REFERENCES

CSPM 900 Series

Michigan Energy Assistance Program Request for Proposal

Michigan Energy Assistance Program Policy and Procedure Manual

State Emergency Relief ERM 201, 205, 206
LIHEAP Clearinghouse
Understanding LIHEAP Assurance 16
State and Territories' Use of Assurance 16

PURPOSE

Households who present with an energy crisis will initially apply for the State Emergency Relief (SER) program, either directly with MDHHS or with assistance from a grantee/MI Bridges Navigator and MDHHS will determine eligibility for assistance. SER applicants will be eligible to receive self- sufficiency services, including case management through MEAP grantees. Households who qualify for SER energy services will be eligible for MEAP direct payment assistance, including enrollment in an affordable payment plan.

Grantees must be listed in Michigan's 211 profile and partner with MDHHS to become a Navigator/Referral Partner in MiBridges to assist clients with the SER application and verify benefits as applicable. A customer satisfaction survey must be utilized.

<u>SECTION I: INCOME ELIGIBILITY GUIDELINES</u>

ELIGIBILITY REQUIREMENTS

An applicant shall be considered eligible:

Applicants who present with an energy crisis will initially apply for the State Emergency Relief (SER) program, either directly with MDHHS or with assistance from a grantee/MI Bridges Navigator and MDHHS will determine eligibility for LIHEAP assistance. SER applicants will be eligible to receive self- sufficiency services, including case management through MEAP grantees. Households who qualify for SER energy services will be eligible for MEAP direct payment assistance, including enrollment into an affordable payment plan.

SECTION II: APPLICATION PROCESSING

CLIENT FILE

Agencies must maintain a client file for all recipients of MEAP funds and must scan and upload into FACSPro. At a minimum, the file must include documents used to verify identity, residency, and income, including:

- The MEAP Self-Sufficiency Plan and any check lists or other documentation used by the Grantee to ensure that all required client information is gathered, documented, and retained in the client file. The Plan must include:
  - Full name of the client and all members of the household
  - MDHHS Case Number for household
  - Address
  - City and Zip Code
  - County
  - The client and the intake worker's signatures

- Document that verifies SER eligibility and FPL if the household is being enrolled in an APP. Documents may be originals or copies of the original document. Facsimiles are acceptable documents. Acceptable proof of SER eligibility includes DHS-1419 SER Decision Notice, Navigator screen print of SER eligibility, or documentation of collateral contact with MDHHS which must include date, signature of the agency representative, along with the name of the MDHHS staff person who provided the information. Additionally, a note indicating the week that the SER data file was accessed on Salesforce will be acceptable*. Note: The "Dates Covered" must include a starting date equal to 10/1/2018 or later. The DHS 509 does not include this date and should not be used, especially at the start of the new fiscal year.*

- For direct energy assists, document the energy type and dollar amount of assistance, and retain a copy of the utility bill or estimate for deliverable fuel (LP Gas/Propane, Fuel Oil, and Coal), wood or other non-traditional fuel. If the address on the utility bill is different than the address of the client, an explanation must be included in the client file. If the name on the utility bill is different than the client's name, an explanation must be included in the client file.

  When assistance is provided for a deliverable fuel, the Grantee must obtain a copy of the service invoice prior to issuing payment. Approval should be based on an estimate provided by the service provider. The amount issued to the provider cannot exceed the estimated amount which was used for the eligibility determination. Retain a copy of the invoice which documents the amount of deliverable fuel provided and the amount of the deliverable fuel in the tank prior to delivery. If the fuel tank capacity was above 25% at the time of delivery, no MEAP payment should be made.

- Document Assurance 16 activities:
  - Needs assessment and referral information
  - Financial education activities
  - Energy education activities
  - Vendor advocacy
  - Long or short-term case management plan (if applicable)

  The documents must contain a date on which the activity occurred, what the activity included, and documentation of that activity on paper or in the grantee's database.
- Has the household received MEAP assistance since October 1? If yes, document information for the prior services including the date, assistance amount, Assurance 16 activities, home energy supplier, and MEAP grantee that provided the assistance.
- FACSPro Customer Report
- Copy of Award from Award Pro
- Completed Action Plan report generated from FACSPro.

Notice of Eligibility/Eligibility Determination Letters

A notice of eligibility should be given to all applicants notifying whether the application was approved or denied. If the application is approved, the notice should include any contributions the household must make to resolve the emergency. If the application is denied, the notice should include the reason for denial. All eligibility notices must include information on how to request a review of denial.

Agencies may have a generic letter available that should be given to clients upon determination. A copy of the letter is not required as part of the file documentation.

All applicants should be made aware of the agency appeals process. If an applicant appeals a denial, the agency must inform the BCAEO Grant Manager within five days. BCAEO will then inform MPSC. MPSC will review all appeals and assist in the appeal process with the agency.

APPEAL PROCESS

Agencies shall establish a procedure by which applicants wishing to contest an eligibility decision or the timeliness of such a decision. All applicants should be made aware of the agency appeals process. If a MEAP applicant appeals a denial, the agency must inform the BCAEO Grant Manager within two days. BCAEO will then inform MPSC. MPSC will review all appeals and assist in the appeal process with the agency.

COORDINATION

The use of these funds should be coordinated with local agencies, to the extent possible. Coordination should include, to the extent feasible, procedures which foster maximum participation by eligible persons who are in need and minimize duplication of services.

TEN DAY STANDARD OF PROMPTNESS

Agencies shall observe a 10-day standard of promptness in the process of eligibility determination and benefit issuance for complete and timely filed applications.

DATA CONFIDENTIALITY (PERSONALLY IDENTIFIABLE INFORMATION (PII) AND PERSONAL HEALTH INFORMATION (PHI))

Grantees must keep and maintain data in strict confidence, using such a degree of care as is appropriate and consistent with policy to avoid unauthorized access, use, disclosure, or loss. Grantees are responsible for maintaining a backup of the data and for an orderly and timely recovery of such data. Grantees must notify their grant managers immediately in the event of any act, error, or omission, negligence, misconduct, or breach that compromises data security.

SECTION III: PROGRAM REQUIREMENTS

Program funds may be used for the crisis season, which begins on November 1 and ends May 31 each year. **Not more than 30% of the funds received for the program shall be spent on services accrued outside of the crisis season.**

Grantee Responsibilities:

- Coordinate availability of this low-income energy assistance program with other program services currently provided by the selected applicant (e.g. financial or energy education, other wrap-around self-sufficiency services).
- Coordinate availability of this low-income energy assistance program with other grantees/ agencies to provide energy crisis prevention programs, weatherization, and education focused on reducing energy consumption.
- Provide referrals if grantee is not able to assist low-income households due to exhausting MEAP crisis funds before the end of the grant cycle.
- Coordinate availability of this low-income energy assistance program with home energy suppliers. Coordinate energy assistance payments with energy suppliers, municipal owned utilities, cooperatives, distributors of deliverable fuels, and other energy assistance providers to more efficiently serve the needs of low-income households.
- For direct energy payments, ensure the general household cap for MEAP is not exceeded. MEAP allows for payment of up to $2,000 for each qualifying household during the grant period. Assistance payments that will cause the household to exceed $2,000 must be approved by the Grant Administrator.
- Prioritize enrollment in home energy supplier affordable payment plans as an option for qualifying households. Applicants must work with each home energy supplier that has an ongoing affordable payment plan. If the Affordable Payment Plan structure is not followed by an energy supplier, notify BCAEO of non-compliance.
- Ensure that direct energy payments are released only to eligible home energy suppliers. All home energy suppliers must be registered in the State of Michigan's SIGMA Vendor

Self- Service System (VSS) (www.michigan.gov/VSSLogin) and be enrolled as an eligible supplier by MDHHS.

- Ensure that any customer of a non- participating or "opt-out" provider who seeks MEAP assistance prior to April 1, 2020 will not be considered eligible for services. Eligibility for applications submitted on or after April 1 will be considered as they are protected from shut off for nonpayment of a delinquent account between November 1, 2019 and April 15, 2020 as outlined in PA 95 of 2013.
- Issue a 1099-Misc Form to each vendor (provider) who received $600 or more in MEAP funds, see 'Specific Instructions.' State of Michigan's guide for 1099 Reporting; IRS Instructions for the 1099-MISC

Self-Sufficiency Services

The Grantee shall include services that will enable participants to become or move toward becoming self-sufficient, including assisting participants in paying their energy bills on time, energy education, assisting participants in budgeting for and contributing to their ability to provide for energy expenses, and assisting participants in utilizing energy services to optimize on energy efficiency.

Note: Eligible programs must contribute towards self-sufficiency, such as energy education.

Unallowable Services

MEAP funds are not to be used for the following:

- In compliance with R460.122(2) of the Michigan Administrative Rules, funds are not used to pay late payment fees assessed by regulated utilities and included on clients' monthly heating bills. R460.122(2) states, "[a] utility shall not assess a late payment charge against a customer whose payments are made by the department of human services or who is participating in a shut off protection program. . . ."
- In compliance with R460.125 of the Michigan Administrative Rules, funds are not used to pay for unregulated service charges, such as appliance repair or appliance protection programs, that may be included in a utility's monthly electric or gas service bill. R460.125 states, "[a] utility may include charges for unregulated services, such as appliance repair or appliance protection programs, together with charges for gas and electric service on the same monthly bill if the charges for the unregulated services are designated clearly and separately from the charges for the gas or electric service and it is noted that it is an unregulated service. Failure to pay for unregulated service charges may result in the termination of that service but not the termination [or shut off] of the gas or electric service.

SECTION IV: PROGRAMMATIC REPORTING

POLICY

The Grantee is required to have all required information in FACSPro, for the report periods listed below, by the Report Due Date listed below. BCAEO will extract the report for each agency from FACSPro on the first day of every month for the previous month and transfer it to Salesforce. Agencies can also generate their own programmatic reports from FACSPro for each report period. Agencies must verify each period that the report is correct in the database.

Note: Grantees are required to enter all data in real-time as required by the funder, i.e., at time of application.

Monthly Report Data and Documentation

BCAEO will run Ad-Hoc reports in FACSPro to report the unduplicated households and demographics each month for each agency. The report requires CAAs to use Award Pro and fully complete action plans. BCAEO will also extract the following:

- individual customer names, address, county
- date of birth
- social security numbers,
- households receiving a self-sufficiency plan and Assurance 16 services
- the additional program the agency enrolled the customer in to meet the bundled services approach,
- individual demographics including poverty level
- a list of vendors that were paid and account numbers
- the amount paid to each vendor,
- program year and date of assistance

Grantees providing Assurance 16 services must be able to report the impact of activities through FACSPro:

1. Total number of households assisted
2. Total number of households achieving self-sufficiency
3. Total number of households able to reduce dependency on LIHEAP
4. Total number of households denied benefits

Reporting Schedule

The Grantee will have all information in FACSPro (with the exception of FSRs) by the following deadlines:

MEAP 2020 Reporting Schedule (Year One)			
Report Due Date	**Report Type**	**FSR #**	**Period Covered**
November 25, 2019	Household Assist File (Payments) Household Assist File (A16) Project Milestones	1	October 1 – October 31, 2019
November 29, 2019	Financial Status Report w/ Support		
December 23, 2019	Household Assist File (Payments) Household Assist File (A16) Project Milestones	2	November 1 – November 30, 2019
December 31, 2019	Financial Status Report w/ Support		
January 24, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	3	December 1 – December 31, 2019
January 31, 2020	Financial Status Report w/ Support		
February 25, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	4	January 1 – January 31, 2020
February 28, 2020	Financial Status Report w/ Support		
February 28, 2020	Interim Project Status Report 1	4	October 1, 2019 – January 31, 2020
March 25, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	5	February 1 – February 28, 2020
March 31, 2020	Financial Status Report w/ Support		
April 24, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	6	March 1 – March 31, 2020
April 30, 2020	Financial Status Report w/ Support		
May 26, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	7	April 1 – April 30, 2020
May 29, 2020	Financial Status Report w/ Support		
	Household Assist File (Payments)		

June 25, 2020	Household Assist File (A16) Project Milestones	8	May 1 – May 31, 2020
June 30, 2020	Financial Status Report w/ Support		
June 30, 2020	Interim Project Status Report 2	8	October 1, 2019 – May 31, 2020
July 24, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	9	June 1 – June 30, 2020
July 31, 2020	Financial Status Report w/ Support		
August 25, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	10	July 1 – July 31, 2020
August 31, 2020	Financial Status Report w/ Support		
September 25, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	11	August 1 – August 31, 2020
September 30, 2020	Financial Status Report w/ Support		
October 9, 2020	Household Assist File (Payments) Household Assist File (A16) Project Milestones	12	September 1 – September 30, 2020
October 15, 2020	Financial Status Report w/ Support		
October 15, 2020	Final Project Report	12	October 1, 2019 –September 30, 2020

If a required report's due date falls on a weekend or holiday, the report will be due the following business day.

Interim Project Status Reports

BCAEO shall submit Interim Narrative Reports on behalf of the grantees for the following time frames no later than the listed due dates:

Report Period	Report Due Date
October 1 – January 31	February 28
February 1-May 31	June 30
June 1-September 30	October 15 (Final Report)

Narrative Reports should include:

- **<u>Project Identification</u>**

  Name of selected applicant grant number and dates of current reporting period.

- **<u>Project Milestones</u>**

  Percent (%) completion of the project objectives based on number of households served and amount of energy assistance funding spent.

- **<u>Project Progress</u>**

  Brief outline of the work accomplished during the reporting period and the work to be completed during the subsequent reporting period(s).

- **<u>Assurance 16</u>**
  - Describe how you have used LIHEAP funds to provide Assurance 16 services.
  - Describe the impact of Assurance 16 activities on households served.
  - Describe the level of direct benefits provided to those households.

- **<u>Household Metrics</u>**
  - Number of unduplicated households that presented for MEAP Assurance 16 services
  - Number of unduplicated households that received MEAP Assurance 16 services

- **<u>Noteworthy Accomplishments</u>**

  Identify and describe any milestones reached or noteworthy accomplishments completed during the period.

- **<u>Delays</u>**

  Brief description of problems or delays, real or anticipated, which should be brought to the attention of the Grant Administrator.

- **<u>Project Deviations</u>**

  Statement concerning any significant deviation from the previously agreed-upon work plan developed in Part V: Information Required from Applicant.

- **<u>Attachments and Other Materials</u>**

  Provide project materials developed and implemented during the reporting period (e.g. newspaper articles, newspaper advertisements, forms, brochures, announcements, studies, reports, analyses, audits, etc.).

The Final Report should include:

- **<u>Project Identification</u>**

Name of selected applicant, grant number, and dates of current reporting period.

- **Project Milestones**

  Percent (%) completion of the project objectives based on number of households served and amount of direct assistance funding spent.

- **Project Implementation**

  Outline of the work accomplished during the grant term.

- **Program Metrics**
  - Evaluate the success of the program based on grantee-defined success metrics.
  - Provide the number of households served at the varying levels of self- sufficiency services offered by your agency, include the total unduplicated number of households receiving any level of service.
  - Meet the LIHEAP Assurance 16 reporting requirements:
    - Describe how you have used LIHEAP funds to provide Assurance 16 services.
    - Describe the impact of Assurance 16 activities on households served.
    - Describe the level of direct benefits provided to those households.
    - Number of unduplicated households that presented for MEAP Assurance 16 services
    - Number of unduplicated households that received Assurance 16 services
  - Explain how your program assists clients with household budgeting. Provide the number of households, as well as the percentage of total unduplicated households reported, that have received assistance with household budgeting.
  - Explain how the program has encouraged and enabled households to reduce their home energy needs and thereby the need for future energy assistance. Provide the number of unduplicated households, as well as the percentage of total unduplicated households reported, utilizing energy services to optimize energy savings.
  - For customers enrolled in energy supplier affordable payment plans:
    - Provide the number of unduplicated households, as well as the percentage of total unduplicated households reported, that have made consecutive on-time payments.
    - Provide the number unduplicated households that were removed from the energy supplier affordable payment plan.

- **Noteworthy Accomplishments**

  Accomplishments and problems experienced while carrying out project activities.

- **Coordinated Efforts**

Coordinated efforts with other organizations to complete the project.

- **<u>Project Impacts</u>**

  Impacts, anticipated and unanticipated, experienced as a result of project implementation.

- **<u>Next Steps</u>**

  Experience in applying the project products and anticipated "next steps."

- **<u>Financial Summary</u>**

  Summary of financial expenditures of grant funds; include the basis or reason for any discrepancies.

- **<u>Evaluation</u>**

  Evaluate the success of the program. The program should be evaluated against the selected applicant's work plan and objectives. Selected applicant should provide an honest and objective assessment of the successes and failures of the project. The evaluation should have both quantitative and qualitative components. Provide the results from your customer satisfaction survey.

- **<u>Attachments and Other Materials:</u>**

  Provide project materials developed and implemented that were not provided in project status reports (e.g. newspaper articles, newspaper advertisements, forms, brochures, announcements, studies, reports, analyses, audits, etc.).

<u>SECTION V: PROGRAM BUDGET</u>

Disallowed Costs

Disallowed costs include but are not limited to the following:

- sick pay
- vacation pay
- holiday pay
- bonuses
- overtime
- tuition reimbursement/remission
- vehicle allowance
- seminars
- conferences
- meetings

- subscriptions
- dues
- memberships

Administrative Costs

Administrative costs cover expenses related to general administrative functions and coordination of functions and oversight related to MEAP administrative functions.

Administrative costs should include costs of goods and services required for administrative functions of the program:

- Travel costs incurred for official business in carrying out administrative activities or the overall management of the MEAP
- Costs of information systems related to administrative functions; and contractual services related to sub-recipients or vendors that are solely for the performance of administrative functions.

Total administrative and indirect costs included in the budget may not exceed 8% of the total grant award.

Energy Assistance Program (EAP) Costs

EAP costs cover expenses related to the delivery of energy assistance program services. EAP costs should include Program Costs, Assurance 16 Program Costs and Direct Energy Assistance Payments.

Assurance 16 Program Costs

Assurance 16 (A16) funding covers expenses directly related to the delivery of energy assistance self-sufficiency activities offered by the Michigan Energy Assistance Program. Self-sufficiency activities must include services that will enable participants to become or move toward becoming self-sufficient.

Allowable Assurance 16 activities **can** include the following:

- Needs Assessment - In-depth review of the client's status to assess the need for other services.
- Referrals - Development of referral database and identification of relevant referrals for individual clients.
- Crisis Management/Vendor Advocacy - Working with clients in crisis to identify the resources needed to restore energy services and/or advocating on behalf of those clients with energy vendors.
- Financial Counseling - Furnishing longer-term counseling services to try to prevent future energy-related crises.

- Energy Education and Advocacy - Helping clients to understand how reduce energy usage and how to gain access to energy efficiency programs.

  Energy Education activities may include, but are not limited to:

  - Energy kits
  - Mileage and/or a specifically designated vehicles for transportation to and from a household or other community areas or facilities to perform allowable Assurance 16 activities and/or installation of Energy Kits.
  - Purchase and maintenance of energy education trailers and/or homes used to provide hands on exhibits that teach participants cost-effective energy reduction strategized used to optimize energy efficiency including, but not limited to how to caulk windows, install door sweeps, and change furnace filters. The homes may also be used to demonstrate high efficiency appliances, insulation applications, and other measures used for Weatherization.
  - Development and instruction of energy education exhibits, videos, hands on instructional prompts and material.
  - Incentive benefits to households for attendance at energy education classes.
- Case Management - Ongoing work with clients to ensure that they had their energy service restored and to ensure that they are able to access additional services for which they are eligible.
  - Short Term
    - Developing information and materials about services available to LIHEAP clients. This may include printing and postage costs for Assurance 16 materials and information.
    - Developing an understanding of a client's needs and offering counseling during LIHEAP intake.
    - Providing blankets, hats, and fans to households.
  - Long Term
    - Developing a curriculum and training materials for service delivery
    - Working with clients on energy education and/or financial counseling over an extended time period
- Direct staff time spent on the activities listed above.

Examples of expenditures that are **not** allowable A16 expenditures include:

- Assurance 16 funds may not be used in coordination with the Community Services Block Grant.
- Outreach – Designing outreach materials, conducting outreach activities
- Intake – Working with the client to complete the LIHEAP application
- Crisis Determination – Assessing whether the client is in crisis
- Benefit Determination – Using the information supplied by the client to determine their benefit
- Office space, desks, equipment, supplies (administrative)
- Non-LIHEAP personnel referring people for energy assistance. For instance, a Head Start employee who spends time assessing client needs and decides the household needs energy assistance is doing Head Start referral activities, not Assurance 16.
- Indirect costs, human resources, IT support
- Staff time spent when a caller inquiries about programs available to assist their family. It is not an Assurance 16 activity to deter-mine that a household should apply for energy assistance. That is considered a shared administrative cost with other pro-grams.
- Heat or crisis benefits
- Weatherization or home repair
- Leveraging activities

Assurance 16 activities should be included as separate items within the budget. Only expenditures for the portion of staff members' time spent on Assurance 16 activities may be charged under the Assurance 16 Program Costs budget category.

- **Program Costs** cover other expenses related to the delivery of energy assistance program services.
- **Direct Energy Assistance Payments** at a minimum indicate the approximate number of households to be assisted and the estimated average payment
- **Total direct program costs included in the budget must be at least 92% of the total grant award.** Note: *As allowed by PA 615 of 2012, an entity may, upon approval from*

the department, use less than 92% but not less than 90% of the funds received for the program for energy assistance.

Budget Requirements

The budget shall display three (3) headings identified as the: Line Item, Budget Category, and Total. The budget line items that need to be included, at a minimum, are listed below. The budget should reflect the best estimate of actual costs using whole numbers.

Personnel

Salary – in the budget, include the name and job title for each staff position to be paid for by the grant. Time sheets and payroll registers must be submitted for each staff position, and hours worked must be grant related.

Fringe Benefits – fringe benefits may not exceed 35% of each employee's salary. Fringe benefits will be reimbursed based on actual expenditures per employee up to 35%, not on budgeted amounts. Allowable benefits include: health, dental, and optical insurance, employer-paid Social Security and Medicare tax, Michigan and Federal unemployment tax, and other miscellaneous fringe benefits (life insurance, long- and short-term disability insurance, worker's compensation, and retirement program contributions up to 4%). Applicants must provide details on the organization's method of calculating fringe benefit expenses that will be charged to the grant including whether fringe benefits are calculated on an annualized basis or based on the length of the grant term.

The budget narrative must include the number of weeks the individual will work on the grant; number of hours per week a full time employee of the organization is expected to work; a description of the work to be performed by each individual; the estimated hours to be worked; actual pay rate; the fringe benefit percentage being charged to the grant for each employee; the percentage of the employee's time allocated to the grant; whether each employee is salaried-exempt, salaried-non- exempt or hourly; and any other applicable information related to the individual's duties and responsibilities in connection with this grant.

Individuals that are not on selected applicant's payroll, e.g., independent contractors, individuals receiving a Form 1099, temporary workers, etc., must be placed under the Contractual Services budget category. Only employees on the selected applicant's payroll should be included in the Personnel budget category.

Supplies, Materials, & Equipment

Specify item(s) and cost. The budget narrative should include the anticipated cost of each item, a detailed explanation of the item's purpose, and how it relates to the project being funded. Be as detailed as possible.

Contractual Services:

Contractual Services must be competitively bid. Individuals that are not on selected applicant's payroll, e.g., independent contractors, individuals receiving a Form 1099, temporary workers, etc., must be placed under Contractual Services. When competitive selection is not feasible or practical, the selected applicant agrees to obtain the written approval of the Grant Administrator before making a sole source selection. The Grantee must provide a copy of contracts, memoranda of understanding or agreements signed by selected applicant and contractors.

The Grantee assumes responsibility to select subcontractors on a competitive basis. A minimum of three bids must be solicited and proposals must include, at a minimum: (1) name of selected applicant, grant number, and grant period; and (2) the type, number, and description of projects as described in the proposal.

The Grantee must provide the Grant Manager with the solicitation, list of vendor responses (including amounts), and name of the selected vendor. The Grantee must maintain bids on file at their place of business. The Grant Manager will reserve the right to request a copy of all bids for services that are competitively bid.

Awards must go to the lowest bid unless the Grant Manager has given prior written approval for selection of a higher bid; written justification for the selection of a higher bid. When awarding subcontracts, the Grantee must ensure that preference is given to products manufactured in or services offered by Michigan-based firms.

Travel

In the budget include the name, job title and official workstation for each staff member that will be traveling. Selected applicant must follow the State of Michigan Standardized Travel Regulations (www.michigan.gov/dtmb/0,5552,7-150- 9141_13132---,00.html). The State will reimburse for mileage, lodging, and meals, refer to the current State travel rates. Meals and lodging must be supported by itemized, legible receipts and reasons for travel. Itemized meal receipts must include a list of each item purchased; receipts for payments made by credit card that are not itemized will not be accepted.

Mileage must be supported by travel log(s) with beginning and ending addresses, mileage total, and reason for travel. Grantees will be provided a travel log example. Out-of-state travel must be directly related to the grant project and approved by the Grant Administrator prior to travel. Travel expenses listed in the travel budget category are strictly for individuals listed on the budget under Personnel. Per Diem payments and alcoholic beverage reimbursements are not allowed.

Other Expenses

This category is solely for use by organizations charging a per-case fee for work performed by subunits or internal agencies within the organization that do not require a competitive bid, i.e. contract, memorandum of understanding or any other type of signed agreement.

Energy Assistance Program Costs

The budget category is solely for costs incurred for delivery of energy assistance program services. At a minimum indicate the approximate number of households to be assisted and the estimated average payment

Indirect Costs

Indirect costs are costs not directly or specifically related to the grant program. Indirect costs are costs of administering the organization and must be spread over a number of products, services, or grant programs proportionately. Examples include office supplies and equipment, utilities, rent, maintenance and repair, insurance, accounting and bookkeeping services, and legal services. Non-cash expenses like depreciation, amortization, and depletion are not allowable indirect costs under this grant.

The Grantee will be reimbursed for its proportional share of indirect costs. This means the MPSC should be allocated a portion of the selected applicant's indirect costs and not 100% of the organization's total indirect cost.

Indirect costs should be displayed on the face of the budget on a single line item and the indirect rate should be rounded to six (6) decimal places. The budget narrative should contain a list of indirect costs, how the selected applicant determined its indirect costs, and the percentage rate calculation for reimbursable indirect costs.