

South Coast Air Quality Management District

Policies and Procedures Manual

**for the Administration of the
Carl Moyer Memorial Air Quality Standards Attainment
Program**

(CARL MOYER PROGRAM)

September 10, 2026

TABLE OF CONTENTS

SECTION 1: PURPOSE	2
SECTION 2: GOVERNING BODY AND APPLICABLE LAWS	2
SECTION 3: ROLES AND RESPONSIBILITIES OF South Coast AQMD PERSONNEL	3
SECTION 4: CARB CMP AWARD PROCESS	4
SECTION 5: CO-FUNDING CMP PROJECTS WITH OTHER FUNDING SOURCES	7
SECTION 6: CMP SOLICITATION PROCEDURES	7
SECTION 7: APPLICATION EVALUATION AND PROJECT AWARD	9
SECTION 8: ON-ROAD	13
SECTION 9: OFF-ROAD	15
SECTION 10: MARINE VESSEL	18
SECTION 11: LOCOMOTIVES	18
SECTION 12: INFRASTRUCTURE	19
SECTION 13: OBLIGATION OF FUNDS TO PROJECTS AND CONTRACT DEVELOPMENT	21
SECTION 14: CONTRACT AMENDMENTS, DE-OBLIGATION OF FUNDS, AND RE- OBLIGATION OF FUNDS	23
SECTION 15: CMP RECONCILIATION AND INTEREST EARNED FUNDS	25
SECTION 16: PROJECT MONITORING	26
SECTION 17: PROJECT FUNDING AND INVOICE PROCESSING	30
SECTION 18: PROJECT AUDITS	33
SECTION 19: REPORTING AND WAIVER REQUEST	33
SECTION 20: TRAINING	36
SECTION 21: COORDINATION WITH ARB	36
SECTION 22: STATE OVERSIGHT	36
SECTION 23: REVISIONS TO THE POLICIES & PROCEDURES	37
SECTION 24: VOUCHER INCENTIVE PROGRAM POLICIES AND PROCEDURES	37
SECTION 25: COMMERCIAL LAWN & GARDEN POLICIES AND PROCEDURES	37
SECTION 26: APPENDIX LIST	38

SECTION 1: PURPOSE

- A. It is the policy of the South Coast Air Quality Management District (South Coast AQMD) to reduce air pollutant emissions by incentivizing the accelerated turnover of old, polluting on-road and off-road vehicles and equipment with cleaner technologies through participation in the Carl Moyer Memorial Air Quality Standards Attainment Program (Carl Moyer Program, or CMP).
- B. The policies and procedures set forth in this document govern the South Coast AQMD process for awarding of CMP funds by the Technology Advancement Office (TAO) and are developed in accordance with the 2026 CMP Guidelines.
- C. This document incorporates appendices that support the Policy for Clean Air Incentive Contracts (Appendix L), the South Coast AQMD records retention policy, pertinent forms, samples of CMP documents, an organizational chart, and other program and policy information.
- D. The execution of this policy is the function of South Coast AQMD's Executive Officer (EO), the Deputy Executive Officer (DEO) for TAO, and any other responsible officer as identified in this Policies and Procedures Manual (P&P Manual).

SECTION 2: GOVERNING BODY AND APPLICABLE LAWS

- A. South Coast AQMD is organized pursuant to Chapter 5.5, Part 3, Division 26 of the Health and Safety Code (Health & Safety Code).
- B. The governing body of the South Coast AQMD is a Board of Directors composed in accordance with Health & Safety Code Section 40420 ("South Coast AQMD Board").
- C. Under Health & Safety Code Section 40489, the South Coast AQMD may contract for professional assistance as may be necessary or convenient for the exercise of any duty imposed on the South Coast AQMD under law.
- D. Health & Safety Code Sections 43023.5, 44091.1, 44229, 44275, 44280, 44281, 44282, 44282.5, 44283, 44286, 44287, 44287.1, 44287.2, 44288, 44290, 44291, 44295, and 44296 provide the parameters for the administration of the CMP.
- E. The CMP Guidelines, adopted by the California Air Resources Board (ARB), provide additional parameters for the administration of the program and call upon individual air districts to adopt policies and procedures for the administration of the CMP. ARB revises the CMP Guidelines periodically. These policies and procedures reflect the requirements of the CMP Guidelines adopted by the ARB in October 2024 and modified in June 2026. The South Coast AQMD began using 2024 CMP Guidelines with its CMP Year 27 implementation Active contracts under previous CMP Years

may also utilize this P&P Manual. The 2024 CMP Guidelines will take precedence if there are discrepancies with this document. .

- F. Other applicable laws or requirements may apply and be added to the Program Announcement (PA) for each solicitation.

SECTION 3: ROLES AND RESPONSIBILITIES OF South Coast AQMD PERSONNEL

The Office of the Technology Office (TAO) includes a Deputy Executive Officer (DEO), an Assistant Deputy Executive Officer (ADEO), Managers, Program Supervisors, Air Quality Specialists, Staff Specialists, Staff Assistants, Contract Assistants, and Inspectors. The current staff organizational chart can be found in Appendix K.

- A. The Manager of On-Road Incentives, Contracts & Outreach in TAO shall be responsible for:
1. Coordinating outreach efforts for TAO incentive programs, including but not limited to, communicating with Legislative & Public Affairs/Media Office in the development of outreach collaterals, brochures, pamphlets, video and social media postings.
 2. Coordinating outreach efforts with the Community Engagement & Air Programs Office on AB 617 initiatives related specifically for mobile source and TAO related projects.
 3. Obtaining Governing Board approval for program participants and selected projects in coordination with the manager of Off-Road Incentives, Inspections & Special Projects.
- B. The Manager of Off-Road Incentives, Inspections & Special Projects in TAO shall be responsible for:
1. Coordinating inspection and draft inspection reports for TAO incentive program projects, including but not limited to, facilitating high-level communications between project officer and inspector to implement the programs.
 2. Coordinating the reports required to implement the program and communicating with Procurement and Controller to ensure accuracy of CARB CARL Database entries.
 3. Obtaining Governing Board approval for program participants and selected projects in coordination with the manager of On-Road Incentives, Contracts & Outreach.
- C. The Program Supervisor shall be responsible for:
1. Reviewing the invoices submitted by Staff
 2. Compiling CARL and GMS data

3. Coordinating with internal departments such as Finance, Procurement, and Legal
4. Assign mobile source and infrastructure contracts and related work to Staff

D. The Air Quality Specialists and all other support staff shall be responsible for:

1. Solicitation of the programs
2. Application review and evaluations of closed solicitations
3. Contracting out to selected awardees as approved by the Governing Board
4. Invoicing of contracts at full or partial contract value
5. Record-keeping annual reports and updates provided by the contractor

In addition, South Coast AQMD support for the CMP is provided as follows:

E. The Manager of the Procurement Section (Finance) shall be responsible for:

1. Assisting TAO to ensure proper implementation of this policy and the Policy for Clean Air Incentive Contracts (Appendix L);
2. Assisting TAO in the review of Program Announcements (PAs) to ensure compliance with all policies before public release of the PA;
3. Assisting TAO in publication of PAs; and
4. Reviewing TAO CMP contracts and awards to ensure compliance with all policies and applicable laws.

F. The South Coast AQMD Controller is responsible for final review, approval, payment and reconciliation of grants received and amounts disbursed by each grant year on all CMP invoices.

G. The District Counsel shall be responsible for:

1. Assisting TAO in compliance with the legal requirements of the CMP;
2. Providing legal opinions regarding the interpretation of PAs and contract provisions
3. Reviewing TAO CMP contracts and awards and approve as to form; and
4. Representing the South Coast AQMD in all litigation over implementation of this policy.

SECTION 4: CARB CMP AWARD PROCESS

A. CARB Award of Funds

Each year, CARB determines the tentative awards for each air district in accordance with the formula identified in Health & Safety Code Section 44299.2.

B. CARB Solicitation Process

CARB sends a solicitation packet and notifies the EO that the CMP funds are available. The packet will include an official CARB grants application form, the tentative allocation of CMP funds for each air district, including project and administrative funds, and the amount of match funds that will be required.

The application packet must be completed by South Coast AQMD and submitted to CARB by the posted deadline, which is typically 60 calendar days from the date of the solicitation letter. The completed application packet must be submitted to mscdgrants@arb.ca.gov and must include:

1. The completed application with original digital signature of the EO;
2. Match funds commitment; and
3. Plan for obligating the grant funds and/or a dually approved resolution

The TAO Incentive Manager(s) and/or Program Supervisor(s) are responsible for the preparation of the South Coast AQMD application to ARB. The TAO Incentive Managers or Program Supervisors may assign responsibility to other staff to complete individual portions of the application. The completed application packet is reviewed by the TAO's ADEO and DEO, Finance and Legal then forwarded to the EO for final review and signature. A copy of the application is filed in the appropriate CMP fiscal year binder in the TAO central filing area and a scanned copy retained electronically in a central shared file folder.

C. Grant Award and Authorization

Final awards are determined by CARB based on applications for funds received from the air districts. The awards are incorporated into a Grant Award and Authorization (or Grant Agreement), which specifies the amount of the award including the administrative funding allocation, the required amount of match funds if applicable, any Special Terms and Conditions, and General Terms and Conditions for the grant. After the grant award is reviewed by South Coast AQMD staff similar to the routing process required for Grant Applications, the EO signs the Grant Agreement. The signed Grant Agreement is provided to CARB via submission to mscdgrants@arb.ca.gov. Once the agreement is signed by CARB, a copy is retained electronically in a central shared file folder.

D. Funding Disbursement Request

Upon execution of the Grant Agreement, the South Coast AQMD will submit an initial Grant Disbursement Request to CARB for 100% of the administrative/implementation funds and a partial or total amount of project funds. Grant awards and disbursements are further described in the Program Administration section of the CMP Guidelines.

E. Match Funds

South Coast AQMD will commit to the required match funds equaling 15% of the Moyer Program funds received. The South Coast AQMD's match is typically

provided through AB 923-funded projects. These projects are administered in the same manner as CMP projects and are managed by the TAO staff.

F. Receipt of Funding

When CARB receives Disbursement Request(s) and verifies that all requirements have been met, CARB authorizes the State Controller to issue a check for the funding. The funding is entered into the South Coast AQMD's financial reporting system by Finance.

Any CMP funds provided by the State of California that are deposited in interest-bearing accounts must be reported to CARB. The interest income must be used to fund projects that meet the current CMP Guidelines. The South Coast AQMD deposits CMP funding in an interest-bearing account. The interest earned is placed in the CMP fund and reported by Finance to TAO staff.

G. Administrative Funds

Under the CMP Guidelines and the Health & Safety Code, funds are set aside by CARB to assist air districts with program administration costs. As of June 2025, Districts are allowed to use up to 12.5% of their CMP funds on program outreach and administration. Allowable indirect and travel costs and per diem rates are described in South Coast AQMD Administrative Code, Section 120, which is included in Appendix J to this document. Administration and outreach costs and documentation follow guidance provided in the CMP Guidelines, Table 3-5.

1. Certain expenditures are allocated over the relevant work program codes since they are needed to support the South Coast AQMD but are not directly related to any particular work program code. These include District General expenses, office overhead, and South Coast AQMD-wide allocable costs.
2. District General expenditures are overhead costs and include utilities, building maintenance, communication, insurance and principal and interest payments on South Coast AQMD facilities. District General costs are allocated to each work program line based on Full-Time-Equivalent Staff (FTEs).
3. Office overhead expenditures are for administrative activities that serve the office solely. These are prorated over work program codes within the office based on FTEs in the office.
4. South Coast AQMD-wide allocable expenditures are for administrative activities that serve all South Coast AQMD programs. South Coast AQMD-wide administrative and support service costs include, but are not limited to, Finance, Information Management, Human Resources and Payroll. These expenditures are prorated across all South Coast AQMD program expenditures.
5. Program expenditures are tracked by Finance. These records are retained for five years in Finance Department files.

SECTION 5: CO-FUNDING CMP PROJECTS WITH OTHER FUNDING SOURCES

Senate Bill 513 (Beall, 2015) provides new opportunities to co-fund Moyer Program projects with other funding sources. All co-funded projects must adhere to the Moyer Program objective to achieve cost-effective and surplus emission reductions to be credited toward California's legally enforceable obligations in the SIP. There is no limit on the number of co-funding sources to fund a project as long as total project costs are not exceeded, and the applicant's cost share requirement is met.

A. Applicant Cost Share

An applicant that is not a public entity must provide at least 15% of a project's Moyer eligible cost from non-public sources, unless specified otherwise in the source category chapter. The applicant's cost share cannot be covered through in-kind contributions. South Coast AQMD can request a cost-share waiver with public entities interested in the program.

B. Waiver Request

South Coast AQMD may request a case-by-case determination from ARB to waive all or part of an applicant's cost share, in accordance with Chapter 3, Section N of the Carl Moyer Guidelines. The waiver request must identify the source(s) and amount(s) of the proposed project's funding and explain the reasons for the cost share waiver, discussing at a minimum one, or some combination of, or all of the following factors :

1. The public benefit of the project that is above and beyond the emission reductions achieved;
2. How the project will advance newer and cleaner technology; and,
3. The applicant is defined as small business or party of a priority population including, but not limited to, a low-income household, low-income community, minority group.

C. Applicant Disclosure and Payment

Applicants must disclose all sources of funding applied for at the time of the Moyer project application, and again when submitting each invoice. South Coast AQMD will not issue payment of Moyer Program grant funds until all funding sources have been identified and verified to ensure the sum of the grants awarded to the project, including both Moyer and non-Moyer funds, does not exceed the total project cost.

SECTION 6: CMP SOLICITATION PROCEDURES

A. General

South Coast AQMD staff follows its Policy for Clean Air Incentive Contracts (Appendix L), pertinent provisions of the Health & Safety Code, and the CMP Guidelines to conduct solicitations for CMP projects. South Coast AQMD utilizes

two solicitation methods, both utilizing a PA, for the CMP. These include (1) competitive solicitations to solicit applications for eligible projects on an annual basis for eligible source categories, and (2) a first-come, first-served solicitation for the Voucher Incentive Program (VIP). The criteria for using either of these solicitation methods are set forth in the attached Policy for Clean Air Incentive Contracts. Implementation of these policies and procedures do not vary by source category.

B. Eligible Source Categories

Project source categories supported by the South Coast AQMD's CMP include on-road heavy-duty vehicles, off-road equipment, cargo-handling equipment, locomotives, marine vessels, lawn and garden equipment, and infrastructure.

C. Alternative Fuel and Zero-Emission Technologies

The South Coast AQMD encourages the use of alternative fuel and zero-emission technologies. A solicitation may limit funding to only alternative fuel and/or zero emission projects in certain categories. In addition, the South Coast AQMD may utilize a more stringent cost-effectiveness threshold for some categories than that allowed in the CMP Guidelines. The solicitation categories, funding, and cost-effectiveness criteria are approved by the South Coast AQMD's Governing Board as part of the solicitation and award process. Specific project selection criteria are included in the PA.

D. Timeline for Solicitation

In the case of a competitive solicitation utilizing an RFP or PA, approximately two to three months from the date of solicitation release to application due date is allowed. In the case of a first-come, first-served solicitation utilizing a PA, applications are accepted from the first day of the announcement to the final day for application submittal, as detailed in the PA. PA submission deadlines may be extended or PAs may be re-issued as needed.

E. Outreach Activities

South Coast AQMD pursues a variety of outreach activities in person or virtually to ensure that all interested parties are aware of CMP funding opportunities. South Coast AQMD staff conducts in person workshops throughout the South Coast Air Basin. South Coast AQMD also hosts virtual workshops. In addition, staff attends conferences and meetings to make CMP presentations and sends out e-blasts to entities listed in the TAO contactor stakeholder database and entities subscribed to the program through South Coast AQMD website's sign-up page. South Coast AQMD maintains a dedicated webpage on the South Coast AQMD website for the Carl Moyer Program (www.aqmd.gov/moyer). Each solicitation utilizing a PA is posted on this website and may be downloaded by interested parties. Solicitations are also noticed in various publications.

F. Third Party Applications

In accordance with the CMP Guidelines, third party applications are not allowed. The owner of the vehicle/equipment must sign and agree to the application.

However, a third party such as consultants, engine dealers or distributors may complete an application or part of an application on an owner's behalf. The applicant is the only user authorized to submit the application on the Carl Moyer Grant Management System (GMS). The third party must also indicate the amount they are being paid to complete the application and the source of funding for this payment.

G. Application and Project File Retention

Applications for unfunded projects must be kept for a minimum of two years following the solicitation period. In addition, all CMP project files are kept for the life of the project, plus three years (i.e., for three years past the contract term); all files are stored in a secure location within the South Coast AQMD record's database. The "project file" records database include, but is not limited to, the South Coast AQMD facility and database platforms such as OnBase and the Carl Moyer Program Grant Management System (GMS).

H. South Coast AQMD Grant Documentation Retention

Grant receipts and expenditure documents including invoices, contracts, vouchers, personnel and payroll records should be retained for five years after the grant liquidation period or the last recorded grant transaction, whichever is later.

SECTION 7: APPLICATION EVALUATION AND PROJECT AWARD

A. Minimum Requirements

All projects must meet the minimum requirements as stated in the PA, the CMP Guidelines and the ARB CMP Advisories. A sample of our PA is included in Appendix A.

B. Application Review

The Program Supervisor assigns applications to individual Project Officers for review based on subject area expertise and workload. Project applications are first screened for completeness and eligibility. Project Officers notify applicants in writing within 30 business days of the application close date regarding the completeness of their applications. This notification, referred to as the "30-day letter", identifies missing application information or documentation and provides the submission deadline. A sample 30-day letter is provided in Appendix D.

Project Officers utilize a checklist to determine project eligibility, which includes the CMP Guidelines (including any CARB advisories/mail-outs), current CARB Fleet Rule Implementation Charts ("green charts"), and existing South Coast AQMD and state rules and regulations. Project Officers may consult with other divisions of the South Coast AQMD, such as Planning, Rule Development, and Implementation, to verify an applicant is in compliance with district rules and regulations and support with mapping to determine the domicile address location and status. Project Officers may contact the CARB liaison for assistance in interpreting CMP Guidelines or

regulatory compliance. South Coast AQMD will submit a request for a compliance check, as required, for on-road equipment, marine vessel and cargo handling equipment projects to verify eligibility. Other project categories may require ARB support on an as-needed basis if compliance records cannot be obtained by the applicant/recipient. South Coast AQMD verifies that all applicants have provided the required documents to determine compliance status with respect to applicable ARB rules and regulations. If the compliance status is uncertain, South Coast AQMD staff will consult with ARB staff to verify if the fleet is in compliance. For fleets not in compliance, with the fleets' cooperation, South Coast AQMD staff will serve as a liaison between the fleet and ARB staff to identify and resolve compliance issues so that the fleet may be eligible for Moyer grant funding.

South Coast AQMD will assess overall demand for the program and shall establish high-level screening criteria to filter for projects that are high priority. For projects that pass this initial screening and are deemed eligible for CMP funding, Project Officers carefully evaluate application information and documentation to determine if the project is subject to any rule, regulation, or memorandum of understanding (MOU) that would impact project eligibility and to ensure the project meets CMP requirements.

Another key step is the review of historical usage records that document at least 24 months of operation. Records must demonstrate usage for the 24 months immediately preceding the date of application submittal. The types of acceptable documentation for establishing historical annual usage are prescribed in the CMP Guidelines for each project category and may include, but not be limited to, usage logs, maintenance records, fuel logs, purchase receipts, ledger entries, etc., that provide periodic mileage odometer or hour-meter records. Additional forms of historical annual usage documentation not listed herein can be submitted to ARB for case-by-case consideration.

South Coast AQMD utilizes both an internal evaluation spreadsheet and ARB's CARL Database to calculate each project's emission reductions and associated cost effectiveness. Independent contractors or South Coast AQMD staff may conduct spot checks to ensure the completeness and accuracy of project data. South Coast AQMD has coordinated with ARB CARL staff to ensure consistency between spreadsheet results and CARL results; this is reassessed each time ARB implements CARL updates.

In cases where CARL is used to calculate the emission reductions and associated cost effectiveness, CARL results are loaded into the evaluation spreadsheet for project ranking purposes.

For projects that deviate from CMP Guidelines, the South Coast AQMD may choose to request a case-by-case review from ARB (See Section 7.H).

TAO staff utilizes the evaluation spreadsheet to assess projects for their disproportionate impacts (environmental justice ranking), including the project's potential benefit to disadvantaged or low-income communities and cost effectiveness. This assessment results in a sorted, or ranked, evaluation spreadsheet, at which time it is renamed as a "master" (to capture the official staff project recommendations). The final master spreadsheet is placed on South Coast AQMD's shared computer drive after South Coast AQMD Board approval of the projects. It may be accessed by the Project Officers to check information when reviewing annual report data, approving invoices, etc. The TAO Managers and Program Supervisors oversee the final master spreadsheet. A copy of the final master spreadsheet is maintained in the South Coast AQMD's computer system by project year and may be accessed at E:\tech_adv\CARL MOYER. This spreadsheet is a snapshot of the state of the project evaluation cycle for each CMP year, but final project details are only considered official in the CARL database. POs are to maintain the official project file to be consistent with the project's CARL project data.

C. Project Selection

Once applications are evaluated for CMP eligibility requirements, project selection is determined by two primary considerations:

1. *Communities with Most Significant Exposure*: Health & Safety Code section 43023.5 requires that air districts with a population of one million or more residents must allocate at least 50% of their CMP funding in a manner that directly reduces air contaminants or associated public health risks in communities with the most significant exposure to air pollution, including but not limited to low-income and minority communities. Additional criteria are included in the South Coast AQMD's TAO Policy for Contracting and Awarding Program Funds. Within this criterion, projects are ranked by cost effectiveness, in order of most to least cost effective.
2. *Cost Effectiveness*: All remaining applications not selected for an award recommendation under the 50% disproportional impact criterion are then ranked based on cost-effectiveness for each source category. The amount of funding allocated to each source category reflects South Coast AQMD policy priorities at the time of project selection.

In accordance with the 2026 CMP Guidelines, South Coast AQMD will no longer use the two-tiered cost-effectiveness approach for projects that involve advanced technologies and will instead return to the one-step approach. South Coast AQMD may assign a more stringent cost-effectiveness limit to a particular category of funding. Cost-effectiveness caps for individual categories are approved by the South Coast AQMD Technology Committee and Governing Board and included in the CMP solicitation. Documentation of the disproportionately impacted areas in South Coast AQMD's jurisdiction is managed and maintained by the staff air quality specialist in the Planning Division.

D. Back-Up Projects

Projects are selected for funding until all available program funding has been allocated. TAO staff creates a “back-up list” of projects that meet the minimum selection criteria but were not selected because of program funding constraints. If selected projects are withdrawn or cancelled, TAO staff selects projects from the back-up list. The Governing Board Chair or Executive Officer (under delegation) has the authority to execute contracts from the back-up list without seeking subsequent Board approval to ensure that all funds are fully encumbered, expended and liquidated within required timeframes.

E. Timeline for Award of Contracts

Once projects are selected for awards, the project list will be subject to Governing Board approval. After the Board approves the selected projects, South Coast AQMD Project Officers begin the preparation of contracts during the first quarter of the subsequent calendar year. The recipient is allowed 90 days from the date the contract is sent out for signature to return a signed contract to the South Coast AQMD with an option to extend the request for signature to 120 days. An extension to the recipient’s signature deadline may be requested in extenuating circumstances. Once a signed contract is returned to the South Coast AQMD, it will be subsequently executed by the Chairman of the Governing Board. The recipient will be able to begin work upon contract execution.

F. Multi-District (State Reserve) Funding

ARB reserves 10% of the total Moyer Program funds each year to directly fund projects that include sources that are covered by the Carl Moyer Program. ARB used to refer to these funds as “multi-district” funds; however since 2017, these funds have now been referred to as State Reserve. State Reserve projects are processed and administered in the same manner as standard South Coast AQMD CMP projects.

G. Other Projects

Occasionally, an application is received that does not meet the general CMP Guidelines. The CMP Guidelines contain provisions for submitting these projects to ARB for “case-by-case” consideration. Any proposed project falling into this area must be brought to the attention of the Manager(s) for approval to contact ARB. South Coast AQMD staff will utilize an independent consultant, as necessary, in presenting the project to ARB. If ARB approves the proposed project, written documentation of ARB’s approval and its associated conditions shall be included in the project file.

H. Case-by-Case Determination

To be considered for a case-by-case determination for a project, a summary of the request and reference(s) to the pertinent area(s) of the Guidelines shall be submitted to ARB. Supporting documentation for the ARB request shall include, but not be limited to, baseline and new engine information, the associated ARB engine

Executive Orders and/or United States Environmental Protection Agency Certificates of Conformity for baseline and new engines, and other related applicant information from a completed application. Other information and documents may be needed as requested by ARB staff. Case-by-case determination requests may be made after contract execution only when an unforeseen event leads to a project or program element that varies from the requirements of the CMP Guidelines. All case-by-case determinations submitted for review will be made available to the public via web posting at ARB's CMP website. A copy of the determination, regardless of outcome, shall be placed in the project file.

I. Progress payment

Progress payment may be authorized only when expressly permitted under the executed grant agreement. Progress payments are intended to facilitate project cash flow while ensuring public funds are expended. Legal and financial measures will be taken should the projects fall-through based on the existing Grant Agreement with CARB by every means necessary. The recipient must prepare a milestone schedule (including proposed dates) for each equipment or infrastructure project placed in-service under contract and specify the increments of progress that can be verified and invoiced such as design and engineering, major components, construction costs, etc.

SECTION 8: ON-ROAD

All on-road applications submitted for funding under the CMP will be evaluated according to the Carl Moyer Guidelines. Only projects that meet the requirements specified in the On-Road Vehicle Source category chapter of the Carl Moyer Guidelines and the Program Announcement will be funded.

A. Dismantler Agreement

South Coast AQMD will use the existing DMV certified dismantler list from the Voucher Incentive Program and the Proposition 1B Goods Movement Program, and invite these dismantlers to periodic training workshops. An agreement will be executed with each approved dismantler. A copy of the agreement is in Appendix I.

B. Compliance

Prior to contract execution, participants are pre-screened for regulatory compliance, outstanding violations, open cases, and previous funded projects. Fleets must be in compliance to qualify for CMP funding.

1. Fleets subject to the Truck and Bus Regulation must provide the following:
 - i. A copy of the Truck Regulations Upload and Compliance Reporting inspection System (TRUCRS) fleet list, located on the vehicle information tab.
 - ii. A copy of the TRUCRS General Fleet and Compliance Information Summary showing compliance, located on the compliance status tab.
 - iii. A copy of the compliance certificate printed from TRUCRS.

2. Vehicles Subject to Other On-Road Regulations

- i. Fleet information will be submitted to the ARB Moyer Program air district liaison to check compliance with other regulations such as the Public Agency and Utility Regulation and labor standards pursuant to Assembly Bills (AB) 794 and AB 2737, when applicable.
- ii. At the time of application submittal, prospective fleet purchasers and lessees subject to AB 794 and AB 2737 must complete and submit an AB794 Fleet Attestation to the South Coast AQMD. This attestation must state that the applicant is compliant with applicable labor laws, including Section 2810.4 of the Labor Code. The fleet purchaser and lessees will renew the attestation each year of the contract period on the anniversary of their first attestation, reaffirming compliance with this labor standards law and is liable for repayment of the incentive for failure to comply with applicable labor standards while the contract is in effect.
- iii. Also at the time of application submittal, the applicant must submit a statement indicating compliance with all federal, State and local air quality rules and regulations, including the Clean Truck Check Program.⁴ The application must include a copy of applicant's Clean Truck Check Heavy-Duty Inspection and Maintenance (HD I/M) Program with an "Affirmation of Fleet Wide Compliance" along with a statement of compliance in which the applicant must certify that they are in compliance at the time of application submittal.

C. Inspections

The table below shows the inspections that will be performed for each funded engine/vehicle (exceptions are allowed for public fleets and transit agencies as specified in the Carl Moyer Guidelines):

Inspection Type	Purpose(s)	Timing
Pre-Inspection	Verify baseline vehicle is in operational condition, and the information provided in the application or supplemental documents.	After application is submitted to air district and approved for funding.
Post-Inspection	Verify replacement vehicle meets emission standard. And the information provided	Prior to payment being issued.
Dismantle Inspection	Verify engine destruction (per CMP Guidelines Section C. 9.(D)(4)) Verify that frame rails are completely severed Obtain copy of REG 42 form filed with DMV	After engine and frame rail destruction. Within 60 days after dismantler receipt, unless the air district approves a dismantler's request for extension to dismantle the vehicle with supporting documentation for the

		extension to be saved to the project file. If dismantler takes photos, they must be provided to the air district within 10 business days of dismantling.
--	--	--

Remote inspections that adhere to the Carl Moyer Guidelines' remote inspection protocol may be used in lieu of physical inspections

D. Determining Funding Amounts

1. Maximum Funding - The maximum amount of funding available to a project is limited by a cost effectiveness limit or maximum percentage as specified in the Carl Moyer Program Guidelines.
 - i. Taxes, warranty, insurance, and transport fees may be considered eligible expenses if they are determined by the South Coast AQMD to be incremental cost incurred by the purchase and operation of a heavy-duty vehicle/engine. Incremental costs may also include added lease, energy, or fuel costs pursuant to Health and Safety Code Section 44283.
2. Annual Usage – Funding amounts will be based on the average annual usage of two 12-month periods from the previous 30 months of California usage for the baseline vehicle being considered for funding.
3. Project Life – Project life is also used to help determine the funding amount. The minimum project life allowed is one year. The maximum project life shall be determined pursuant to the Carl Moyer Program Guidelines and may be impacted by requirements set by applicable rules, regulations, or requirements. An alternative project life may be approved by CARB on a Case-by-Case basis.

E. Monitoring and Enforcement

South Coast AQMD's monitoring and enforcement policies are listed in Section M and P of the Policies and Procedures.

SECTION 9: OFF-ROAD

All off-road applications submitted for funding under the CMP will be evaluated according to the Carl Moyer Guidelines. Only projects that meet the requirements specified in the Off-Road Equipment Source category chapter of the Carl Moyer Guidelines will be funded. Off-road projects include the following: Surplus Off-Road Opt-In for NOx Program (SOON) units, Transport Refrigeration Units (TRUs), Portable Equipment Registration Program (PERP) units, agricultural related equipment, construction equipment, locomotives, cargo handling equipment, and any other off-road equipment registered in CARB's Diesel Off-Road Emissions Registry System (DOORS).

A. Projects Eligible for Funding

1. Repower of Existing Equipment: The replacement of the existing engine with a newer emission-certified engine. Existing engine to be scrapped.
2. Retrofit Purchase: The installation of a CARB verified emission control system on an existing engine.
3. Equipment Replacement: The purchase of new or used equipment with an engine certified to the current emission standard Tier to replace an older, fully functional piece of equipment that is to be scrapped.
4. Infrastructure: See the infrastructure section (Section 12) for details regarding applicant eligibility and project types for infrastructure in support of all off-road equipment.

B. Determining Funding Amounts

1. Maximum Funding - The maximum amount of funding available to a project is limited by a cost effectiveness limit or maximum percentage as specified in the Carl Moyer Program Guidelines.
2. Project Life – The maximum project life shall be determined pursuant to the Carl Moyer Program Guidelines and supporting mobile source Regulations. Alternative project life may be approved by CARB on a Case-by-Case basis. The minimum project life allowed is one year.
3. Usage – Cost-effectiveness calculations must be based on historical hours operated or proposed annual usage as specified in the Carl Moyer Program Guidelines.
4. Peak Horsepower- Starting August 20, 2025, South Coast AQMD will utilize “Peak Power” Horsepower for reduced diesel equipment as seen on CARB Executive Orders for future evaluations.

C. Compliance

Prior to contract execution, participants are pre-screened for regulatory compliance, outstanding violations, open cases, and previous funded projects. POs submit a list of applicants to CARB for compliance verification. Fleets must be in compliance with all applicable regulations to qualify for CMP funding.

SURPLUS OFF-ROAD OPT-IN FOR NO_x PROGRAM

The South Coast AQMD opted-in to Title 13, California Code of Regulations (CCR), Section 2449.2 - Surplus Off-Road Opt-In for NO_x (SOON) Program, on May 2, 2008. The SOON program is part of a control measure in the 2007 State Implementation Plan adopted by ARB. Through the SOON program, incentive funds including CMP funds may be used to achieve additional NO_x reductions beyond those required by the Off-Road Regulation.

The 2008 CMP Guidelines include an option for the CMP funds to be utilized for SOON projects to partially offset the replacement cost of vehicles in addition to repowering existing vehicles. South Coast AQMD subsequently developed a guideline document,

“South Coast AQMD Rule 2449 – SOON Program Administrative Guidelines”, which is included in Appendix B.

Under the SOON program, eligible fleets have the option of using SOON funding to either repower or replace pieces of equipment. The repower and replacement options have different requirements, and these are outlined in the Off-Road Equipment (Chapter 5) in the 2024 Moyer Program Guidelines.

The South Coast AQMD SOON program is mandatory for fleets greater than 20,000 horsepower (hp) (statewide) with 40% of hp in Tier 0 or Tier 1 in 2008 (and voluntary for other off-road fleets). This requirement is emphasized in all South Coast AQMD SOON PAs. However, it will also be noted to off-road fleets that should they choose voluntarily to apply for SOON program funds and are awarded for replacement and/or repower projects, they will be bound to implement the projects as required by the Off-Road Regulation.

A full description of the requirements, funding criteria and procedures, and program administration requirements is included in the aforementioned SOON Program Guidelines (Appendix B) and the sample PA and associated application forms (Appendix C).

TRANSPORT REFRIGERATION UNITS (TRUs)

Transport Refrigeration Units (TRUs) are off road equipment that must be registered and verified in compliance in CARB’s Air Resources Board Equipment Registration (ARBER) system. Fleets must be in compliance with the regulation in order to be eligible for funding.

PORTABLE EQUIPMENT REGISTRATION PROGRAM (PERP) UNITS

Portable Equipment Registration Program (PERP) units must be registered either with CARB or the local air pollution control agency in which the equipment operates. The equipment should be operated within the South Coast air basin at least 90% of the time. Applicants are required to show current registration with or submit a statement of compliance with the Portable Engine ATCM.

FUNDING AGRICULTURAL REPLACEMENT MEASURES FOR EMISSION REDUCTIONS (FARMER) PROGRAM

Agricultural related equipment can be funded through the Carl Moyer Program or the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program. Equipment used in agricultural operations are exempt from the off-road diesel regulation, so verification is needed to ensure the equipment is being used in an agricultural operation. During the review process, an agricultural statement from the equipment owner is required to verify that the unit is operating over 50 percent of the time for agricultural purposes.

SECTION 10: MARINE VESSEL

Progress payments are allowed for marine vessel replacement projects on a case-by-case basis. Payment can be provided for the following costs:

For diesel replacement projects, costs include equipment and parts included in the certified engine configuration and/or are required to ensure the effective installation and functioning of the new technology such as parts and materials, and installation needed for the construction of the replacement vessel.

For zero-emission capable hybrid or zero-emission vessel replacements: costs required for the design and engineering, third-party sea trials, batteries, controls, shipside charging and ZE fueling systems needed to meet US Coast Guard regulations are also eligible costs.

Marine vessel repowers to the cleanest available tier or cleaner are also eligible for funding. Transmission replacement costs may be eligible if the replacement of the transmission is required to operate the vessel.

All vessels must have submitted Commercial Harbor Craft (CHC) reports required to ARB and must be in compliance with the existing CHC regulation and supporting amendments/withdrawals to the regulation. (A) Maximum project life shall be determined pursuant to the Carl Moyer Program Guidelines. Alternative project life may be approved by CARB on a Case-by-Case basis.

SECTION 11: LOCOMOTIVES

According to the Carl Moyer Guidelines. No project will be funded that does not meet the requirements specified in locomotive source category chapter of the Carl Moyer Guidelines.

A. Compliance

Prior to contract execution, participants are pre-screened for regulatory compliance, outstanding violations, open cases and previous funded project. Fleets must be in compliance to qualify for CMP funding.

1. Railways subject to the 1998 South Coast MOU must provide a statement that the baseline locomotive is not subject to the MOU.
2. The applicant must also provide a statement that they do not have any pending violations or penalties connected to the baseline locomotive under the statewide MOU released by CARB in 2005.
3. Locomotives subject to 2023 in-use locomotive regulations
 - i. The compliance check with respect to this regulation is no longer needed. ARB has repealed the regulation on June 26, 2025. Upon adoption of the regulation in November 2023, the ARB has not enforced the regulation.

Due to inaction from U.S. EPA on the authorization request, CARB withdrew the request in January 2025 and now repealed in June 2025. A compliance check with respect to the in-use regulation compliance check is not part of the locomotive funding evaluation as of June 26, 2025.

B. Relocation of locomotive

If the applicant opted for relocation of baseline locomotive outside of California, then it is exempt from the dismantle requirement. In such case, the new domicile address of the locomotive and its operational plan must be provided.

C. Dismantler agreement

Due to the nature of mobility constraints within railways for locomotives, the dismantle of the baseline equipment by commercial dismantlers may not be feasible or may be financially too burdensome. Self-dismantle at the applicant's own facility is permitted with AQMD's prior approval.

SECTION 12: INFRASTRUCTURE

All Infrastructure applications submitted for funding under the CMP will be evaluated according to the Carl Moyer Guidelines. Only projects that meet the requirements specified in the Infrastructure Source category chapter of the Carl Moyer Guidelines will be funded. Eligible infrastructure projects include the following: Battery Charging station, Hydrogen Fueling Station, Stationary Agricultural Pump Electrification, Shore Power, Portable Power, other types or a combination of the previously listed project types, and additional projects may be considered on a case-by-case basis. Other types of projects include TRU infrastructure, truck stop electrification, off grid on-site power generation systems, micro-grid, and mobile refuelers. Progress payments are permitted for projects on a case-by-case basis with South Coast AQMD.

A. Project Application Evaluation

1. Applicants must provide cost information that specifies the amount of funding requested and the basis for the requested amount by including copies of vendor quotes with the application submittal.
2. Applications for infrastructure projects will be selected on a competitive basis taking into consideration the project location, total requested funding, public accessibility, equipment throughput relative to cost and other factors. Each proposed project site will be evaluated and competitively ranked based on the Infrastructure Project Scoring Criteria detailed in the Program Announcement.
3. Applicant must be in compliance with all federal, State and local air quality rules and regulations at the time of application submittal.

4. Applicants may order or make down payments on infrastructure equipment prior to contract execution but only after South Coast AQMD's written approval. The applicant will be made aware any work performed is not guaranteed and is at the applicant's own risk until contract execution.

B. Project Life

1. 3-year project life will be applied to every project unless the applicant requests a longer project life pursuant to the Carl Moyer Program Guidelines. Maximum project life is 15 years.
2. Applicant must demonstrate that they either own the land on which the project will be located, control it through a long-term lease, easement or other legal arrangement, for the duration of the project life

C. Eligible Funding

1. Proposals are evaluated to determine eligible project costs, as mentioned above and listed in the Carl Moyer guidelines
2. Per the Carl Moyer Guidelines, the Funding Amount is a percentage of the project's eligible costs. Examples of eligible costs include, but are not limited to: Cost of design and engineering, equipment, installation, meters, permitting fees, and etc.
3. Projects may potentially be eligible for additional incentives if the projects include any of the following
 - i. Renewable solar or wind power systems
 1. At least 50% of the total annual energy provided must be generated from solar/wind.
 - ii. Project location is near sensitive receptors. Sensitive receptor is defined in the Carl Moyer guidelines as:
 1. "Sensitive Receptor: Any residence including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade twelve (K-12) schools; daycare centers; and health care facilities such as hospitals or retirement and nursing homes. A sensitive receptor includes long-term care hospitals, hospices, prisons, and dormitories or similar live-in housing."
 2. Project location must be within 1000 feet of sensitive receptors as verified by South Coast AQMD.
 - iii. Project is a heavy-duty truck parking facility that provides communal charging (e.g., truck stop, truck yard, etc.)
 - iv. Project is publicly accessible, or project is owned by a public entity
4. Funding percentage cannot exceed 100%

D. Inspections

1. Pre-Inspections
 - i. Pre-inspections must be performed for conversion and expansion projects
2. Post-Inspection
 - i. Work must be performed by contractors and/or electricians that meet all required licensing, certification and statutory requirements for the project type
 - ii. Electric vehicle charging infrastructures must have an Electric Vehicle Infrastructure Training Program certification (EVITP).

SECTION 13: OBLIGATION OF FUNDS TO PROJECTS AND CONTRACT DEVELOPMENT

A. South Coast AQMD Board Approval of Projects

Approval of funded projects and back-up projects is accomplished through the South Coast AQMD Board and its standing Technology Committee, using the standard Board Letter process, and following the South Coast AQMD's Policy for Clean Air Incentive Contracts.

South Coast AQMD will contact successful applicants prior to the Governing Board hearing informing them that their projects will be recommended for funding. At the same time, they will be forwarded a Campaign Contribution Disclosure (CCD) Form to be signed no earlier than 30 days before the scheduled Governing Board Hearing date. Signed CCD forms must be returned to South Coast AQMD seven days before the Governing Board Committee meeting at which the proposed projects are reviewed. As permitted, applicants who did not qualify or are ineligible for funding will also be contacted by the assigned Project Officer either during the 30-day letter process described in Section 7 (B) or after the Governing Board hearing to inform them of the reason they did not qualify.

B. Conflicts

The contract process is subject to both the California Public Reform Act and Section 1090 of the California Government Code. These laws prohibit any conflict by any employee or officer involved in the contracting process. TAO employees with positions identified in the South Coast AQMD's conflict of interest code and Governing Board Members must complete a form annually (700 form) identifying his or her financial interests in real property income and business activities, as well as any gifts received.

To prevent a Board Member with a potential conflict of interest from participating in the approval of any contract, proposed contracts are checked against the 700 forms prepared by Governing Board Members by the District Counsel's office. Before each Governing Board or Board Committee meeting, District Counsel sends an advice letter to Governing Board Members seeking conflict of interest advice.

In addition, under California Government Code Section 84308, a CCD form must be completed by each applicant and bidder to identify campaign contributions to Governing Board Members by the bidder or by related entities. Those forms are reviewed by District Counsel to identify conflicts of interest.

C. Preparation of the Contract File

Following Governing Board approval of projects, the TAO Contract Assistants create the contract form in OnBase, the South Coast AQMD Contract Approval and Management System (CAMS). Initially, this file contains the solicitation and any applicable appendices, Board Letters authorizing release of the solicitation and award of funds, the application, which may contain Project Officer notes, clarifications and documentation during the evaluation process, and any project guidance received from ARB. Additionally, the file must contain documentation of cost-effectiveness, emission reductions and award amount based upon calculations performed by the Project Officer; insurance (workers comp and liability) if required; and any relevant project related correspondence, including correspondence between applicants/recipients, South Coast AQMD staff and ARB, related to this project.

D. Preparation of the Contract Request

Below is the process for development of contracts for project awards:

1. Updated Boiler Plate language is sent for approval through TAO management, legal review, as well as the Procurement Manager; if necessary, the updated Boiler Plate language will be sent for further review to the South Coast AQMD's ARB liaison.
2. The individual project files are distributed to the Project Officers to develop the project-specific Statement of Work (SOW). The SOW includes project specifications, recipient name and date, notices, funds from other sources, contract term, maintenance (as required), milestones and payment schedule, reporting requirements and schedule, requirements for on-site inspections, audits and records, and repercussions for non-performance. The Contract Assistants check to see that all information in the package is complete, including but not limited to, funding amount and sources, applicable Board Letters, a complete project application, and milestone dates. If any information or documentation is missing, the TAO Contract Assistant informs the Project Officer to update the file. All information and documentation must be in the contract file prior to contract execution.
3. The Contract Assistants prepare a contract package in OnBase, including the creation of a CAMS form with a unique submittal number, Board Letter approving the solicitation, the specific application, the Board Letter awarding the contract, work statement, deliverables, project milestones, and payment schedule. They then forward this material to the Procurement Office for contract preparation, using the appropriate CMP contract template.
4. The Procurement Office prepares the draft contract using the applicable boiler plate for each project Agreement and attaches the draft contract to CAMS. The contract is recorded in the Contracts Log, which is an Excel spreadsheet that can

be accessed by South Coast AQMD staff (read only) to check on the status of any contract. The contract is then returned to TAO for review and approval by the Project Officer, Program Supervisor, Manager, TAO ADEO and DEO. The approval process also includes the Procurement Manager and Governing Board, and the contract is reviewed and approved as to form by the District Counsel's Office.

E. Contract Execution

1. The Approved as to Form contract is sent to the applicant for electronic signature (via DocuSign). If the signed contract is not returned by thirty calendar days, the TAO contracts staff will notify the assigned Project Officer, who will contact the applicant to follow-up. If no response is received, the contract is cancelled, and another project is selected from the back-up list. Documentation of efforts to contact the applicant will be included in the project file.
2. After the signed contract is returned to the South Coast AQMD, Procurement obtains the signature of the Chairperson of the Governing Board or Executive Officer (under delegation), the contract becomes fully executed. Procurement enters the contract into the PeopleSoft financial system. This system identifies the vendor, contract amount and source of funds, and other pertinent information. The PeopleSoft system is available to Procurement, Budgets and Accounting, all of which are units of the Finance Office. A PDF copy of this information is uploaded into the CAMS form.
3. Once the contract is fully executed, the TAO Contracts Assistants or Project Officers are able to retrieve a copy of the executed contract from CAMS. DocuSign also sends a copy of the executed contract via email to the signatories of the contract.

F. Insurance Documentation

All applicants are required to carry liability and worker's compensation insurance and provide verification of that insurance to the South Coast AQMD. The applicant is required to name the South Coast AQMD as an additional insured on all liability policies and provide an insurance certificate to that effect. The applicant is instructed to include the insurance documentation when returning the signed contracts. Certificate of Liability Insurance documents are requested by the Contracts Assistant or Project Officer if they are not included with the application. A copy is placed in the project file and the insurance certificate is forwarded to Risk Management.

SECTION 14: CONTRACT AMENDMENTS, DE-OBLIGATION OF FUNDS, AND RE-OBLIGATION OF FUNDS

A. General

After a contract is fully executed, there may be a change in the scope or parameters of the project. Changes to the original contract must be made to reflect the new legal obligations of the recipient, and if necessary, to de-obligate program funds so they may be used on other Carl Moyer Projects.

B. Contract Modifications

If the technical terms of a project are modified, such as the type or model of an engine, or if project parameters are modified which affect the funding amount and/or emission reductions, or for instances where the milestone due dates require revisions, a contract amendment must be executed. A request for contract amendment is processed in the same manner as the original contract request. If the request is for additional funding and/or the project has changed substantially from its original application, Technology Committee and Governing Board approval may be necessary, and the South Coast AQMD TAO staff will reevaluate the project for eligibility that considers all currently applicable rules and regulations. If the amendment is to reduce funding, extend the contract performance time, and/or modify the make or model year of specific equipment, the EO is authorized to sign the contract. Procurement posts the signed amended contract to the PeopleSoft financial system to ensure that the contract amount is accurate when an invoice is processed for payment.

C. De-obligation of Funds

If an applicant requests to withdraw from the CMP or seeks to reduce the size of the grant award amount, South Coast AQMD must take necessary steps to legally de-obligate these funds to make them available for additional CMP projects. In some circumstances the de-obligated funds may need to be returned to ARB. De-obligations are handled through either a contract amendment, contract termination, or letter notification.

1. De-obligation through contract amendment. If the project scope is reduced, the corresponding amount of funding must be de-obligated. This is accomplished through the contract amendment process. The year of funding must be identified in the CAMS form. Once the amendment has been fully executed, Finance will formally de-obligate the funds. The Procurement section of Finance enters the de-obligation information into the PeopleSoft System and notifies the Budget section of Finance of this action. The Budget section then removes the de-obligated funds from the appropriate budget category. Once this is accomplished, the funds are available for re-obligation through the contract process.
2. De-obligation through contract termination. If a contract is terminated before any work is accomplished, funds are de-obligated through a termination letter. The recipient must initiate this process by requesting, in writing via email or letter, termination of the contract. The letter must include the date termination is requested, the reason for termination, and acknowledgement that project funding is no longer available. Once this request is received, the Project Officer will review the request with the TAO Manager. If it is agreed that termination is the best approach, the Project Officer will initiate termination via a termination letter. The letter is reviewed and approved by the TAO Manager. The TAO Contract Assistants prepare a Contract Closeout Request Form in CAMS and identify the year and source of funding for the contract. This form, accompanied by a copy of

the termination letter, is sent to Procurement. Procurement forwards the Contract Closeout Request Form information to Information Management (IM) for final closeout in PeopleSoft. (Information Management is part of the Administrative Office in the Organizational Chart. Appendix K). A copy of the closeout information is forwarded to the Budget section. The Budget section removes the de-obligated funds from the appropriate category of the budget. Once this is accomplished, the funds are available for re-obligation through the contract process.

3. De-obligation through letter notification. If the recipient completes the entire scope of work and the sum of the invoice is less than the contract value, the remaining unpaid balance may be de-obligated through a letter notification to the recipient. Moyer contracts contain the payment provision that any unexpended funding will de-obligated from the contract and returned to the South Coast AQMD. This provision requires recipient acknowledgement and consent upon execution of the contract. The Contract Assistants will prepare the notification letter, and it will be reviewed and approved by the TAO Manager. Once approved, a copy of the letter will be forwarded to the recipient with a copy forwarded to Procurement to facilitate de-obligation of the unspent funds from PeopleSoft. A copy of this letter will also be forwarded to the Budget section to remove the de-obligated funds from the appropriate category of the budget. Once this is accomplished, the funds are available for re-obligation through the contract process.

D. Re-obligation of Funds

To re-obligate funds, TAO staff selects projects from the back-up list previously approved by the Board. Re-obligation of funds can only occur after Finance has formally de-obligated the subject funding (see above). In order to meet the CMP expenditure and liquidation deadlines, TAO staff may proceed with the process of re-obligation of funds via a new project contract before an amendment to an existing project contract has been fully executed. Although Procurement may begin the contract process at this point, it will not be completed until the de-obligation process has been fully completed. Procurement staff notifies TAO staff if there is insufficient funding to proceed with a contract.

SECTION 15: CMP RECONCILIATION AND INTEREST EARNED FUNDS

A. Reconciliation of Funding

1. The Controller and the Technology Advancement Office Manager are responsible for the funding reconciliation.
2. TAO staff record the invoices processed into CARL database for accurate tracking. On a monthly basis, TAO staff downloads the incentive and payment information details from the CARL database and sends it to the Accounting staff for reconciliation. Any discrepancies are immediately discussed with the TAO Manager. In addition, a monthly encumbrance report is generated by PeopleSoft

System on a monthly basis and is available for viewing by TAO staff. Finally, Finance creates a fund condition report reflecting encumbrance status, including de-obligation and re-obligation of funds.

3. TAO staff adjusts project admin information if any items are missing from the CARL Report database.

B. Interest Earned on Carl Moyer Funds

The South Coast AQMD maintains segregated accounts for its incentive programs. Interest calculations for all fiscal programs, including the CMP, are performed by the Los Angeles County Treasury Department based on average daily balance. The South Coast AQMD receives interest reports from Los Angeles County according to specific fund accounts. Finance staff manually calculates the interest allocation for each grant. The South Coast AQMD track and report earned interest on a monthly basis. The South Coast AQMD segregates its CMP funds into separate accounts for program administration and CMP projects. The South Coast AQMD uses all interest earned in the project account to fund eligible CMP projects.

SECTION 16: PROJECT MONITORING

A. General

Pre-inspection, destruction inspection, and post-inspection are performed for each project by TAO Air Quality Inspectors. AQ Inspectors perform inspections either onsite or virtually via ZOOM. All staff performing inspections must be trained and equipped with appropriate safety gear. Each source category has a pre- and post-inspection report (Appendix E). This ensures that there is a complete and accurate record of both the existing and replacement engine/equipment that can be referenced during the invoice approval process, and during an audit. Inspection reports are prepared by AQ Inspectors through the South Coast AQMD Grant Management System (GMS) and then given to the Project Officers for review and approval. If there are discrepancies with the reports, the Project Officers will contact the recipient and request a follow-up inspection if necessary. , Digital photographs of the pre-, destruction-, and post-inspections, and other relevant documents will remain in the CMPGMS/OnBase Database.

B. Pre-Inspection of Equipment

Due to the high volume of projects in the South Coast AQMD, ARB authorized the South Coast AQMD to perform pre-inspections before contract execution, if necessary (Appendix N).

Air quality Inspectors assigned to the CMP perform project monitoring including pre-, post-, and destruction inspections of each project. These inspections are initiated by the Project Officer by entering the request in either a shared Excel Spreadsheet titled Inspection Request Log or in the Inspections module of the Grant Management System (GMS). The Inspection Request Log includes information such as the recipient's name, address, type of equipment, inspection type (pre-/post-/dest-) as

well as the priority of the inspection (such as urgent or routine). Once this information is in the log or requested in GMS, the inspectors respond to and schedule these inspections with the recipients. Documentation photos and/or videos are taken during the inspection. If the engine plates are illegible or missing, the engine will be uniquely labeled by having the engine marked with a Moyer Program number or other permanent marking such as a new engine tag. Other methods of marking the engine with a unique identifier, such as using a paint marker, may be acceptable as determined by the inspector performing the inspection. Please note the inspector must be able to verify (by the engine tag or other acceptable documentation) all of the required engine information to pass the inspection. The inspection may be conducted at the recipient's place of business, the location where the entire replacement activity takes place, digitally through Zoom or Microsoft Teams, or at the South Coast AQMD. Once the inspection has been completed, the South Coast AQMD inspector provides the Project Officer the report to review and approve. Once pre-inspection is approved the report will be filed in the invoice submission as well as digitally.

Requirements for pre-inspection of equipment are detailed in the CMP Guidelines. The forms and photos taken are identified and placed in the individual project file or stored on Carl Moyer GMS/OnBase database.

The South Coast AQMD may choose to allow public fleet applicants to provide documentation of engines and their use in lieu of a pre-inspection, with approval from TAO management.

The South Coast AQMD may enter into a Master Agreement (see Appendix F) with a vehicle or equipment dealer to pre-inspect and post-inspect both on-road and off-road projects. All other projects will be pre-inspected by South Coast AQMD inspectors. For retrofit, repower or conversion projects, verification of the correct installation of retrofit devices or engines are performed by South Coast AQMD inspectors at the time of post-inspection.

C. Post-inspection of Equipment

Post inspection occurs after each piece of equipment is repowered, retrofitted, converted or replaced and is performed by South Coast AQMD Inspectors or its designees. Upon delivery/installation of the new equipment/engine, the recipient may contact the South Coast AQMD Project Officer to schedule the post-inspection prior to invoice submittal. Otherwise, the post-inspection will be scheduled when an invoice is received. The inspection is scheduled in the same manner as the pre-inspections. The requirements for post inspection are detailed in the CMP Guidelines. The completed inspections will remain in the project file or Carl Moyer GMS until invoices have been processed. The inspection report is circulated with the invoices as documentation of the completed work. Photos are identified at the time of inspection and placed in the project file.

Per 2024 CMP Guidelines, in the case of public fleets and transit agencies, where more than 20 of the vehicles in the fleet are included in the project, the South Coast AQMD is not required to post-inspect each replacement vehicle but must inspect no less than five percent of the vehicles included in the project.

D. Electronic Monitoring Units

South Coast AQMD reserves the right to install an electronic monitoring unit (EMU) on any equipment if deemed essential to monitor the location of operations of that specific equipment. The EMU includes a geographic positioning system (GPS) unit, transponder device, and automated vehicle locator (AVL), to track activity and geographic location. CMP funding pays for the cost of purchase and installation of the EMU and any associated hardware and software. For equipment that South Coast AQMD selects to install an EMU:

1. When a piece of equipment is placed in service, the recipient is contacted to schedule the EMU installation. The installation is handled by South Coast AQMD's third-party contractor who installs the EMUs at a location agreed upon by both the recipient and the installer. The third-party contractor is responsible for purchase and installation of the EMU and any associated hardware and software, which will be reimbursed by South Coast AQMD not to exceed the EMU funding amount delineated in the contract with the installer/vendor.
2. The EMU and all associated hardware, including lockbox and antenna, shall be in operation for the project life of the contract. South Coast AQMD will collect GPS monitoring data in an electronic report format through web-based software installed by the third-party contractor.
3. As needed, TAO staff will download the EMU reports for review and compare the data to the annual reporting submitted by the recipients to ensure that the operational boundaries are consistent. If discrepancies are noted, the Project Officers will contact recipients as necessary.
4. Each report transmission shall include a minimum of:
 - a. Vehicle/engine identification
 - b. Date of download
 - c. Total accumulated miles within South Coast AQMD boundary
 - d. Total accumulated engine run hours within South Coast AQMD boundary

E. Engine Destruction Requirements

The existing (old/baseline) engine must be destroyed and rendered permanently unusable and irreparable, consistent with the requirements in the source category chapters of the CMP Guidelines and with South Coast AQMD Policies and Procedures Manual. This is accomplished by cutting a hole in the engine block with the diameter specified in the source category chapter at the narrowest point. For example, off-road engines require a diameter of three (3) inches and locomotive engines require a diameter of eighteen inches. The hole must be irregularly shaped and sever the engine shell completely. If the engine is completely cut in half or crushed, that is also proof of destruction.

The destruction of the engine must be documented by South Coast AQMD staff. Project Officers must verify either in-person or through photographic or video evidence that the destroyed engine serial number matches that documented in the pre-inspection and on the project contract. Air Quality Inspectors must verify that engines without a visible and legible serial number are uniquely identified by the correct district stamp or other permanent marking prior to engine destruction.

F. Existing Equipment Destruction Requirements

Equipment replacement requires that the existing high-emitting equipment be scrapped to permanently remove it from service. Destruction of the equipment may occur at an air district approved salvage yard or any another facility, as long as the destruction requirements have been satisfied.

1. Funding is not available for the salvage of any existing equipment.
2. The existing equipment salvage value will be negotiated between the participant, the dealership, and the salvage yard.
3. The old equipment must be destroyed within 60 days of being replaced for on-road equipment, or 90 days for off-road equipment. The old equipment needs to be destroyed or rendered inoperable by destroying the engine block as described in Section E, and by compromising the structural integrity of the equipment. This may be achieved by cutting the structural components of the equipment or another manner to be approved by South Coast AQMD.
4. Documentation of the equipment's destruction shall be provided to the South Coast AQMD within 10 days of destruction for on-road equipment, or 30 days for off-road equipment.
5. South Coast AQMD may enter into an agreement with a DMV certified dismantler. Along with the destruction of the vehicle the following conditions must be met:
 - a. The old equipment and engine must be destroyed within 60 days(on-road)/90 days (off-road) of receipt of the replacement equipment in accordance with the program guidelines, unless otherwise approved by the South Coast AQMD Project Officer.
 - b. Provide the South Coast AQMD with the following photographs:
 - I. Equipment left, right, front and back view
 - II. Equipment serial number
 - III. Engine left and right view
 - IV. Engine serial number either stamped on the block, on the tag, or in a marked in a manner deemed sufficient by South Coast AQMD inspection staff
 - V. Destroyed engine block either in-frame or out frame
 - VI. Cut structural components
 - VII. Destroyed attachments, if scrapped
 - VIII. Other views dependent on the method of equipment destruction
 - c. It is South Coast AQMD's responsibility to ensure that the salvage actually occurs and to obtain a completed certificate of equipment destruction or other similar documentation as defined in South Coast AQMD's plan.

G. Submittal of False Data and Debarment

Submittal of false data is defined as falsifying information in an application, in the application disclosure statement; or in progress/annual reports, such as falsely reporting engine/equipment usage. Submittal of false data by a recipient may subject the recipient to a number of actions by the South Coast AQMD. These actions may include, but not be limited to, immediate termination of the contract, 100 percent reimbursement of contract funding; and notification to ARB.

If South Coast AQMD suspects that false information has been provided under any circumstances, the Project Officer should immediately inform their Manager for further action. The Manager will refer non-performing recipients to the District Counsel's office. The District Council, in consultation with TAO staff and management will determine the appropriate South Coast AQMD action to be taken.

- H. Project Officers will monitor annual reports as required by each contract. If an annual report is incomplete, inaccurate or not received from the recipient on schedule, the PO will make a reasonable attempt to obtain a complete and accurate annual report. If the PO is unable to obtain the report, the PO will identify the project for audit as described in Section 15 below.**

SECTION 17: PROJECT FUNDING AND INVOICE PROCESSING

A. General

South Coast AQMD will make payment up to the award amount approved by South Coast AQMD Board to the recipient. Payments may be made directly to the dealer or distributor, or to the financing company if the project was financed. Such payment arrangements must be specified in the invoice and supported with a financing contract. For unique projects that involve multiple phases of work to complete the project, South Coast AQMD may allow partial payments for CMP contracts. Partial payment of a contract must cover the incremental cost of a new engine, vehicle, or piece of equipment that is currently operational in order for project funds for the contract to be considered fully expended as required by HSC §44287(j). An electric agricultural irrigation pump is considered operational for the purposes of this definition once it has been delivered to the project participant and has been connected to the electricity grid.

B. Receipt of Project Invoices

When invoices are received, the Project Officer or supporting Contract Assistant assembles an invoice package in OnBase as a TAO Invoice Payment Form within the Procurement section of forms. The invoice package consists of the pre-, post- and destruction-inspection reports, the invoice from the recipient to SCAQMD indicating reimbursement to either the recipient or direct payment to the dealership and/or finance company, a copy of the fully-executed contract, a copy of the purchase invoice(s) from the equipment/engine vendor and/or installation labor

providers, proof of payment (copy of cleared check, wire transfer, etc.), copies of any applicable CARB executive orders, copies of any applicable equipment/engine specification sheets, a copy of the standard warranty coverage for the equipment, and a printout from CARB's Clean Air Reporting Log (CARL).. If a project was financed, additional attachments are required including a copy of the financing agreement, a payment authorization form, additional proof of payment for any downpayments or monthly payments to date of invoice submission (bank cleared checks, wire transfer, etc.), proof that the vendor was paid in full by the finance company (copy of wire transfer, letter from vendor, etc.). If inspection discrepancies are discovered during the review process (see Section 14.C below). When creating the invoice payment form in OnBase, the Project Officer must specify the funding account to be charged for each project. The funding account is indicated in the board letter issued at the time of Governing Board approval of the project, or in the project file.

C. Review by TAO Project Officer

The Project Officer reviews all documents included in the assembled invoice package for completeness and accuracy before approval and submission for TAO Approval.

First, the Project Officer reviews the inspection forms to ensure the pre-, post- and destruction-inspections have been completed and that the reports are accurate. If the reports are missing information or are otherwise incomplete, the Project Officer reaches out to the recipient to request missing information or photos. If excessive information is missing or if the wrong equipment was inspected, the Project Officer may reject the report back to the TAO AQ Inspector for correction. During review, if discrepancies are found between the equipment/engines observed and the equipment/engines described in the contract/application, the Project Officer must update the equipment specifications in CARL. To do this, they first create a CARL Report printout for the invoiced project(s) (Old CARL Report), update the equipment end engine information, and then create a second CARL Report printout (New CARL Report). Both CARL Reports must be attached to the Invoice Payment Form in OnBase. If inspection discrepancies result in reductions to the eligible funding amount, the Project Officer must reflect the updated award amount in their annotations on the invoice to SCAQMD and also initiate a Contract Modification to reflect applicable changes. Contract modifications may be processed after invoice processing to expedite payment.

Next, the Project Officer checks the invoice to SCAQMD to ensure all required information is provided and to annotate the document with the adjusted amount to be paid. Annotations made by the Project officer should be written in red ink/font color and should include the project id/unit id, the SOW amount, the adjusted SOW amount (if the award amount was updated due to inspection discrepancies), the total project cost, the percent of total project cost eligible for funding, and finally the total adjusted amount to be paid. Only eligible expenses will be allowed. Charges for equipment and parts on engine repower projects are only eligible for payment if they

are required to ensure the effective installation and functioning of the new engine. . Project Officers should review the CMP Guidelines for details on eligible costs.

Lastly, the Project Officer verifies that proof of payment is provided, as well as any other documents required if a finance agreement is involved (see Section 14.B above). Once all the documentation is complete and correct, the Project Officer approves the invoice by signing off on the invoice payment form in OnBase.

D. TAO Approval

Once the invoice package is complete, reviewed and approved by the Project Officer, it is forwarded to the Program Supervisor for review and approval. The Program Supervisor signs the invoice, ensuring that all documentation is complete and accurate. The invoice is then sent to their Manager, ADEO and DEO for review and approval. If corrections are required, the reviewer may adjust the invoice payment form as required or reject the form back to the Project Officer for corrections. After complete TAO approval, the invoice is sent to Accounting for payment processing. Once payment is provided, required UCC filing is completed.

E. South Coast AQMD Controller's Review and Approval

Accounting reviews the contract funding amount with the invoice request amount and upon verifying funding availability, the invoice is approved, and a check is issued and sent to the recipient. South Coast AQMD considers the check issued when the check is printed. The invoice approval process takes 30-90 calendar days. In cases where the recipient has already expended the money and is requesting reimbursement, it is important that the invoice be expedited as much as possible. The Accounting Unit generates a monthly trial balance on a Generally Accepted Accounting Principles (GAAP) basis. Upon request, this trial balance, which includes the balance sheet, is issued to TAO Management. The Budget Unit distributes a monthly report on a budgetary basis indicating account commitments, expenditures to date and balances available. This budgetary report is sent to the Managers, TAO ADEO and DEO.

To aid in accounting adjustments and provide districts with more flexibility, CMP Guidelines allow milestones to be tracked cumulatively. Cumulative tracking is performed at the program level - in contrast to the individual project level. Funds received during a given fiscal year must be fully accounted for, but individual projects need not be tied to a given fiscal year for tracking on a cumulative basis.

F. Return of Funds

All contracts must be liquidated within four years from the original date of contract execution. Under no circumstances may the liquidation date be extended beyond four years from the original date of contract execution.

Any funds not liquidated by the required deadline must be returned to ARB. If this situation should occur, the Project Officer must inform their Manager immediately. Their Manager will make the final determination of the action to be taken. It is the

responsibility of TAO staff to inform Finance of the need to return funds. Finance is responsible for actual return of funds to ARB.

SECTION 18: PROJECT AUDITS

South Coast AQMD will audit 20% of active projects or 20 active projects (whichever is less) under each CMP Fiscal Year, including any audits conducted following unsatisfactory annual reporting as described in the Carl Moyer Guidelines. Projects are randomly selected from South Coast AQMD's project tracking reports. Open contracts as of June 30 of each year will be considered. The South Coast AQMD will audit at least 2 pieces of equipment for projects with 25 or less pieces of equipment, and at least 5 pieces of equipment for projects with over 25 pieces of equipment. Since Carl Moyer Projects have an implementation timeline of 18 months from the date of contract execution, the annual audits may cover multiple Carl Moyer Program Years. The annual audits will aim to focus on projects that have been implemented within the last two years to ensure there isn't any overlap with previous audit periods for the same projects.

The audit includes verification that the engines paid are still operational in the same equipment and meet the mileage, fuel usage, or hours of operation indicated on the executed contract. This is accomplished by checking the serial number of the engine; witnessing the engine operate; and checking the odometer, hour meter/usage device, fuel receipts, or EMU. The field audit is completed by the inspectors. The project officers or inspectors use the Pre- and Post-Inspection and Audit Form to verify the required information. If the information during the audit is inconsistent with the Post-Inspection, the Project Officer forwards the audit to the Managers with recommendations for corrective action.

SECTION 19: REPORTING AND WAIVER REQUEST

A. Recipient Reporting

All CMP recipients will be required to submit annual reports as specified on the Statement of Work. Annual reporting deadlines, reporting requirements and format are included in the boilerplate contract language and Statement of Work. Sample of the Annual Report Form is located in Appendix G.

Project Officers will review annual reports for completeness, accuracy, and reported usage. The Project Officer will initial and date the report after review and file the annual report in the project file. If an annual report is incomplete, inaccurate or not received from the recipient on schedule, TAO staff will make reasonable attempts to obtain a complete and accurate report from the recipient.

Recipients that have not submitted complete/required reports will not be granted funds for future CMP projects until all completed reports and supporting documents (if applicable) are submitted.

B. Nonperforming Projects

TAO staff will work with nonperforming project recipients to ensure CMP requirements are met and emission reductions are achieved. Project Officers monitor annual reports to ensure project requirements are being fulfilled. In cases where annual reports demonstrate low usage, Project Officers will contact the recipient and attempt to resolve any issues. recipients that do not submit their annual reports will be contacted through e-mail, phone, or mail. If a project's usage does not average out to at least 70 percent of the annual usage specified by the contract over a 3-year period (i.e. no more than 30 percent below the stated usage), South Coast AQMD shall take appropriate action to ensure the contracted emission reductions are realized. Options for addressing actual usage that is more than 30 percent below the contracted usage requirement may include, but are not limited to:

1. Extending the project life of the contract for additional year(s) to capture the required usage. Project Officers will calculate the hours needed to fulfill the contract usage requirement and begin the process for a contract extension.
2. Making all reasonable attempts to recapture Moyer funds in proportion to the loss in emission reductions.

In the event the recipient has not fulfilled the contract requirements and decides to return Carl Moyer funds, the following formulas will be applied:

For On-road projects:

$$\text{Recapture Amount (\$)} = \text{Funding Amount (\$)} - (\text{Elapsed Portion of Project Life (Yrs)} * \text{Funding Amount (\$)} / \text{Project Life (Yrs)})$$

For Off-road projects:

$$\text{Recapture Amount (\$)} = \text{Funding Amount (\$)} - (\text{Equipment Usage (hours)} * \text{Funding Amount (\$)} / \text{Minimum Required Usage (hours)})$$

3. Transferring ownership of the contracted equipment to another entity committed to comply with the contract terms. The Project Officer will work with the recipient and the potential new owner to complete the equipment contract transfer.
4. Recalculating a project's cost-effectiveness based on the reported decrease in usage. The Project Officer will run the recalculation to ensure the project is still below the cost-effectiveness limit. The Project Officer will monitor the project over the next year to determine if additional actions are necessary.
5. Granting a usage waiver, without penalty, to the engine owner for a defined time period, per Section 16.C below.

C. Waiver Request

The recipient must demonstrate the engine, vehicle, or equipment is not being underutilized in favor of operating other, higher-polluting equipment, and that the underutilization was due to unforeseen conditions beyond the recipient's control. Waivers may be granted under the following conditions:

1. A decrease in usage due to the economic recession.
2. Unforeseen fluctuations in water allocations
3. Significant land fallowing for off-road agricultural equipment
4. Other circumstances, as approved at the discretion of South Coast AQMD staff

To be considered for a waiver, the recipient must provide a written request to the South Coast AQMD along with documentation that substantiates the need for the waiver and verifies that higher polluting equipment is not consequently receiving more use. Acceptable documentation may include:

1. Records documenting hours/gal/or miles usage for each piece of equipment during the period for which the waiver is requested for all fleet equipment/vehicles such as fuel logs or receipts, maintenance records, rental or lease records and/or DOORS documentation.
2. Additional forms of documentation may be evaluated on a case-by-case basis and are subject to approval by ARB.

All approved waivers shall specify the length of time for which the waiver is valid. All contract reporting requirements shall remain in effect during the life of the contract. All documentation and findings will be signed by the Executive Officer or a designated representative and included in the project files. A sample waiver request forms is provided as Appendix H.

D. South Coast AQMD Reporting to ARB

By June 30 of each year, ARB will prepare and make available a certification form with instructions for completion of the Yearly Report. South Coast AQMD will complete, certify and submit the Yearly Report by August 29 of each year. The Yearly Report will include but not be limited to the following information as of June 30, which is the end of the past fiscal year:

1. The output generated by the required reports utility of CARL for the default years specified in the utility tool.
2. The contract execution and liquidation status of Moyer Program funds.
3. A funding summary by project type of non-match projects funded with AB 923 \$2 DMV fees when no SIP credit is claimed. For projects claiming SIP credit for \$2 DMV fees, South Coast AQMD will report on project details. For projects funded with AB 923 \$2 DMV fees that are *not* used as match and *not* claimed for SIP credit, South Coast AQMD will summarize in the Yearly Report the amounts of such funds expended for each of the project categories.
4. A list of projects identified as non-performing and a brief narrative of any related enforcement actions.
5. The portion of match funds to be met through in-kind contributions.

A more detailed discussion of the reports is included in the CMP Guidelines. The Manager with assistance from the Program Supervisors is responsible for generating each report.

In cases where CMP funds are returned to the South Coast AQMD due to instances including, but not limited to, recipients requesting to withdraw from the CMP or seeking to reduce the size of the grant award amount, those returned funds are to be committed to new projects along with the current year's funds in accordance with the current year's requirements. South Coast AQMD must include projects funded with the returned funds in the current year's Annual and Final Reports. For the purposes of progress tracking, such funds are considered expended.

SECTION 20: TRAINING

South Coast AQMD conducts periodic training for all staff involved in CMP administration and implementation. This training provides an update of any changes to the CMP during the previous year, including legislative changes to the statewide program, CMP Guideline changes, and new regulations affecting the CMP, a review of this P&P Manual, and specific direction regarding work statements, inspections, and invoice approval. In addition, all inspectors are provided training for safety protocols and unique considerations for inspecting equipment at construction sites, ports, and fleet operations. Inspection staff is provided with the appropriate safety equipment, including but not limited to, safety shoes, safety glasses, and hard hats.

SECTION 21: COORDINATION WITH ARB

A. General

South Coast AQMD staff shall document all correspondence with ARB's CMP staff liaison regarding ARB interpretations, clarification, or guidance on the CMP Guideline language and requirements. All such documentation shall be included in the associated CMP project files.

B. ARB Database

ARB has developed a centralized database for all CMP projects, named the Clean Air Reporting Log (CARL) as ARB's cumulative progress tracking system. Each Project Officer is responsible to log and update project information in CARL for each of their projects.

SECTION 22: STATE OVERSIGHT

In addition to South Coast AQMD's internal audit responsibilities as delineated in Section 15, ARB conducts oversight of air district programs and may perform on-site monitoring and audits. Audit of an air district's program may involve other state

agencies, such as the Department of Finance and State Bureau of Audits. Audits may be fiscal, programmatic, or both.

South Coast AQMD uses AB 923 monies as match for the CMP. As such, these projects are subject to the same auditing and oversight requirements and protocols as other CMP match projects.

South Coast AQMD will implement the CMP in accordance with the 2024 CMP Guidelines and this P&P Manual and will maintain project documentation in a manner that supports cooperation with ARB for period program reviews.

SECTION 23: REVISIONS TO THE POLICIES & PROCEDURES

These Policies & Procedures may be updated or revised by the Executive Officer or his/her representative at any time, as necessary, to reflect legislative direction, revisions to CMP Guidelines, and/or changes in South Coast AQMD policies and procedures consistent with the foregoing.

SECTION 24: VOUCHER INCENTIVE PROGRAM POLICIES AND PROCEDURES

See Appendix M for the Voucher Incentive Program Policies and Procedure Manual.

SECTION 25: COMMERCIAL LAWN & GARDEN POLICIES AND PROCEDURES

See Appendix P for the Commercial Lawn & Garden Program Policies and Procedure Manual.

SECTION 26: APPENDIX LIST

Appendix A – ARB Solicitation, Application and Grant Award
Appendix B – SOON Guidelines
Appendix C – SOON PA
Appendix D – 30 Day Letter (Generic-unfilled)
Appendix E – Pre- and Post-Inspection Forms
Appendix F – Dealership MOU
Appendix G – Annual Report Forms
Appendix H – Waiver Request
Appendix I – Salvage Yard Agreement
Appendix J – Administration Code
Appendix K – TAO Organizational Chart
Appendix L – Policy for Clean Air Incentive Contracts
Appendix M – Voucher Incentive Program Policies and Procedure Manual
Appendix N – ARB Approval to Conduct Pre-Inspections After Contract Execution
Appendix O – Remote Inspection Procedures Approved by ARB
Appendix P – Commercial Lawn & Garden Addendum