floor space, either as a part of the work or operational space? A: Count associated space.

Q: Does the equipment affect the overall operation or performance of the entire building (e.g. HVAC equipment)? A: Count entire building.

Clean Energy Policy – Were policies put in place that can/will result in a greater usage of cleaner/renewable energy sources? Report only those policies or standards for the reporting period in which they were finalized or approved. Report:

- *Number of alternative energy plans developed or improved*
- *Number of renewable energy portfolio standards established or improved*
- *Number of interconnection standards established or improved*
- *Number of energy efficiency portfolio standards established or improved*
- *Number of other policies developed or improved*

Building Energy Audits – Were energy audits performed on buildings to identify opportunities and costs related to energy efficiency retrofits? Report:

- *Number of audits performed, by sector*

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- *Floor space audited, by sector*
- *Auditor's projection of energy savings, by sector* – include total estimate of energy savings potential identified, summarized by each sector and each energy type [electricity (kwh), fuel oil (gallons), or gas (mmcf)].

As a point of comparison for floor space audited, consider the following examples [Source: Buildings earning the ENERGY STAR in Kentucky in 2009]

- An elementary school of 600 students may contain 70,000 sq ft of space
- A commercial grocery store may contain 34,000 sq ft of space
- A commercial office complex may contain from 80,000 to 150,000 sq ft of space

As a point of comparison for projected energy savings, consider the following examples (numbers are provided for a 3-month quarter):

- 35% electricity reduction in residence: 1.350 MWh [Reference: 2,500 sq ft home]
- 35% electricity reduction in new school compared to “average” school: 152 MWhr, \$45,000 [Reference: Estimated savings from ENERGY STAR.]
- 35% propane energy reduction in residence: 22 gallons [Reference: 2000 sq ft home, propane used for heat, consumption averaged over 12 month period]

Government, School, Institutional Procurement – Were procurement practices put in place that resulted in the purchase of energy efficient equipment or supplies? Report:

- *Number of units purchased, by type* (e.g., vehicles, office equipment, HVAC equipment, streetlights, exit signs)

Loans and Grants – Were grant funds used to establish a loan or grant program to recipients to promote energy efficiency, renewable energy, or job creation? For reporting purposes, a “grant” will be defined as the issuance of ARRA funds to some entity to perform some services by way of an agreement. “Incentives”, on the other hand, require no formal written agreement. Report:

- *Number and monetary value of loans given*
- *Number and monetary value of grants given*

Renewable Energy Market Development -

- *Number and size of solar energy systems installed* – For solar electric installations, report total number of arrays, not individual panels; for size, report “name plate” capacity of the total solar output for all solar arrays (MW). For solar thermal installations, report the name plate capacity of the total solar output for the solar arrays in MW and Btu’s per day (based on the SRCC “Collector Thermal Performance Rating” for mildly cloudy conditions in the appropriate category (Ti-Ta)). The installers should be able to provide this information.
- *Number and size of wind energy systems installed* – report total number of wind generators; for size, report “name plate” capacity of the total wind generation output for all wind generators (MW). The installers should be able to provide this information.
- *Number and size of other renewable energy systems installed*

As a point of comparison for projected energy savings, consider the following examples (numbers are provided for a 3-month quarter):

- Solar/wind electric:
 - The average Kentucky home uses 2,700 kWh per quarter and would require an 8 kW system to fully meet it’s energy needs. An 8 kW system would generate about 2,525 kWh a quarter. A smaller 4 kW system would generate about 1,260 kWh per quarter.
 - A commercial-sized system will vary in size; however, based on a 30 kW system, 9,500 kWh of electricity would be generated per quarter. [Reference: kWh are averages from National Renewable Energy Laboratory for this region of the country.]
- Solar thermal:
 - A 2-3 person home with an 80 gallon hot water tank would need 40 sq ft of collectors
 - A 4-5 person home with a 120 gallon tank would need 64 sq ft of collectors.

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Financial Incentives for Energy Efficiency and Other Covered Investments – Were any financial incentives provided to promote energy efficiency, renewable energy, or jobs as a result of this grant? For reporting purposes, “incentives” will be defined as the issuance of ARRA funds without the existence of a formal written agreement. A “grant”, on the other hand, requires some written agreement with some entity to perform services. Report:

- *Monetary value of financial incentive provided, by sector* – actual dollar amount provided as incentive
- *Total value of investments incentivized, by sector* - actual dollar amount provided as incentive *plus* additional dollar value of project incentivized or leveraged by grant dollars

Technical Assistance – What technical assistance was provided as a result of these grant dollars? Normal staff training, intra-agency or partner interaction does not constitute technical assistance, and therefore does not need to be tracked. Technical assistance, for reporting purposes, involves outreach and service to external entities. Technical assistance can take several forms: Count each webinar – not webinar attendees. Count each on-site visit. Count each contact with the media or each media story that contains technical content (e.g. each time TV, paper, or radio covers your project), that have the potential to reach a wider audience. Count each fact sheet published to the web that is utilized or downloaded from your web site or distributed in response to queries – do not count each download. Count each newsletter published – do not count number of individual copy of the newsletter distributed. Count web pages on a specific topic – not each web hit. In general, count each technical interaction that is made with an individual OR is mass distributed and has the likelihood to touch many users. Report:

- *Number of information transactions contacts (for example, webinar attendees, on-site visits, media contacts, fact sheets utilized) in which energy efficiency or renewable energy measures were recommended, by sector*

Transportation – Grant dollars should only be used to fund the incremental costs of energy efficient vehicles or equipment. For example, funds should not pay for the purchase of new vehicles, but only for the differential cost of a hybrid vs. a non-hybrid equivalent vehicle. Report:

- *Number of alternative fuel vehicles purchased*
- *Number of conventional vehicles converted to alternative fuel use*
- *Number of new alternative refueling stations emplaced*
- *Number of new carpools and vanpools formed*
- *Number of energy-efficient traffic signals installed*
- *Number of street lane-miles for which synchronized traffic signals were installed*

Workshops, Training, and Education – Were workshops or other educational sessions provided that furthered the goals of this grant? Report:

- *Number and type of workshops, training, and education sessions held*
- *Number of people attending workshops, training, and education sessions*

Other Activities Not Previously Defined – Report:

- *Pertinent metric information for any activity not defined above should be captured and included as needed*

Outcomes:

Energy Savings (kwh equivalents) – Were any energy savings realized as a result of this grant? To calculate energy savings, compare the energy usage for the current reporting period to the energy usage of some baseline period. It is best to calculate your baseline period by using the average for that reporting period from at least two or more periods from the preceding years. Using more periods to calculate your baseline better compensates for any usually high or low usage in previous years. See formula example:

$$[(KWh \text{ of Quarter1 } 2009 + KWh \text{ of Quarter1 } 2008) / 2] - (KWh \text{ for Quarter1 } 2010)$$

Report:

- *Annual reduction in natural gas consumption (mmcf) by sector and end-use category*
- *Annual reduction in electricity consumption (MWh) by sector and end-use category*
- *Annual reduction in electricity demand (MW) by sector and end-use category*

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- Annual reduction in fuel oil consumption (gallons) by sector and end-use category
- Annual reduction in propane consumption (gallons) by sector and end-use category
- Annual reduction in gasoline and diesel fuel consumption (gallons) by sector and end-use category

As a point of comparison for this metric, see benchmark numbers under Building Energy Audits.

Energy Cost Savings – What dollar cost savings have been realized as a result of your investments in energy efficiency? Energy costs savings should be calculated in a similar fashion as “Energy Savings” metric discussed above.

As a point of comparison for this metric, consider the following examples (numbers are provided for a 3-month quarter):

- 35% electricity reduction in residence: \$60 [Reference: 2,500 sq ft home]
- 35% energy reduction in elementary school compared to average school: \$45,000 [Reference: 78,000 sq ft Caywood Elementary, Kenton County School District]
- 35% propane energy reduction in residence: \$50 [Reference: 2000 sq ft home, propane used for heat, consumption averaged over 12 month period]
- Average energy cost reductions for 10 ENERGY STAR buildings in Kentucky, 2009: \$15,250 per quarter [May include multiple types of fuels; buildings ranged in age from 1936 to 2007 and size from 6,800 to 1.2 million sq ft. Cost savings range was \$625 to \$87,500 per quarter.]

- Annual reduction in natural gas costs by sector and end-use category
- Annual reduction in electricity costs by sector and end-use category
- Annual reduction in electricity costs by sector and end-use category
- Annual reduction in fuel oil costs by sector and end-use category
- Annual reduction in propane costs by sector and end-use category
- Annual reduction in gasoline and diesel fuel costs by sector and end-use category

Job Creation/Retention – Job creation and job retention should be reported separately. For a definition of Jobs Created vs. Jobs Retained, see definitions below. To allow DEDI to report jobs created or retained to the federal government in the form needed, the recipient must report jobs created or retained as hours worked and the total length of a full-time shift for that reporting period. This should include all direct and indirect jobs resulting from this funding. A direct job would be an employee of the grant recipient, hired or retained to administer or carry out the grant activities directly. An indirect job would be someone contracted by the grant recipient to perform grant activities.

Report:

- Hours worked in the reporting period for **direct** jobs created – include total hours worked for entire reporting period
- Hours worked in the reporting period for **direct** jobs retained include total hours worked for entire reporting period
- Total hours in full-time work shift for reporting period (i.e. one full-time equivalent) this should include the total hours in a normal shift for a reporting period. For example: If the reporting period is 12 weeks long, with a normal 40-hour work week, that would total 480 hours. However, if there is a two-day holiday during that reporting period, subtract 16 hours and report $480 - 16 = 464$ hours.
- Total dollars spent to create **indirect** jobs - Indirect jobs are those jobs created as a result of ARRA funding where the grant recipient contracts with consultants, laborers, or other workers to perform approved grant activities. These indirect jobs do not include ARRA-funded staff or employees working directly for the grant recipients.
- Type – sector within which jobs were created or retained (see sector definitions below)
- Description of jobs

The metrics listed above include both direct and indirect jobs. Direct jobs will be counted through the hours worked that the grant recipient reports. Indirect jobs will be calculated based on a formula from the dollars spent on services reported. Per US DOE guidance, DEDI will then be calculating indirect jobs based on a formula.

Example – Direct Jobs: The city government hires two new employees to perform energy audits and provide project oversight on the city building retrofits. The two new individuals work full time through the quarter. Assuming the city’s standard full-time work shift is 480 hours long, they would report this figure for “total hours for full-time shift for reporting period”. The city would also report 960 direct job-hours worked (480 total hours worked times 2) for that reporting period.

Example – Indirect Jobs: The city hires a contracting firm to install a new HVAC system – the contract includes labor and materials. The total contract amount is \$200,000. The city would report this dollar amount for indirect jobs created.

Renewable Energy Capacity and Generation – Were any renewable energy systems installed that resulted in power generation? “Nameplate” capacity of a renewable energy system can be acquired from the project engineer or system installer. Report:

- *Amount of wind-powered electric generating capacity installed (MW)* – report “nameplate” capacity
- *Amount of electricity generated from wind systems (MWh)* – report MWh actually generated for the entire reporting period
- *Amount of photovoltaic generating capacity installed (MW)* - report “nameplate” capacity
- *Amount of electricity generated from photovoltaic systems (MWh)* – report MWh actually generated for the entire reporting period
- *Amount of electric generating capacity from other renewable sources installed (MW)* - report “nameplate” capacity (as defined above)
- *Amount of solar thermal energy generated from solar thermal systems installed (thermal MWh and Btu)* – report energy generated for the entire reporting period
- *Amount of energy generated from other renewable sources (MMBtu/yr)* – report MMBtu/yr actually generated for the entire reporting period. Note: One kWh equals 3,412 British Thermal Unit (Btu)

As a point of comparison, see benchmark numbers under metric category Renewable Energy Market Development.

Emissions Reductions (tons) (CO2 equivalents) – The Department for Energy Development and Independence has developed a spreadsheet that can be used to calculate emissions reductions based on energy efficiency savings. See <http://energy.ky.gov/recovery/reporting> for the spreadsheet calculation tool. Simply enter in the amount of energy saved (as MWh for electricity, gallons for liquid fuels, etc.) and the spreadsheet will automatically calculate the CO2-equivalent greenhouse gases or criteria pollutants avoided. Likewise, for renewable energy generated (e.g. electricity from a solar electric project), enter KWh to determine the CO2-equivalent greenhouse gases and criteria pollutants avoided.

As a point of comparison for this metric, consider the following examples. Emissions numbers are provided for 1000 MWh of electricity generation avoided (all units are in metric tons and were calculated using the Emissions Reduction Calculator Spreadsheet):

- CO2 Equivalents – 938.4
- Carbon monoxide (CO) – 0.0068
- Particulate matter (PM) – 0.013
- Methane (CH4) – 0.011
- Nitrogen oxides (NOx) 1.24
- Sulfur dioxide (SO2) – 4.67
- Volatile organic compounds (VOC) – 0.00065

Report:

- *Amount of greenhouse gases reduced (CO2 equivalents in metric tons)*
- *Amount of criteria pollutants reduced (metric tons) – Specifically report:*

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- Carbon monoxide (CO)
- Particulate matter (PM)
- Methane (CH₄)
- Nitrogen oxides (NO_x)
- Sulfur dioxide (SO₂)
- Volatile organic compounds (VOC)

Definitions:

Alternative Energy - energy derived from any source other than fossil fuels; energy derived from any renewable source; i.e other than fossil fuels

Renewable Energy Portfolio Standards - A mandated requirement that a percentage of an electric energy provider's sales be generated by renewable technologies

Interconnection standards - provides a uniform standard for the interconnection of distributed electricity resources by detailing requirements related to the performance, operation, testing, safety, and maintenance of interconnection

Energy Efficiency Portfolio Standards – establishes targets for energy efficiency, similar to a renewable energy portfolio standard, intended to reverse the pattern of increasing energy usage and demand

Building Energy Audits - an inspection, survey and analysis of energy flows in a building with the objective of making recommendations for energy usage reductions

LEED - Leadership in Energy and Environmental Design. A system to categorize the level of environmentally sustainable construction in sustainable buildings (<http://www.usgbc.org/>)

ENERGY STAR Buildings – program sponsored by the US Department of Energy and US Environmental Protection Agency designed to encourage energy efficient buildings;
http://www.energystar.gov/index.cfm?c=business.bus_index

ENERGY STAR Products - program sponsored by the US Department of Energy and US Environmental Protection Agency designed to encourage energy efficient appliances (e.g. refrigerators), electronic devices (e.g. phones), and other products (e.g. roofing materials) that result in reduced energy consumption.

Jobs Created – A created job is a new position posted in response to the award of an ARRA project **OR** an existing unfilled job that is filled in response to the award of an ARRA project. These open positions can be filled by new hires, promotions or transfers.

Jobs – Direct – Jobs created or retained by grant recipients or sub-recipients with ARRA dollars.

Jobs – Indirect – Jobs created or retained by material supplies funded by ARRA dollars.

Jobs Retained - An existing job that, but for the award of ARRA funding, would have become vacant due to lack of funding. ARRA funding is not intended to supplant existing funding or allow transfer of funding to other expenses, but rather to retain jobs that would otherwise go vacant.

Sector – Area of business activity; for the purposes of this reporting the sectors will be limited to industrial, commercial, institutional, and residential. The institutional sector will be defined as government-owned and operated facilities. In some cases, a government-occupied facility may be owned and / or operated by another entity. In such cases, the facility will still be treated as institutional as that is how the building functions and dictates operation.

Units of measures:

- **Mmcf** – million cubic feet
- **MWh** – megawatt hours (one million watt-hours)
- **MW** – megawatts (one million watts)

Communication

1. The following logos and tag line shall be displayed on any published materials, web sites or other communications funded in whole or in part by ARRA funds:
 1. The recovery.gov logo
 2. The Kentuckyatwork.ky.gov logo
 3. State seal

Tag Line - This project funded by the American Recovery and Reinvestment Act, through the combined efforts of the following organizations: Kentucky Department for Energy Development and Independence, and by U.S. Department of Energy, [insert other organizations]

Tag Line Example – The Solar Decathlon is made possible by the combined efforts of the following organizations: Kentucky Department for Energy Development and Independence, and by U.S. Department of Energy, and University of Kentucky

2. All press releases and advisories shall be issued jointly between the recipient and DEDI. Recipients shall notify DEDI prior to releasing information for coordination purposes.
3. All press events shall be planned jointly between the recipient and DEDI.
4. Relevant Web sites that recipients should be familiar with:
 - Recovery.gov (Federal ARRA Web site)
 - Kentuckyatwork.ky.gov (Kentucky ARRA Web site)
 - <https://e3.ky.gov> (job bank Web site)
 - www.eere.energy.gov/ (U.S. Department of Energy Efficiency and Renewable Energy)
 - www.energy.ky.gov (Kentucky Department of Energy Development and Independence Web site)
5. Immediately upon receipt of a written request made under the Kentucky Open Records Act or the Federal Freedom of Information Act, the recipient shall notify the Cabinet of the specific nature of the request and the recipient's response to the request. The recipient shall respond to the requester within 3 business days and notify them if the records will be released, not released or are unavailable. Records shall be made available by the end of the third business day or the recipient shall include in the response sent to the requester when the records will be made available. For general questions regarding the Freedom of Information Act including what information is excludable and what steps should be taken to properly exclude information, contact Barbara Pauley at 502-564-3350 or Barbara.Pauley@ky.gov

Record Retention

1. All records must be kept for 3 years after the final payment relating to the grant is made. Be aware that there may be other retention schedules that must be abided by including schedules set by your organization.
2. Recipients must also retain records pursuant to 10 CFR 600.242 and should refer to this section for an explanation of which records shall be retained.

Assurances

1. The Davis-Bacon and Related Acts, apply to contractors and subcontractors performing on Federally funded or assisted contracts in excess of \$2,000 for the construction, alteration, or repair (including painting and decorating) of public buildings or public works. Davis-Bacon Act and Related Act contractors and subcontractors must pay their laborers and mechanics employed under the contract no less than the locally prevailing wages and fringe benefits for corresponding work on similar projects in the area. The Davis-Bacon Act directs the Department of Labor to determine such locally prevailing wage rates. The Davis-Bacon Act applies to contractors and subcontractors performing work on Federal or District of Columbia contracts. The Davis-Bacon Act prevailing wage provisions apply to the “Related Acts,” under which Federal agencies assist construction projects through grants, loans, loan guarantees, and insurance.

For prime contracts in excess of \$100,000, contractors and subcontractors must also, under the provisions of the Contract Work Hours and Safety Standards Act, as amended, pay laborers and mechanics, including guards and watchmen, at least one and one-half times their regular rate of pay for all hours worked over 40 in a workweek. The overtime provisions of the Fair Labor Standards Act may also apply to DBA-covered contracts.

Prevailing wage data for Kentucky is available at www.gpo.gov/davisbacon/ky.html

2. Buying American None of the funds appropriated or otherwise made available by ARRA may be used for a project for the construction, alteration, maintenance, or repair of a public building or public work unless all of the iron, steel, and manufactured goods used in the project are produced in the United States. This provision will not apply if the head of the Federal department or agency involved determines that:
 1. Doing so would not be in the public’s interest
 2. Iron, steel, and the relevant manufactured goods are not produced in the United States in sufficient and reasonably available quantities and of a satisfactory quality; or
 3. Inclusion of iron, steel, and manufactured goods produced in the United States will increase the cost of the overall project by more than 25 percent.
3. Recipients shall comply with the Kentucky Executive Branch Code of Ethics (KRS Chapter 11A) and all applicable state and Federal statutes related to discrimination.
4. All projects receiving financial assistance from DOE must be reviewed under the National Environmental Policy Act (NEPA) of 1969 – 42 U.S.C. Section 4321 et seq. to ensure compliance with all environmental law. This requirement may have been completed by DEDI. For a more thorough discussion of the legal requirements of NEPA, please consult <http://www.epa.gov/oecaerth/basics/nepa.html>. Your MOA should provide specific instructions to ensure you comply with NEPA requirements.

5. To comply with the Clearinghouse Review requirements of the MOA (Executive Order 12372 and the regulation at 10 CFR Part 1005), the recipient shall follow the process and procedures outlined at <http://www.dlg.ky.gov/clearinghouse/> for submitting the project to the Kentucky State Clearinghouse Single Point of Contact for Intergovernmental Review.
6. All other assurances listed in the MOA and 10 CFR Part 600, Financial Assistance Regulations.

Modifications: When to seek approval from DEDI

1. If a recipient requires that changes be made to any aspect of the program including budget and scope of work, approval must be received by DEDI beforehand. Contact the DEDI program manager with a description of the change.
2. If a recipient wants to request that program income be treated as an addition to the grant award instead of a reduction in the amount of grant award, approval must be granted by the U.S. Department of Energy through DEDI.

DEDI point of contact: Each recipient will be assigned one or more staff to serve as a program manager (PM). Recipients shall refer to their PM for questions, and to submit any necessary documents unless otherwise stated.

Audit

1. All recipients shall have the proper controls in place to effectively mitigate risks and reach established program goals. Recipients shall review their existing controls and identify areas that need improvement. Program managers will discuss existing controls during initial orientation meetings. Recipients shall refer to the A-133 Compliance Supplement (http://www.whitehouse.gov/omb/circulars_a133_compliance_09toc/). Part 6 of the supplement provides guidance regarding controls. This is not a checklist and shall be treated only as guidance.
2. Recipients expending \$500,000 or more in Federal awards during the recipient's fiscal year shall meet the audit requirements of OMB Circular A-133 (www.whitehouse.gov/omb/circulars/a133/a133.html).
3. Recipients shall provide DEDI with a copy of all audit findings.
4. Recipients shall segregate obligations and expenditures of ARRA funds from any other funds.
5. Recipients shall retain all records related to Circular A-133 compliance for a period of 3 years after submission of audit findings.
6. Recipients shall allow access to all documents, books, papers, records, files or other evidence directly pertinent to the project by DEDI, U.S. Department of Energy, Finance and Administration Cabinet, Legislative Research Commission, Kentucky Auditor of Public Accounts, and the United States Comptroller General (Government Accountability Office).
7. Any additional guidance set forth by the U.S. Office of Management and Budget or the Kentucky Auditor of Public Accounts will be forwarded to recipients as an addendum to this document.

Table of relevant OMB circulars based on the type of recipient (i.e. state agency, university or nonprofit). These circulars must be complied with in addition to the MOA and 10 CFR Part 600.

TYPE OF ORGANIZATION	Documents TO BE COMPLIED WITH
State, local or Indian Tribal Government	<p>OMB Circular A-102, Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments</p> <p>OMB Circular A-87, Cost Principals for State, Local, and Indian Tribal Governments</p> <p>OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations</p>
Non-Profit Organizations	<p>OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations</p> <p>OMB Circular A-122, Cost Principals for Non-Profit Organizations</p> <p>OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations</p>
Educational Institutions	<p>OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations</p> <p>OMB Circular A-21, Cost Principles for Educational Institutions</p> <p>OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations</p>

Monitoring

1. A recipient's PM at DEDI will monitor the progress being made and identify any potential risks that need to be mitigated. The PM will monitor through:
 - Site visits (as needed)
 - Review of reports submitted by the recipient
 - Regular communication with the recipient
2. During site visits the PM will use the attached monitoring form.

Forfeiture of funds and cancellation

1. If the recipient is unable to complete the scope of work outlined in the MOA, the recipient will forfeit funds.
2. The recipient and DEDI have the right to terminate or cancel the agreement to spend grant funds.