

EXHIBIT A

SCOPE OF WORK

1. PURPOSE OF AGREEMENT

This interagency agreement between the State Energy Resources Conservation and Development Commission (Energy Commission) and the Department of Finance, Office of State Audits and Evaluations (Finance), is for the purpose of acquiring professional services to evaluate American Recovery and Reinvestment Act (ARRA) spending plans received from grantees. This work is undertaken in response to a recent follow-up audit completed by the Bureau of State Audits regarding the Commission's progress in ensuring grantees timely expend their ARRA funds.

2. SCOPE OF WORK

By August 31, 2011, Finance will:

- a) Evaluate grantees' ability to expend funds awarded. This work will include an evaluation of spending plans submitted to Energy Commission to assess whether the grantees will be able to achieve their spending targets and timelines, and a determination of the unexpended balances remaining, if any.
- b) Identify projects at risk of non-completion requiring Energy Commission's immediate intervention and corrective action.

This review is limited to the State Energy Program (SEP). Due to the short timeframe to complete the work, Finance will review SEP grantees only on a limited sample basis.

Due to inherent uncertainties about the grantees' ability to meet their expenditure targets and whether they will actually adhere to their submitted spending plans, OSAE will be unable to vouch for or provide any assurances on whether the ARRA funds will be actually expended as required.

3. PROJECT DELIVERABLE

OSAE will issue a report to the Commission by August 31, 2011 summarizing its findings.