**GFO-23-404 Addendum 02**

**June 17, 2024**

**Equitable Building Decarbonization Direct Install Program**

On April 30, 2024, the California Energy Commission (CEC) released Grant Funding Opportunity (GFO) 23-404, to select regional administrators for the Equitable Building Decarbonization Direct Install Program. Addendum 01 was released on May 31, 2024.

This addendum, Addendum 02, further revises the GFO as described below. Added language is shown with **bold underlined text**. Deleted language is shown in ~~strikeout text~~ within square brackets. Explanatory language (which does not appear in the GFO itself) is shown in *italics*.

# Budget Forms (Attachment 4)

*A revised version of the Budget Forms (Attachment 4, Addendum 02) includes the following changes:*

*On the Indirect Costs & Profit tab of the Budget Forms, a column has been added to both the Indirect Cost(s) and Profit tables labeled “Cost Category (Select from drop-down menu)”. Previously, all Indirect Costs and Profit were categorized as Administrative. This change allows applicants to select the cost category (Administrative, Project-Related, or Project) for each Indirect Cost and Profit entry to match the base cost. Formulas have been updated to reflect these changes accurately in the Category Budget tab.*

***This is the second revised version of Attachment 4 that has been released. Applicants must submit this new version (Attachment 4, Addendum 02) rather than either of the previous versions of Attachment 4. Applicants who have already submitted applications should resubmit Attachment 4 using the revised version.***

# Q&A Document: Question 28

*The answer to Question 28 in the Q&A document has been revised as follows.*

Q28: Can subcontractors take a profit on Project Costs and Project-Related Costs? If so, why is there an “N/A” in cells F17, G17, I17, and J17 of the Category Budget tab of the Budget Forms (Attachment 4)?

A28: Yes, subcontractors may claim up to 10 percent profit on all allowable costs, including Administrative, Project-Related, and Project Costs, with the exception of any expenses further subcontracted to other entities (see A27 above). [~~The “N/A” in the cells referenced in this question reflects the fact that Profit itself is categorized as an Administrative Cost, regardless of the type of costs that form the basis of the 10 percent. Profit claimed by a subcontractor must be entered in the Indirect Costs & Profit tab of the subcontractor’s Budget Forms, and will automatically be reflected in the Category Budget tab as an Administrative Cost.~~] **Addendum 02 revises the Budget Forms to allow Indirect Costs and Profit to be broken down by cost category (to match the base cost), and updates the Category Budget tab accordingly. “N/A” no longer appears in the cells mentioned in the question.**

# Q&A Document: Question 39

*The answer to Question 39 in the Q&A document has been revised as follows.*

Q39: The Direct Labor tab requires that hours be entered by task and by employee. For example, if there are 17 employees that will work on all 21 tasks, this would result in 357 rows on the Direct Labor tab. Instead of breaking down the hours by task, can we break them down by cost category (Administrative, Project-Related, and Project)? Same question applies to the Fringe Benefits tab, the Travel tab, and the Subcontracts tab.

A39: Yes. Addendum 01 to this GFO includes a revised version of the Budget Forms in which costs may be broken down by cost category (Administrative, Project-Related, and Project) rather than by task/subtask. This change applies to the Direct Labor, Fringe Benefits, Travel, and Subcontracts tabs. **Addendum 02 further revises the Budget Forms to allow Indirect Costs and Profit to be broken down by cost category.** [~~Applicants may choose to submit either the original or revised version of the Budget Forms.~~] Please be aware that cost breakdowns by task may be required after the Notice of Proposed Awards has been released and throughout the term of the Agreement.

# Q&A Document: Question 44

*The answer to Question 44 in the Q&A document has been revised as follows.*

Q44: On the Fringe Benefits tab and the Indirect Costs & Profit tab, do we need to budget per task even if the fringe/indirect cost rate is the same for every task?

A44: Addendum 01 includes a modified version of the Budget Forms in which Fringe Benefits may be broken down by cost category (Administrative, Project-Related, Project) rather than by task. [~~On the Indirect Costs & Profit tab, costs do not need to be broken down by cost category or task since all Indirect Costs and Profit are considered Administrative costs.]~~ **Addendum 02 further modifies the Budget Forms to allow Indirect Costs and Profits to be broken down by cost category as well.** [~~Applicants may choose to submit either the original or revised version of the Budget Forms.~~] Please be aware that cost breakdowns by task may be required after the Notice of Proposed Awards has been released and throughout the term of the Agreement.

# Q&A Document: Question 45

*The answer to Question 45 in the Q&A document has been revised as follows.*

Q45: Regarding the Travel tab: can this be an estimate? It is not possible to accurately define specific trips and durations at this stage. Can travel be per cost category (Administration, Project-Related, Project)?

A45: Yes, travel may be listed as To Be Determined (TBD). As described on the Travel tab, all travel must obtain pre-approval from the Commission Agreement Manager, and travel costs are reimbursed at state rates. In addition, Addendum 01 includes a modified version of the Budget Forms in which Travel may be broken down by cost category (Administrative, Project-Related, Project) rather than by task/subtask. **Addendum 02 further modifies the Budget Forms, and applicants must submit the Addendum 02 version of the Budget Forms.** [~~Applicants may choose to submit either the original or revised version of the Budget Forms.~~]

# Q&A Document: Question 48

*The answer to Question 48 in the Q&A document has been revised as follows.*

Q48: Regarding the Subcontracts tab: Subcontractors will be working on multiple tasks. Can this be broken down by cost category (Administration, Project-Related, Project) rather than by task?

A48: Yes, Addendum 01 includes a modified version of the Budget Forms in which Subcontracts may be broken down by cost category rather than task. **Addendum 02 further modifies the Budget Forms, and applicants must submit the Addendum 02 version of the Budget Forms.** [~~Applicants may choose to submit either the original or revised version of the Budget Forms.~~] Please be aware that cost breakdowns by task may be required after the Notice of Proposed Awards has been released and throughout the term of the Agreement.

# Q&A Document: Question 100

*Question 100 has been added to the Q&A document, as follows.*

**Q100: If an organization provides a letter of support for a Regional Administrator applicant, could that organization also be considered to participate in the Advisory Group, or would that be a conflict of interest?**

**A100: Providing a letter of support would not automatically disqualify an organization from proposing another representative other than the letter’s signatory for selection to the Advisory Group. Individuals serving on advisory groups to the CEC might be subject to Government Code section 87104 which restricts those advisory members from certain communications with the CEC including appearing in an application for funding. If an organization provides a letter of support for a Regional Administrator applicant, and also wants a representative from that organization to serve on the Advisory Group, then the letter of support should be submitted and signed by another person who is not seeking selection for the Advisory Group. Note that organizations that are paid members of selected Regional Administrator teams will not be eligible to have a representative serve on the Advisory Group. Please see the Scope of Work Task 1.4 for more information on how the Advisory Group will be formed. Please note that the CEC cannot provide legal advice, and Applicants and the prospective signatory who might serve on the advisory group should discuss potential implications with their legal representative.**