

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		2. Type of Application: If Revision, select appropriate letter(s) <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation Other (specify): <input type="checkbox"/> Revision	
3. Date Received 06/21/2013		4. Applicant Identifier:	
5a. Fed Entity Identifier:		5b. Federal Award Identifier: DE-EE0006161	
State Use Only:			
6. Date Received by State:		7. State Application Identifier:	
8. APPLICANT INFORMATION:			
a. Legal Name: State of Michigan			
b. Employer/Taxpayer Identification Number (EIN/TIN): 386000134		c. Organizational DUNS: 805340163	
d. Address:			
Street 1: P.O. Box 30037		Street 2: 235 South Grand Avenue, Suite 1503	
City: Lansing		County: INGHAM County	
State: MI		Province:	
Country: U.S.A.		Zip / Postal Code: 48933	
e. Organizational Unit:			
Department Name: Department of Human Services		Division Name: Bureau of Community Action & Economic Opportunity	
f. Name and contact information of person to be contacted on matters involving this application:			
Prefix: Ms		First Name: Amy	
Middle Name:			
Last Name: Dillon		Suffix:	
Title:			
Organizational Affiliation: MI Department of Human Services			
Telephone Number: 5172415116		Fax Number: 5173355042	
Email: Dillon1@michigan.gov			

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9. Type of Applicant:

A State Government

10. Name of Federal Agency:

U. S. Department of Energy

11. Catalog of Federal Domestic Assistance Number:

81.042

CFDA Title:

Weatherization Assistance Program

12. Funding Opportunity Number:

DE-FOA-0000835

Title:

Weatherization Assistance for Low-Income Persons

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Statewide

15. Descriptive Title of Applicant's Project:

The Weatherization Assistance Program enables low-income familie to permanently reduce their energy bills by making their homes more energy efficient.

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16. Congressional District Of:

a. Applicant: Michigan Congressional District 08

b. Program/Project: MI-Statewide

Attach an additional list of Program/Project Congressional Districts if needed:

17. Proposed Project:

a. Start Date: 07/01/2013

b. End Date: 06/30/2014

18. Estimated Funding (\$):

a. Federal	11,913,125.00
b. Applicant	0.00
c. State	0.00
d. Local	0.00
e. Other	0.00
f. Program Income	0.00
g. TOTAL	11,913,125.00

19. Is Application subject to Review By State Under Executive Order 12372 Process?:

- a. This application was made available to the State under the Executive Order 12372 Process for review on:
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372

20. Is the applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation)

No

21. By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code Title 218, Section 1001)**

I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix: Ms First Name: Maura

Middle Name:

Last Name: Corrigan

Suffix:

Title: Michigan Department of Human Services Director

Telephone Number: 5173737904

Fax Number: 5173734865

Email: DHS-grants@michigan.gov

Signature of Authorized Representative: Signed Electronically

Date Signed: 09/11/2013

**U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET**

(Grant Number: EE0006161, State: MI, Program Year: 2013)

IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Alger-Marquette Community Action Board (Marquette)	\$175,981.00 25
Allegan County Resource Development Committee Inc (Allegan)	\$171,172.00 24
Area Community Services Employment and Training Council (Grand Rapids)	\$511,114.00 76
Baraga-Houghton-Keweenaw CAA (Houghton)	\$164,231.00 23
Blue Water Community Action (Port Huron)	\$210,196.00 30
CAA of Jackson, Lenawee, Hillsdale (Jackson)	\$325,275.00 48
Capital Area Community Services Inc (Lansing)	\$482,367.00 72
Chippewa-Luce-Mackinac Community Action and (Sault Ste Marie)	\$167,103.00 23
City of Detroit (Wyandotte)	\$1,308,198.00 201
Community Action Agency of South Central Michigan (Battle Creek)	\$349,003.00 51
Dickinson-Iron Community Services Agency (Iron Mountain)	\$145,979.00 20
Downriver Community Conference (Southgate)	\$374,194.00 55
EightCAP Inc (Greenville)	\$316,999.00 46
FiveCAP Inc (Scottville)	\$207,068.00 29
Genesee County CAA (Flint)	\$459,808.00 68
Gogebic-Ontonagon CAA (Bessemer)	\$141,827.00 19
Human Development Commission (Caro)	\$280,644.00 41
Kalamazoo County Human Services Department (Nazareth)	\$286,168.00 42
Macomb County Community Services Agency (Clinton Township)	\$649,752.00 98
Menominee-Delta-Schoolcraft Community Action Agency and (Escanaba)	\$177,658.00 25
Mid Michigan CAA Inc (Farwell)	\$364,421.00 54
Monroe County Opportunity Program (Monroe)	\$175,423.00 24
Northeast Michigan Community Action Agency (Alpena)	\$320,162.00 47
Northwest Michigan Human Services Agency (Traverse City)	\$345,275.00 51

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Oakland Livingston Human Services Agency (Pontiac)	\$850,120.00 128
Ottawa County CAA (Holland)	\$231,114.00 33
Saginaw County Community Action Committee (Saginaw)	\$278,240.00 40
Southwest Michigan CAA (Benton Harbor)	\$356,257.00 52
To Be Determined (Muskegon)	\$276,178.00 40
Washtenaw County Human Services (Ypsilanti)	\$287,860.00 42
Wayne Metropolitan Community Action Agency (Wyandotte)	\$610,213.00 91
Total:	\$11,000,000.00 1,618

IV.2 WAP Production Schedule

Weatherization Plans	Units
Total Units (excluding reweatherized)	1,560
Rewatherized Units	58

Note: Planned units by quarter or category are no longer required, no information required for persons.

Average Unit Costs, Units subject to DOE Project Rules		
<i>VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)</i>		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	1,560
C	Total Units Rewatherized	58
D	Total Dwelling Units to be Weatherized and Rewatherized (B + C)	1,618
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
<i>AVERAGE COST PER DWELLING UNIT (DOE RULES)</i>		
F	Total Funds for Program Operations	\$8,781,556.35
G	Total Dwelling Units to be Weatherized and Rewatherized (from line D)	1,618
H	Average Program Operations Costs per Unit (F divided by G)	\$5,427.41
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$5,427.41

IV.3 Energy Savings

Method used to calculate savings: WAP algorithm Other (describe below)

Method used to calculate savings description:

The WAP algorithm that Michigan uses is based on the most recent metaevaluation of the national DOE Weatherization Assistance Program. The report indicates the annual energy savings for gas-heated homes nationwide is estimated to be **30.5 million site BTUs**.

The Program Year (PY) 2013 estimate of energy savings for the DOE funding is: (homes x 30.5 million site BTUs per home =) 49349 million site BTUs.

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Prior year (PY12) estimated savings for DOE base funding is: 1187 x 30.5 million site BTUs per home = 36203.5 million site BTUs
PY12 has been extended through June 2014. An actual is not available but the estimate is still the expected.

This year estimated energy savings (MBtus):
Prior year estimated energy savings (MBtus): **Actual:**

IV.4 DOE-Funded Leveraging Activities

IV.5 Policy Advisory Council Members

Check if an existing state council or commission serves in this category and add name below

American Council for an Energy Efficient Economy	Type of organization: Non-profit (not a financial institution) Contact Name: Dr. Martin Kushler Phone: (517)655-7037 Email: mgkushler@aol.com
Community Action Agency of South Central Michigan	Type of organization: Local agency Contact Name: Ms. Nancy McFarlane Phone: (269)965-7766 Email:
Consumers Energy	Type of organization: Utility Contact Name: Ms. Teri L. VanSumeren Phone: (517)788-2067 Email: tlvansumeren@cmsenergy.com
DTE Energy	Type of organization: Utility Contact Name: Mr. Winston Feeheley Phone: (517)371-2350 Email: feeheleyw@dteenergy.com
Macomb County Community Services Agency	Type of organization: Unit of Local Government Contact Name: Mr. Steve Schuster Phone: (586)469-6329 Email: steve.schuster@macombcountymi.gov
Menominee-Delta-Schoolcraft Community Action Agency and Human Resource Authority	Type of organization: Local agency Contact Name: Mr. Joe Dehlin Phone: 9067867080 Email: jedhlin@mdscaa.org
Michigan Community Action Agency Association Weatherization Committee	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Kate White Phone: 5173217500 Email: kwhite@mcaaaa.org
Northeast Michigan Community Service Agency	Type of organization: Local agency Contact Name: Mr John Swise Phone: (989)356-3474 Email:
Oakland Livingston Human Services Agency	Type of organization: Local agency Contact Name: Ms. Joan Leshley Phone: (248)209-2760 Email: JoanL@olhsa.org
Southwest Michigan CAA	Type of organization: Local agency Contact Name: Mr. Art Fenrick Phone: 2699259077 Email: afenrick@smcaa.com

IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)

Date Held	Newspapers that publicized the hearings and the dates the notice ran
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05/21/2013	Oakland Press - 5/9/2013 Muskegon Chronicle - 5/9/2013 Marquette Mining Journal - 5/9/2013
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IV.7 Miscellaneous

City of Detroit

Program services to City of Detroit will continue to be delivered on an interim basis through PY13, by the Wayne Metropolitan Community Action Agency. During PY13, the state of Michigan will post an ITB for a permanent entity to be selected to provide services to the City of Detroit.

The state will follow all requirements, policies, and procedures to select a replacement for service areas identified as TBD.

Policy Advisory Council:

The Policy Advisory Council met at 3:00 p.m. on 5/21/13 to discuss the State Plan. The PAC meets quarterly with subcommittees established to do specific tasks and report back to the PAC with recommendations. The standing committees of the PAC are the Policy Committee, the Training Committee (formerly WxTRAC) and the Evaluation Committee.

Procurement

A new procurement policy for subgrantee's recruitment of contractors has been implemented for PY13, Community Services Policy Manual Item 409. http://www.michigan.gov/documents/dhs/CSPM_400_Series_215114_7.pdf?20130911083544

PURPOSE

10CFR600.143 and 144 states: *"All procurement transactions shall be conducted in a manner to provide, to the maximum extent practical, open and free competition."* *"All recipients shall establish written procurement procedures."*

This item provides the procedures for weatherization contractors to apply and qualify to provide services for the Weatherization Assistance Program. This item and associated attachments further describe the specification for weatherization work, and the bidding and award procedures for procuring contractor services.

POLICY

If a Grantee desires to use contractors to install measures under the Weatherization Assistance Program (WAP), the Grantee is required to complete a solicitation process for procuring contractors at least every two years and may include an option to extend for a third year. The Grantee must submit a copy of the contractor Request For Proposal (RFP) and selection process documents to the BCAEO for review and approval prior to soliciting contractors. The process must include the items outlined as follows.

RFPs must be developed and adequately publicized to enable the selection of a pool of eligible contractors. Contractors will be determined eligible to bid on single-family and/or multi-family weatherization jobs. A list of the eligible contractors will be maintained by the Grantee and referred to as the "Roster." Contractors who are on the Roster are eligible to bid on weatherization jobs for the Michigan WAP.

Contractor Application and Qualification Procedures

This section provides an overview and guidance for the development of the contractor application and qualification assessment process used to determine the roster of qualified contractors. The solicitation should include at a minimum the following information:

- WAP requirements- The RFP must indicate that selected contractors will be placed on a Roster as eligible to bid on WAP jobs/job bundles. It must reference mandatory compliance with TWP, CSPM, DOE regulations/program notices and any other applicable rules/regulations.
- Job completion schedules for bundled jobs
- Non-price criteria the Grantee will use in consideration in job award process
- Clear and accurate description of the technical requirements for material, product or service to be rendered
- Minimum qualifications (e.g., Michigan certified inspector for auditor contractors)
- Licensing requirements

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- Certification Requirements
- Insurances
- Criminal background check
- Reporting requirements
- Scope of work
- Tracking process to evaluate contractor performance
- Selection criteria
- Material price list
- Labor price list
- Required equipment
- Training requirements
- Planned liquidated damages schedule for failed inspections, late job completions
- The number of contractors the Grantee anticipates selecting
- Appeal or protest procedures
- Appeal committee composition (if applicable)

The application should include at a minimum the following items to be completed by the bidding contractor(s):

- Contractor name and contractor company
- Contractor WAP experience and references
- Contractor capacity
- Contractor experience working with Grantee

The RFP may also include:

- A period of time for bidders to submit questions
- A process to respond to all bidders with Q & A feedback.

Selection Criteria

The selection criteria must clearly identify all required elements that **MUST** be met in order for a bidder to qualify as a contractor to be included on the Roster. The selection criteria may include the following:

- Licenses/Certification
- Experience in the program
- Experience with the Grantee
- Experience working in the service area
- Insurances
- Equipment
- Training
- Capacity

NOTE: The selection criteria **MUST** include points for woman and minority-based businesses.

Restrictions

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The Grantee cannot make it a requirement to attend a pre-bid conference. The Grantee may instead, make an orientation session meeting attendance mandatory for all selected contractors.

Contractor location CANNOT be used as selection criteria. Points cannot be awarded because a contractor is located in a city within the Grantee service area. However, points can be awarded for previous program experience in the area(s).

BCAEO Review & Approval

All RFPs must be submitted to BCAEO for review and approval prior to proceeding with the solicitation process. Email the RFP packets to the DHS-BCAEO mailbox (DHS-BCAEO@michigan.gov). Due dates will be included with annual plan instructions.

The submission must include the following elements:

- RFP
- Price list (including language regarding items that are not included)
- Contractor Selection Criteria and possible points
- If bundling, must include production deadlines for bundled jobs of 2-5 units
- Appeals Process
- Summary of solicitation procedure
- Contract sample

Solicitation Procedure

All RFPs must be adequately publicized. Selection of advertising methods determines the success of receiving responses from qualified vendors. Advertising helps determine the free and open competitive nature of the solicitation. Sufficient publication efforts include newspaper ads, online website postings, Public Service Announcement, etc.

RFP Price Lists

Materials shall be installed in accordance with the specifications and policies outlined in the Technical Weatherization Policy (TWP). Bidding contractors must be able to provide all measures - labor and materials - specified in the Weatherization Measure Unit Price list in accordance with all applicable federal, state, county and local standards and specifications. All prices are for weatherization measures installed according to industry and program standards and include labor, material, permits, job site cleanup, overhead and all other costs. Prices should reflect all costs associated with the contractor's delivery, installation, and administration of the weatherization program. All materials used in the weatherization program must meet the specifications of the various funding authorities. All prices for cellulose insulation materials shall meet federal recycled materials specifications. Contractors must indicate a price for each item on the list. If any required items are left blank, the proposal will be considered incomplete and the proposal may be rejected.

The prices submitted should be set at a rate which allows the contractor to install all measures to meet Federal, State, County and local standards and specifications regardless of the techniques or methods used. A warranty must be provided on materials and labor for a period of eighteen (18) months from the date of the Grantee's acceptance of the work (the work has passed inspection).

See the required Unit Price List elements in the NEAT and MHEA Setup Library Measures sections that follow.

Special Provisions

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RFP price list language should include provisions for material/labor costs not included on the RFP price list. For example:

“Other materials may be substituted on a case by case basis with the Grantee’s prior approval.”

“All weatherization measures not specified on the price list will be negotiated with the contractor on a job by job basis (e.g., time and materials) or prices will be requested through a supplemental bid. The Grantee reserves the right to delete any such measure if the price is deemed to be inappropriate.”

Contractor Selection Process

The Grantee will convene a selection committee to review all RFPs for completeness and to rate each for the various selection criteria. The committee will determine the contractors deemed eligible for the Roster.

Notification to Contractor

When the evaluation process is complete, the Grantee will inform the contractor(s) of the qualification decision. The Grantee will notify the selected contractors of the placement on the Roster. The Grantee will notify the contractors not selected and explain why they were not selected. These notifications will be done in writing.

Unit Price Lists – NEAT/MHEA Audit Libraries

Upon the establishment of the Roster, the Grantee will establish audits with specific price lists for each selected contractor. Each job is a scope of work comprised of measures and quantities specified by an audit for the specific unit. Bids are derived by applying the individual contractors’ price lists to the given job’s scope of work. The Grantee will determine the contractor awards after running the appropriate audit using the contractor price lists. The contractor will be awarded based on the most cost effective unit or bundle. Required unit price list elements are listed below. If a measure(s) is not used by the Grantee, Not Applicable (NA) may be inserted in the listing.

NEAT Setup Library Measures:

1 Attic Insulation -Blown Cellulose - R-11 Insulation SqFt \$0.00

2 Attic Insulation -Blown Cellulose - R-11 Labor SqFt \$0.00

3 Attic Insulation -Blown Cellulose - R-11 Other Each Attic \$0.00

1 Attic Insulation -Blown Fiberglass - R-11 Insulation SqFt \$0.00

2 Attic Insulation -Blown Fiberglass - R-11 Labor SqFt \$0.00

3 Attic Insulation -Blown Fiberglass - R-11 Other Each Attic \$0.00

1 Attic Insulation -Fiberglass batts - R-11 Insulation SqFt \$0.00

2 Attic Insulation -Fiberglass batts - R-11 Labor SqFt \$0.00

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3 Attic Insulation -Fiberglass batts - R-11 Other Each Attic \$0.00

1 Attic Insulation -Blown Cellulose - R-19 Insulation SqFt \$0.00

2 Attic Insulation -Blown Cellulose - R-19 Labor SqFt \$0.00

3 Attic Insulation -Blown Cellulose - R-19 Other Each Attic \$0.00

1 Attic Insulation -Blown Fiberglass - R-19 Insulation SqFt \$0.00

2 Attic Insulation -Blown Fiberglass - R-19 Labor SqFt \$0.00

3 Attic Insulation -Blown Fiberglass - R-19 Other Each Attic \$0.00

1 Attic Insulation -Fiberglass batts - R-19 Insulation SqFt \$0.00

2 Attic Insulation -Fiberglass batts - R-19 Labor SqFt \$0.00

3 Attic Insulation -Fiberglass batts - R-19 Other Each Attic \$0.00

1 Attic Insulation -Blown Cellulose - R-30 Insulation SqFt \$0.00

2 Attic Insulation -Blown Cellulose - R-30 Labor SqFt \$0.00

3 Attic Insulation -Blown Cellulose - R-30 Other Each Attic \$0.00

1 Attic Insulation -Blown Fiberglass - R-30 Insulation SqFt \$0.00

2 Attic Insulation -Blown Fiberglass - R-30 Labor SqFt \$0.00

3 Attic Insulation -Blown Fiberglass - R-30 Other Each Attic \$0.00

1 Attic Insulation -Fiberglass batts - R-30 Insulation SqFt \$0.00

2 Attic Insulation -Fiberglass batts - R-30 Labor SqFt \$0.00

3 Attic Insulation -Fiberglass batts - R-30 Other Each Attic \$0.00

1 Attic Insulation -Blown Cellulose - R-38 Insulation SqFt \$0.00

2 Attic Insulation -Blown Cellulose - R-38 Labor SqFt \$0.00

3 Attic Insulation -Blown Cellulose - R-38 Other Each Attic \$0.00

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1 Attic Insulation -Blown Fiberglass - R-38 Insulation SqFt \$0.00

2 Attic Insulation -Blown Fiberglass - R-38 Labor SqFt \$0.00

3 Attic Insulation -Blown Fiberglass - R-38 Other Each Attic \$0.00

1 Attic Insulation -Fiberglass batts - R-38 Insulation SqFt \$0.00

2 Attic Insulation -Fiberglass batts - R-38 Labor SqFt \$0.00

3 Attic Insulation -Fiberglass batts - R-38 Other Each Attic \$0.00

1 Attic Insulation -Blown Cellulose - R-49 Insulation SqFt \$0.00

2 Attic Insulation -Blown Cellulose - R-49 Labor SqFt \$0.00

3 Attic Insulation -Blown Cellulose - R-49 Other Each Attic \$0.00

1 Attic Insulation -Blown Fiberglass - R-49 Insulation SqFt \$0.00

2 Attic Insulation -Blown Fiberglass - R-49 Labor SqFt \$0.00

3 Attic Insulation -Blown Fiberglass - R-49 Other Each Attic \$0.00

1 Sill Insulation -Fiberglass Batts - R-19 Insulation SqFt \$0.00

2 Sill Insulation -Fiberglass Batts - R-19 Labor SqFt \$0.00

3 Sill Insulation -Fiberglass Batts - R-19 Other Each Floo \$0.00

1 Sill Insulation -1" Spray foam + R13 F/G -R-20 Insulation SqFt \$0.00

2 Sill Insulation -1" Spray foam + R13 F/G - R-20 Labor SqFt \$0.00

3 Sill Insulation -1" Spray foam + R13 F/G - R-20 Other Each Floo \$0.00

1 Foundation Wall Insulation -Rigid Foam Board - R-12 Insulation SqFt \$0.00

2 Foundation Wall Insulation -Rigid Foam Board - R-12 Labor SqFt \$0.00

3 Foundation Wall Insulation -Rigid Foam Board - R-12 Other Each Floor \$0.00

1 Foundation Wall Insulation -R13 Fiberglass batts Perimeter - R-13 Insulation SqFt \$0.00 includes visqueen

2 Foundation Wall Insulation -R13 Fiberglass batts Perimeter - R-13 Labor SqFt \$0.00

3 Foundation Wall Insulation -R13 Fiberglass batts Perimeter - R-13 Other Each Floor \$0.00

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1 Foundation Wall Insulation -R19 Fiberglass batts Perimeter - R-19 Insulation SqFt \$0.00 includes visqueen

2 Foundation Wall Insulation -R19 Fiberglass batts Perimeter - R-19 Labor SqFt \$0.00

3 Foundation Wall Insulation -R19 Fiberglass batts Perimeter - R-19 Other Each Floor \$0.00

1 Floor Insulation -Fiberglass Batts - R-11 Insulation SqFt \$0.00

2 Floor Insulation -Fiberglass Batts - R-11 Labor SqFt \$0.00

3 Floor Insulation -Fiberglass Batts - R-11 Other Each Floor \$0.00

1 Floor Insulation -Spray Foam - R-11 Insulation SqFt \$0.00

2 Floor Insulation -Spray Foam - R-11 Labor SqFt \$0.00

3 Floor Insulation -Spray Foam - R-11 Other Each Floor \$0.00

1 Floor Insulation -Blown Cellulose - R-11 Insulation SqFt \$0.00

2 Floor Insulation -Blown Cellulose - R-11 Labor SqFt \$0.00

3 Floor Insulation -Blown Cellulose - R-11 Other Each Floor \$0.00

1 Floor Insulation -Blown Fiberglass - R-11 Insulation SqFt \$0.00

2 Floor Insulation -Blown Fiberglass - R-11 Labor SqFt \$0.00

3 Floor Insulation -Blown Fiberglass - R-11 Other Each Floor \$0.00

1 Floor Insulation -Fiberglass Batts - R-19 Insulation SqFt \$0.00

2 Floor Insulation -Fiberglass Batts - R-19 Labor SqFt \$0.00

3 Floor Insulation -Fiberglass Batts - R-19 Other Each Floor \$0.00

1 Floor Insulation -Spray Foam - R-19 Insulation SqFt \$0.00

2 Floor Insulation -Spray Foam - R-19 Labor SqFt \$0.00

3 Floor Insulation -Spray Foam - R-19 Other Each Floor \$0.00

1 Floor Insulation -Blown Cellulose - R-19 Insulation SqFt \$0.00

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2 Floor Insulation -Blown Cellulose - R-19 Labor SqFt \$0.00
3 Floor Insulation -Blown Cellulose - R-19 Other Each Floor \$0.00

1 Floor Insulation -Blown Fiberglass - R-19 Insulation SqFt \$0.00
2 Floor Insulation -Blown Fiberglass - R-19 Labor SqFt \$0.00
3 Floor Insulation -Blown Fiberglass - R-19 Other Each Floor \$0.00

1 Floor Insulation -Fiberglass Batts - R-30 Insulation SqFt \$0.00
2 Floor Insulation -Fiberglass Batts - R-30 Labor SqFt \$0.00
3 Floor Insulation -Fiberglass Batts - R-30 Other Each Floor \$0.00

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2 Floor Insulation -Spray Foam - R-30 Labor SqFt \$0.00
3 Floor Insulation -Spray Foam - R-30 Other Each Floor \$0.00

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2 Floor Insulation -Blown Fiberglass - R-30 Labor SqFt \$0.00
3 Floor Insulation -Blown Fiberglass - R-30 Other Each Floor \$0.00

1 Floor Insulation -Fiberglass Batts - R-38 Insulation SqFt \$0.00
2 Floor Insulation -Fiberglass Batts - R-38 Labor SqFt \$0.00
3 Floor Insulation -Fiberglass Batts - R-38 Other Each Floor \$0.00

1 Floor Insulation -Spray Foam - R-38 Insulation SqFt \$0.00
2 Floor Insulation -Spray Foam - R-38 Labor SqFt \$0.00
3 Floor Insulation -Spray Foam - R-38 Other Each Floor \$0.00

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1 Floor Insulation -Blown Cellulose - R-38 Insulation SqFt \$0.00

2 Floor Insulation -Blown Cellulose - R-38 Labor SqFt \$0.00

3 Floor Insulation -Blown Cellulose - R-38 Other Each Floor \$0.00

1 Floor Insulation -Blown Fiberglass - R-38 Insulation SqFt \$0.00

2 Floor Insulation -Blown Fiberglass - R-38 Labor SqFt \$0.00

3 Floor Insulation -Blown Fiberglass - R-38 Other Each Floor \$0.00

1 Wall Insulation -Blown Cellulose - 2x4 Filled Insulation SqFt \$0.00

2 Wall Insulation -Blown Cellulose - 2x4 Filled Labor SqFt \$0.00

3 Wall Insulation -Blown Cellulose - 2x4 Filled Other Each Wall \$0.00

1 Wall Insulation -Blown Fiberglass - 2x4 Filled Insulation SqFt \$0.00

2 Wall Insulation -Blown Fiberglass - 2x4 Filled Labor SqFt \$0.00

3 Wall Insulation -Blown Fiberglass - 2x4 Filled Other Each Wall \$0.00

1 Wall Insulation -Injection Foam - 2x4 Filled Insulation SqFt \$0.00

2 Wall Insulation -Injection Foam - 2x4 Filled Labor SqFt \$0.00

3 Wall Insulation -Injection Foam - 2x4 Filled Other Each Wall \$0.00

1 Wall Insulation -Fiberglass Batts - 2x4 Filled Insulation SqFt \$0.00

2 Wall Insulation -Fiberglass Batts - 2x4 Filled Labor SqFt \$0.00

3 Wall Insulation -Fiberglass Batts - 2x4 Filled Other Each Wall \$0.00

1 Wall Insulation -Core Fill - R-11.27 Insulation SqFt \$0.00

2 Wall Insulation -Core Fill - R-11.27 Labor SqFt \$0.00

3 Wall Insulation -Core Fill - R-11.27 Other Each Wall \$0.00

1 Wall Insulation -Spray Foam - 3" - 2x4 Filled Insulation SqFt \$0.00

2 Wall Insulation -Spray Foam - 3" - 2x4 Filled Labor SqFt \$0.00

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3 Wall Insulation -Spray Foam - 3" - 2x4 Filled Other Each Wall \$0.00

1 Kneewall Insulation -Fiberglass Batts - R-13 Insulation SqFt \$0.00

2 Kneewall Insulation -Fiberglass Batts - R-13 Labor SqFt \$0.00

3 Kneewall Insulation -Fiberglass Batts - R-13 Other Each Wall \$0.00

1 Kneewall Insulation -Fiberglass Batts - R-19 Insulation SqFt \$0.00

2 Kneewall Insulation -Fiberglass Batts - R-19 Labor SqFt \$0.00

3 Kneewall Insulation -Fiberglass Batts - R-19 Other Each Wall \$0.00

1 Kneewall Insulation -Spray Foam - R-14 Insulation SqFt \$0.00

2 Kneewall Insulation -Spray Foam - R-14 Labor SqFt \$0.00

3 Kneewall Insulation -Spray Foam - R-14 Other Each Wall \$0.00

1 Duct Insulation Insulation SqFt \$0.00

2 Duct Insulation Labor SqFt \$0.00

3 Duct Insulation Other Each \$0.00

1 Window Sealing Windows Each Win \$0.00

2 Window Sealing Labor Each Win \$0.00

3 Window Sealing Other Each Win \$0.00

1 Storm Window Windows SqFt \$0.00

2 Storm Window Labor SqFt \$0.00

3 Storm Window Other Each Win \$0.00

1 Window Replacement Windows SqFt \$0.00

2 Window Replacement Labor SqFt \$0.00

3 Window Replacement Other Each Win \$0.00

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1 Low E Window Windows SqFt \$0.00

2 Low E Window Labor SqFt \$0.00

3 Low E Window Other Each Win \$0.00

1 Furnace Tuneup Heating Equipment Each \$0.00

2 Furnace Tuneup Labor Each \$0.00

3 Furnace Tuneup Other Each \$0.00

1 Smart Thermostat Heating Equipment Each \$0.00

2 Smart Thermostat Labor Each \$0.00

3 Smart Thermostat Other Each \$0.00

1 Compact Fl. -5 Watt Lighting Each Lamp \$0.00

2 Compact Fl. -5 Watt Labor Each Lamp \$0.00

3 Compact Fl. -5 Watt Other Each Lamp \$0.00

1 Compact Fl. -7 Watt Lighting Each Lamp \$0.00

2 Compact Fl. -7 Watt Labor Each Lamp \$0.00

3 Compact Fl. -7 Watt Other Each Lamp \$0.00

1 Compact Fl. -9 Watt Lighting Each Lamp \$0.00

2 Compact Fl. -9 Watt Labor Each Lamp \$0.00

3 Compact Fl. -9 Watt Other Each Lamp \$0.00

1 Compact Fl. -13 Watt Lighting Each Lamp \$0.00

2 Compact Fl. -13 Watt Labor Each Lamp \$0.00

3 Compact Fl. -13 Watt Other Each Lamp \$0.00

1 Compact Fl. -18 Watt Lighting Each Lamp \$0.00

2 Compact Fl. -18 Watt Labor Each Lamp \$0.00

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- 3 Compact Fl. -18 Watt Other Each Lamp \$0.00

- 1 Compact Fl. -25 Watt Lighting Each Lamp \$0.00
- 2 Compact Fl. -25 Watt Labor Each Lamp \$0.00
- 3 Compact Fl. -25 Watt Other Each Lamp \$0.00

- 1 Compact Fl. -26 Watt Lighting Each Lamp \$0.00
- 2 Compact Fl. -26 Watt Labor Each Lamp \$0.00
- 3 Compact Fl. -26 Watt Other Each Lamp \$0.00

- 1 Compact Fl. -38 Watt Lighting Each Lamp \$0.00
- 2 Compact Fl. -38 Watt Labor Each Lamp \$0.00
- 3 Compact Fl. -38 Watt Other Each Lamp \$0.00

- 1 Compact Fl. -11 Watt Flood Lighting Each Lamp \$0.00
- 2 Compact Fl. -11 Watt Flood Labor Each Lamp \$0.00
- 3 Compact Fl. -11 Watt Flood Other Each Lamp \$0.00

- 1 Compact Fl. -15 Watt Flood Lighting Each Lamp \$0.00
- 2 Compact Fl. -15 Watt Flood Labor Each Lamp \$0.00
- 3 Compact Fl. -15 Watt Flood Other Each Lamp \$0.00

- 1 Compact Fl. -18 Watt Flood Lighting Each Lamp \$0.00
- 2 Compact Fl. -18 Watt Flood Labor Each Lamp \$0.00
- 3 Compact Fl. -18 Watt Flood Other Each Lamp \$0.00

- MHEA Setup Library Measures:**

- 1 Duct sealing (setup cost) Insulation Each \$0.00

- 1 Wall Insulation -Faced Batt - R-13 Insulation SqFt \$0.00

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2 Wall Insulation -Faced Batt - R-13 Labor SqFt \$0.00

3 Wall Insulation -Faced Batt - R-13 Other Each \$0.00

1 Wall Insulation -Celluls,Blwn Insulation Bag \$0.00

2 Wall Insulation -Celluls,Blwn Labor Bag \$0.00

3 Wall Insulation -Celluls,Blwn Other Each \$0.00

1 Wall Insulation -Fbergls,Blwn Insulation Bag \$0.00

2 Wall Insulation -Fbergls,Blwn Labor Bag \$0.00

3 Wall Insulation -Fbergls,Blwn Other Each \$0.00

1 Floor Insulation -Celluls,Blwn Insulation Bag \$0.00

2 Floor Insulation -Celluls,Blwn Labor Bag \$0.00

3 Floor Insulation -Celluls,Blwn Other Each \$0.00

1 Floor Insulation -Fbergls,Blwn Insulation Bag \$0.00

2 Floor Insulation -Fbergls,Blwn Labor Bag \$0.00

3 Floor Insulation -Fbergls,Blwn Other Each \$0.0

1 Roof Insulation -Celluls,Blwn Insulation Bag \$0.00

2 Roof Insulation -Celluls,Blwn Labor Bag \$0.00

3 Roof Insulation -Celluls,Blwn Other Each \$0.00

1 Roof Insulation -Fbergls,Blwn Insulation Bag \$0.00

2 Roof Insulation -Fbergls,Blwn Labor Bag \$0.00

3 Roof Insulation -Fbergls,Blwn Other Each \$0.00

1 Replacement doors Doors Each \$0.00

2 Replacement doors Labor Each \$0.00

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- 3 Replacement doors Other Each \$0.00

- 1 Storm doors Doors Each \$0.00 combo
- 2 Storm doors Labor Each \$0.00
- 3 Storm doors Other Each \$0.00

- 1 Window Sealing Windows Each Win \$0.00
- 2 Window Sealing Labor Each Win \$0.00
- 3 Window Sealing Other Each Win \$0.00

- 1 Replacement windows Windows United Inc \$0.00
- 2 Replacement windows Labor United Inc \$0.00
- 3 Replacement windows Other Each \$0.00

- 1 Plastic storm windows Windows SqFt \$0.00
- 2 Plastic storm windows Labor SqFt \$0.00
- 3 Plastic storm windows Other Each \$0.00

- 1 Glass storm windows Windows SqFt \$0.00
- 2 Glass storm windows Labor SqFt \$0.00
- 3 Glass storm windows Other Each \$0.00

- 1 Setback thermostat Heating Equipment Each \$0.00
- 2 Setback thermostat Labor Each \$0.00
- 3 Setback thermostat Other Each \$0.00

- 1 Heating system tune up Heating Equipment Each \$0.00
- 2 Heating system tune up Labor Each \$0.00
- 3 Heating system tune up Other Each \$0.00

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1 Compact Fl. -5 Watt Lighting Each \$0.00

2 Compact Fl. -5 Watt Labor Each \$0.00

3 Compact Fl. -5 Watt Other Each \$0.00

1 Compact Fl. -7 Watt Lighting Each \$0.00

2 Compact Fl. -7 Watt Labor Each \$0.00

3 Compact Fl. -7 Watt Other Each \$0.00

1 Compact Fl. -9 Watt Lighting Each \$0.00

2 Compact Fl. -9 Watt Labor Each \$0.00

3 Compact Fl. -9 Watt Other Each \$0.00

1 Compact Fl. -13 Watt Lighting Each \$0.00

2 Compact Fl. -13 Watt Labor Each \$0.00

3 Compact Fl. -13 Watt Other Each \$0.00

1 Compact Fl. -18 Watt Lighting Each \$0.00

2 Compact Fl. -18 Watt Labor Each \$0.00

3 Compact Fl. -18 Watt Other Each \$0.00

1 Compact Fl. -25 Watt Lighting Each \$0.00

2 Compact Fl. -25 Watt Labor Each \$0.00

3 Compact Fl. -25 Watt Other Each \$0.00

1 Compact Fl. -26 Watt Lighting Each \$0.00

2 Compact Fl. -26 Watt Labor Each \$0.00

3 Compact Fl. -26 Watt Other Each \$0.00

1 Compact Fl. -38 Watt Lighting Each \$0.00

2 Compact Fl. -38 Watt Labor Each \$0.00

3 Compact Fl. -38 Watt Other Each \$0.00

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1 Compact Fl. -11 Watt Flood Lighting Each \$0.00

2 Compact Fl. -11 Watt Flood Labor Each \$0.00

3 Compact Fl. -11 Watt Flood Other Each \$0.00

1 Compact Fl. -15 Watt Flood Lighting Each \$0.00

2 Compact Fl. -15 Watt Flood Labor Each \$0.00

3 Compact Fl. -15 Watt Flood Other Each \$0.00

1 Compact Fl. -18 Watt Flood Lighting Each \$0.00

2 Compact Fl. -18 Watt Flood Labor Each \$0.00

3 Compact Fl. -18 Watt Flood Other Each \$0.00

Health and Safety Measures

1 Smoke Detector Each \$0.00

2 Smoke Detector Labor Each \$0.00

3 Smoke Detector Other Each \$0.00

1 Dryer Hood Each \$0.00

2 Dryer Hood Labor Each \$0.00

3 Dryer Hood Other Each \$0.00

1 Dryer Flex Duct Each \$0.00

2 Dryer Flex Duct Labor Each \$0.00

3 Dryer Flex Duct Other Each \$0.00

1 Dryer Rigid Duct Each \$0.00

2 Dryer Rigid Duct Labor Each \$0.00

3 Dryer Rigid Duct Other Each \$0.00

1 CO Monitor/Detector Each \$0.00

2 CO Monitor/Detector Labor Each \$0.00

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3 CO Monitor/Detector Other Each \$0.00

Hourly Labor Rate: \$0.00

Job Awards

All work is bid, awarded, and contracted on a per-job basis or by bid bundle. Each job consists of measures identified by a certified auditor through a complete State of Michigan (SOM) approved weatherization audit. Bids are based on unit price lists provided to the Grantee by each contractor. The contractor submits an initial price list when applying for the Roster. Thereafter, the contractor may adjust its price list by the process outlined herein.

Bid Bundles

Jobs may be bundled in up to five jobs per bundle. Grantees will award each bundle of jobs to an eligible contractor based on the total estimated job cost for the bundle using the most recent contractor price lists on file. Bundle sizes may change based on production demand and timelines.

Bid Awards

Bids are compared by price. Generally, the job/bundle will go to the lowest bidder. However, the Grantee may apply other, non-price eligibility criteria specified herein to determine whether the lowest bidder is eligible to receive that job/bundle at that time. If not, the eligibility criteria are applied to the next-lowest bidder, and so on until all eligibility criteria are met. The lowest priced, eligible bidder is awarded the job/bundle.

Non-price criteria for consideration in job award process may include any or all of the following:

- Work Capacity

The contractor must be able to complete the work within the time specified. For single unit jobs, the contractor will have 45 calendar days from the time of the preliminary award notice to complete the work so that it is ready for final inspection and approval by the Grantee.

If the Grantee chooses to implement bundling in the job award process, the expected timeframes for contractor work completion must be stated in the RFP submitted to DHS for review and approval.

If the lowest bidder already has five (5) or more jobs currently in progress, the Grantee may award the job to the next lowest bidder.

Note: There may be extenuating circumstances that result in job completion delay. The Grantee must develop and distribute the Grantee policy and procedure to address these situations.

- Financial Capacity

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The Grantee monitors the dollar amount of work outstanding at any given time with each Contractor. The Grantee will not issue a contractor additional work beyond its financial capacity, until some work currently outstanding is completed, inspected and paid.

If the lowest bidder has \$50,000 or more work outstanding at the time of the bid, the Grantee may award the job to the next lowest bidder.

- Inspection Passage Rate

The Grantee tracks each contractor's rate of passing final inspections of jobs completed over the preceding 3-month period.

If the lowest bidder has an inspection rate passage below 90% for jobs completed over the preceding 3-month period, the Grantee may award the job to the next lowest bidder.

- Job Completion Timeliness

The Grantee tracks each contractor's record of completing jobs over the preceding 3 months within the timeline specified at the time of the award.

If the contractor has not completed at least 90% of jobs awarded within the previous 3 months within the timeline specified, the Grantee may award the job to the next lowest bidder.

- Refusal of Work

When a contractor is preliminarily awarded a job, he/she has the right to refuse the work. However, the Grantee assumes that the reason for refusal is that the contractor does not have the capacity to complete the work within the required timeframe.

If a contractor refuses one job, the Grantee may assume that the contractor does not have the capacity and may choose not to offer the next job to that contractor.

Work Order Queue (FACSPRO)

Jobs moved into the work order queue are expected to be assigned and moved to the Job Assigned queue within 45 days of the date of the audit. If jobs cannot be assigned within that timeframe, they must be closed out and the Grantee must include "Exceeded 45 days" in the notes.

Procurement Process

The following is a step-by-step process to use to procure contracted work.

1. SOM certified QC auditor/inspector completes the audit and derives the scope of work for a job. Scope of work is reviewed/approved by agency staff and is entered into the FACSPRO database- Wx Module- work order queue.
2. Bid process is run in WA 8 database, using current unit prices of each contractor for the quantities of work in the project scope. The Grantee will also apply the non-price eligibility criteria described above. The total, cumulative costs of all audits, the selected contractor and the reason the job/bundle was awarded to chosen contractor shall be entered into the "Comment" section of the Audit Information page of WA8.
3. The selected contractor is notified through the preliminary award notice, which specifies the job location, scope of work, contract award price and deadline for each unit/bundle.
4. Contractor who receives the preliminary award notice contacts the Grantee within three (3) business days of receipt of the preliminary award notice, to confirm its acceptance of the job or to refuse the job. This is accomplished by signing and returning the preliminary award notice. See Preliminary Award Notice.
5. The contractor may contact the Grantee with all job related questions.
6. The contractor may visually inspect the job location by doing a "drive by" of the site.
7. If the contractor refuses the job, the Grantee will send a preliminary award notice to the next lowest eligible bidder, and that contractor begins at step 4.

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8. Once the contractor accepts the job by signing and returning the preliminary award notice, the Grantee moves the job to Job Assigned queue. The contractor then arranges the work with the occupant.
 9. During the course of the job, the Grantee may do an in-progress inspection of the work to ensure it is being carried out according to specifications. The Grantee will arrange such inspections with the contractor, and normally, the contractor's presence is required.
 10. The contractor completes the work within the timeframe specified and notifies the Grantee when the work is ready for final inspection.
 11. Michigan certified QC inspector inspects the work.
 12. If all work passes inspection, QC inspector approves the job for payment.
 13. If work does not pass inspection, QC inspector specifies additional work to be done to bring work up to specifications. The contractor has five (5) business days to make the necessary modifications/corrections and arrange for reinspection.
10. The contractor submits its invoice for payment.
1. The scope of work showing the measures and prices (including change order items-see below) must be submitted with the contractor's invoice, and the amounts must match.
 2. Along with the invoice, the contractor submits other documentation required by the Grantee (Contractor's Warranty, Certificate of Insulation, Lien Release, etc.).
11. The Grantee shall pay approved invoices for work that passed inspection within 30 days of receipt.

Unit Price List Updates

The Grantee uses unit price lists provided by the contractors to calculate the contract award amount for each given job/bundle. Contractors may update their price lists periodically for their own business reasons (e.g., changes in material prices, competitiveness of bids, etc.). Pricing may be updated on a quarterly basis. Changes in prices must be submitted to BCAEO technical staff for review/approval 15 days prior to the beginning of the next quarter.

The Grantee will incorporate any new price lists into the database and the new prices will be used for any bids starting on the 1st of the month (or the next business day if the 1st is a weekend or holiday) at the beginning of the next quarter.

The Grantee will use the latest price list on file for each contractor. Contractors may retain existing pricing as long as they wish and do not need to submit anything as long as their pricing remains unchanged.

The Grantee shall provide BCAEO technical staff with all WA 8 NEAT/MHEA library prices before incorporating into the audit. Staff will review, approve or deny and inform the Grantee to proceed or assist with any required corrections/modifications.

Change Orders

Due to the nature of the work, there may be cases where changes to the scope of work are necessary during the course of a job. Typical causes of such change orders include:

- Items that could not have been assessed accurately by the contractor or Grantee staff until walls were opened, access areas added, wiring exposed, etc.
- Items that the client refuses part way through the job.

These items are handled through change orders, according to the following procedures:

- Change orders must be authorized by the Grantee in advance on the IWC. Authorization can be initiated verbally but must ultimately be in writing and signed off by the Grantee and contractor on the IWC Change Order tab.
- Change orders must be comprised of measures on the unit price list, and will be paid at the same rates as the contractor's unit prices.
- Exception: If repairs are required beyond the normal installation of items on the unit price list, they are to be completed on a time and materials basis. All weatherization measures not specified on the unit price list will be negotiated with the contractor on a job by job basis (e.g., time and materials) or prices will be requested through a supplemental bid. The Grantee reserves the right to delete any such measure if the price is deemed to be inappropriate.
- Because the contractor may change unit pricing during the course of a job (e.g., if the job starts in one quarter and continues into the next), pricing on change orders are handled as follows:

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This worksheet should be completed as specified in Section III of the Weatherization Assistance Program Application Package.

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

Provide a description of the definition of income used to determine eligibility

Michigan will use 200 percent of poverty in determining eligibility under section 440.22(a).

Michigan will also use a lookback period of three months to determine income eligibility.

In addition, any household that contains a member who has received cash assistance payments during the preceding twelve month-period under Titles IV and XVI of the Social Security Act, Pub.L. No. 88-452, 42 U.S.C. § 2701 *et seq.* or applicable State or local law, is eligible for WAP services.

Describe what household Eligibility basis will be used in the Program

No dwelling unit, with the exception noted below, may be weatherized without documentation that the dwelling unit is an eligible unit. A standard weatherization application is used by local weatherization operators (LWOs.) This application requires that all household income be calculated, per DOE requirements. It also requires that income and home ownership is verified by LWO staff. Income eligibility is determined using web-based FACSPRO database system.

LWOs are required to maintain a signed weatherization program application or FACSPRO client report. All other documentation of client eligibility is uploaded to FACSPRO.

A record of previously weatherized dwelling units by address is maintained on FACSPRO. The address is checked prior to scheduling a household for service to see whether that the house has been previously weatherized. If the house has been previously weatherized before 9/30/1994 with DOE funds then it is eligible for reweatherization, as defined 10 CFR 440.18. This policy is clarified in item 605 of the CSPM and the house will not be weatherized unless the DOE regulations revise the reweatherization date. If the house is eligible for reweatherization, the subgrantee makes a determination whether or not to reweatherize the house based on a number of factors including the energy usage of the house as well as the number of other households currently on the waiting list.

If weatherization services do not begin within 12 months of the eligibility determination date, the household's eligibility must be redetermined.

Priorities are described in Section V.5.

Describe the process for ensuring qualified aliens are eligible for weatherization benefits

Michigan will follow the policies outlined in "Summary of Immigrant Eligibility Restrictions Under Current Law as of 2/25/2009" in the HHS guidelines, when determining eligibility of qualified and nonqualified aliens.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

Subgrantees are required to upload all eligibility documentation to the FACSPRO database. Uploading procedures are outline in the Community Services Policy Manual Item 909. Compliance is subject to desk and on-site monitoring.

http://www.michigan.gov/documents/dhs/CSPM_900_Series_215029_7.pdf?20130911105524

PURPOSE

FACSPRO provides a method to assist BCAEO with oversight and monitoring responsibilities for programs administered by BCAEO. FACSPRO will store attached electronic documents for each client and agency.

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POLICY

Electronic documents must be attached to FACSPRO for all programs administered by BCAEO. Below is a list of the required documents to be attached to each client record and each agency record. The attached documents should be stored in a pdf file.

Attachments for Client Records:

- All source documents used to determine income eligibility
Examples: pay stubs, SSI, benefit statement, letter from employer, etc.
- All required client file/building file documents. See CSPM Item 612
- Manual calculation documentation used to determine Income Eligibility prior to FACSPRO data entry
- Signed Weatherization Application or signed client intake report with Weatherization disclaimer.

Agency Records:

- Annual Audit
- IRS 990, if applicable
- Letter of Determination, if applicable
- Financial Policy Manual
- Employee Handbook
- Organizational Chart (Including position titles)
- By-Laws
- Board Meeting Minutes (30 days after each meeting)
- Community Needs Assessment
- Source documents for Mass Entry data entry could include sign in sheets etc.

- Any other documents required on the Annual Agency Checklist

Steps to attach electronic documents: Make sure the electronic documents are scanned and saved as a pdf file before attaching to FACSPRO.

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Client Documents:

- Open FACSPRO and login
- Click on Customer Intake
- Find the client's record
- Click on the Documents button
- Click on the New button
- Enter the following fields
 - Document Name
 - Description: Please list the date the document was received or the effective date for the document in the Description field.
- Click the Attach button and follow the prompts

Weatherization Technical Documents

- Open FACSPRO and login
- Click on Customer Intake
- Find the client's record
- Go to Wx Module
- Click on Weatherization Application
- Go to the Documents Tab
- Click New
- Select Type of document
- Enter Name for document
- Find document and attach
- Click Save.

Agency Documents:

- Open FACSPRO and login
- Click on System Admin Icon
- Click on Agency Icon
- Find the correct agency
- Click on Menu
- Click on the Agency Document option
- Enter the following fields
 - Document Name
 - Description: Please list the date the document was received or the effective date for the document in the Description field.
- Click the Attach button and follow the prompts

Describe Reweathering compliance

Michigan will follow the requirements of CFR 440:

10 CFR Part 440.18(e)(2)(ii) states that a dwelling unit that has been previously weatherized under the Weatherization Assistance Program may receive additional weatherization services if such dwelling unit has been damaged by fire, flood, or act of God and repair of the damage to weatherization materials is not paid for by insurance.

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10 CFR Part 440.18(e)(2)(iii) states that dwelling units partially weatherized under this part or under other Federal programs during the period of September 30, 1975 through September 30, 1994, may receive further financial assistance for weatherization under this part. While DOE will continue to require these homes to be reported separately, States may count these homes as completions for the purposes of compliance with the per home expenditure limit in §440.18. Each dwelling unit must receive a new energy audit which takes into account any previous energy conservation improvements to the dwelling.

A maximum of 50 percent of a Grantee's total production each program year may represent reweatherized units that meet the criteria above. Each dwelling to be weatherized is required to receive a new energy audit that takes into account any previous energy conservation improvements to the dwelling.

Describe what structures are eligible for weatherization

Structures eligible for weatherization include singlefamily, manufactured housing, and both large and small multifamily housing. All structures must be stationary and have a specific mailing (street) address. Campers and nonstationary trailers are not eligible. The Community Services Policy Manual provides more detailed information in the 600 Series.

http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_45583_45584---,00.html

Per CSPM 606:

General Program Requirements

The Grantee shall weatherize eligible dwelling units in its service area as detailed in the Grantee's DOE Weatherization Assistance Program Local Service Plan, as approved by DHS.

The Grantee will maintain a basic service system which includes an outreach/intake system, a method of installing measures, audit and inspection procedures, qualified crews and/or subcontractors, and maintenance of quality control procedures to ensure each dwelling weatherized is completed in compliance with all program requirements.

Eligible Dwelling Units

Structures eligible for weatherization include single-family, manufactured housing (mobile homes), and both large (5+ units) and small multifamily housing (2-4 units). All structures must be stationary and have a specific mailing (street) address. Campers and non-stationary trailers are not eligible.

All dwellings to be weatherized must be owner or renter occupied, and occupied by a household:

1. Whose income is at or below 200 percent of the poverty level established by the U.S. Department of Health and Human Services, or
2. Which contains a member who has received any one of the following at any time during the 12-month period preceding the date of application for weatherization assistance:
 - Cash assistance payments under Title IV (FIP) or, XVI of the Social Security Act, (SSI) or
 - State Disability Assistance (SDA)
1. Occupying a qualified rental dwelling unit in accordance with CSPM Item 608.
1. Occupying a shelter, group home or transitional facility in accordance with CSPM Item 608.1.

Allowable Measures

Allowable measures to be installed are determined at the audit during the energy audit process. Grantees must use the DOE approved audit to determine all appropriate measures to be installed in each unit. See the State of Michigan Technical Weatherization Policy Manual (TWP) for these requirements.

Rental vs. Owner Unit Type - Allowable Measures

There are no restrictions to the measures installed to any unit based on it being a rental or owner unit. All allowable measures determined via the DOE approved audit are appropriately installed in any eligible unit regardless of the type. See CSPM Item 610.2, Landlord Contributions for policy related to landlord contributions.

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Per CSPM 608

POLICY:

The Grantee may weatherize rental dwelling units in a **multi-unit building when:**

The property owner has signed a landlord agreement authorizing the weatherization work, accepting conditions protecting the interests of low-income tenants and for those units where the tenant does not pay for energy directly, the property owner agrees to specifically demonstrate that the benefits of the weatherization accrue primarily to the tenant.

Not less than 66 percent (50 percent for duplexes and four-plexes, and certain eligible types of multi-unit buildings) of the resident households of the building meet the eligibility requirements cited in 10 CFR Part 22(b)(2) and (3) above. The 66 percent/50 percent rule applies to multi-unit buildings. If the building is located in a complex, **each** building is to be considered separately when determining the 66 percent/50 percent eligibility.

A vacant unit may be weatherized in a multi-unit building only where;

Not less than 50 percent of the dwelling units in the building are eligible dwelling units for duplexes and four-unit buildings; or

Not less than 66 percent of the dwelling units in the building are eligible dwelling units for five-unit or more buildings.

A vacant unit is considered an ineligible unit in the 66 percent/50 percent calculation, unless the vacant unit(s) is a part of a Federal, State, or local government program for rehabilitation and will be occupied by eligible families within 180 days.

A vacant building may be weatherized only if the building is part of a Federal, State, or local government rehabilitation program. The units must be occupied within 180 days with eligible families. A notation will be made in the file regarding the date(s) of occupancy.

Multi-unit Buildings as identified by the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA):

DOE has posted three lists of properties supplied by HUD and USDA. Properties identified on these lists have been determined to meet **certain** eligibility criteria under WAP. The lists will reduce the review and verification necessary to weatherize the identified buildings through WAP.

List #1:

Properties identified on list #1 have been determined to comply with the requirements that:

- A minimum of 66% of the dwelling units in the building are occupied by a family unit that meets the income requirement (as required under 10 CFR 440.22(b)(2));
- For a reasonable period of time after weatherization work has been completed, the eligible dwelling unit will not be subject to rent increases as a result of the weatherization (as required under 10 CFR 440.22(b)(3)(i)); and

No undue or excessive enhancement has occurred to the value of the dwelling unit (as required under 10 CFR 440.22(b)(3)(i)).

For list #1, see Website at:

http://www.eere.energy.gov/wip/docs/10_cfr_440_22_b_4_i_list.xls

List #2:

Properties identified on list #2 have been determined to comply with the requirements that:

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A minimum of 66% of the dwelling units in the building are occupied by a family

unit that meets the income requirement (as required under 10 CFR 440.22(b)(2));

and

No undue or excessive enhancement has occurred to the value of the dwelling unit (as required under 10 CFR 440.22(b)(3)(i)).

For List #2, see Website at:

http://www.eere.energy.gov/wip/docs/10_cfr_440_22_b_4_ii_list.xls

List #3:

(USDA List of Multifamily Units) Properties identified on List #3 have been determined to comply with the requirement that:

A minimum of 66% of the dwelling units in the building are occupied by a family

unit that meets the income requirement (as required under 10 CFR 440.22(b)(2))

For List #, see Website at:

http://www1.eere.energy.gov/wip/docs/rd_mfh_low_and_very_low.xls

The buildings identified on the lists must still meet all other applicable eligibility requirements.

Note: The final DOE rule (WPN 10-15) does not:

Result in automatic eligibility for identified buildings, but rather, it only addresses a subset of eligibility requirements, or

Establish a priority for the weatherization of the identified buildings. States are not required to establish a particular prioritization with regard to the weatherization of multi-unit buildings.

Benefit Accrual to the Tenant

In instances in which a tenant does not pay for energy directly, LWOs must ensure the weatherization benefits accrue to the low-income tenant. To ensure this, LWOs have the option of:

Requiring a landlord agreement for a minimum period of five years, or

Developing an agency policy describing a combination of several categories of benefits that can be used to demonstrate that the benefits of the weatherization accrue primarily to the tenant.

Benefits that could be combined, include, but are not limited to:

Longer term preservation of the property as affordable housing;

Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22(b)(3)(ii));

Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;

Investment of the energy savings from the weatherization work in specific health and safety improvements with measureable benefits to tenants;

Improvements to ventilation and to heat and hot water distribution to improve the comfort of residents; and

Establishment of a shared savings program.

Generic assertions such as "tenant services will be improved" or "weatherization will improve health and safety" are **not** sufficient to demonstrate that the accrual of benefits requirement is met.

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LWOs wishing to use their own policy(ies) must submit the draft policy to the Bureau for approval prior to implementation. Draft policy review requests should be emailed to: DHS-BCAEO@michigan.gov with a copy to the grant manager.

Multi-Unit Application Process

A client file must be retained for every unit in the building. See CSPM Item 612 for Client File requirements. An application must be completed for every unit in the building.

Exception:

For units in a building(s) included in one of the three DOE posted listings of eligible properties, individual household applications (DHS-4283) are not required. In lieu of this application, completion of the Michigan Department of Human Services BCAEO Multi-Family Property Intake Form, DHS-4283-M, is required. A client file is not required for these units. A building file must be retained for each building and must include required documents as described in CSPM Item 612.

Income Verification

Units on DOE Listing

For multi-unit buildings included on one of the three DOE posted listings of eligible properties, income eligibility is satisfied for 66% in each multi-unit building. To ensure as much DOE funding as possible is available for each project, LWOs can opt to document income eligibility for all units in the building. The required documentation can be obtained from the property management office and should include verification of the annual household income for each unit. This information must be included in all client files.

Note: The income eligibility determination must have been made within the last 12 months.

This information must be included in all building files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for building file requirements.

Units with Rent Based on Income

For multi-unit buildings not on one the three DOE listings, where tenant rent is based on household income, income eligibility verification documentation may be collected from the property management office if the following information is verified and documented:

1. Rental fees are based on household income.
2. An annual income verification process is conducted for every unit.
3. The annual income verification has occurred within the last 12 months. The look back period starts with the application date and back 12 months.
4. The management office collects verification documents for all income sources reported. Self-certification statements will not satisfy this requirement.

This information must be included in all building files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for building file requirements.

All Other Units

For multi-unit buildings that do not fall under the two categories above, individual applications and income eligibility verifications must be obtained for each unit. This information must be included in all client files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for client file requirements.

Multi-Unit Building Audits

The Grantee must use a State of Michigan approved, DOE-recognized audit for all multi-unit buildings.

Multi-unit buildings with four or less units:

The WA8 audit is appropriate for use in buildings with four or less units and four or less stories regardless of whether or not each has an independent heating and baseload system.

The LWO may opt to submit the completed audit to the technical weatherization specialist for review and assistance prior to the installation of measures.

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Multi-unit buildings with five or more units:

A multi-unit building with five or more units must have its own energy audit performed to identify cost effective measures to be installed. The audit used has to be a State of Michigan approved, DOE- recognized multi-unit audit. The completed audit **must be** submitted to the Bureau for written approval **before** any weatherization measures can be installed.

In buildings with units where each has an independent heating and base load system, such as a converted single family dwelling or a townhouse, it may be appropriate to use the WA8 audit.

NOTE: Buildings with 24 or more units and/or five or more stories may require a TREAT audit.

The Grantee must contact their technical weatherization specialist for audit tool guidance. The Grantee must have written approval from the Bureau before any measures are installed.

WAP eligible multi-unit buildings (high-rise) over four stories

Weatherization funds may be used to weatherize program eligible multi-unit buildings over four stories. NOTE: If DOE ARRA funds are used for buildings over four stories, the commercial wage classification rates must be paid to all weatherization workers.

However, per DOE WPN 10-04, a local agency may use either the weatherization labor rates or the commercial prevailing wage in calculating the cost-effectiveness (SIR) of a weatherization measure installed in high-rise buildings.

Rehabbed Multi-Unit Buildings:

Weatherization funds may be used to weatherize a dwelling being rehabbed such as Habitat for Humanity rehabs or MHSDA rehabs (cannot be used on new construction) if the dwelling fits the following:

1. the households have been determined eligible; and
2. the grantee is meeting or exceeding all the goals for elderly, disabled, and Native Americans (or the household falls into one of these categories); and
3. the waiting list of eligible applicants is followed based on the priorities established by the grantee. These units can not be given a priority just because they are a part of a rehab program.

Multi-Unit DOE Funding:

Per DOE WPN 10-01, when addressing multi-unit buildings with DOE funds, multiply the total number of income-eligible units in the multi-unit buildings by the current statewide average cost per unit to determine the amount of DOE funding available for weatherizing the building. All units in the building can be served and all units should be reported to DOE.

The maximum amount of DOE funds that can be used will be the lesser of either one of the following:

The percentage of low-income eligible units times the total allowable weatherization costs (estimated in the initial audit).

The number of eligible units multiplied by the maximum average allowable cost per unit.

All units in the building **MUST** be similarly served and all units separately reported to DOE. All units, whether having income eligible occupants or not, must be weatherized, along with common areas, and tenants (eligible or not, having applied or not) cannot opt out of audit determined energy savings measures.

Multi-Unit Restrictions

If a multi-unit building is not determined eligible, no single unit may be weatherized. Example: In a 10-unit building there are four eligible units and six ineligible units

Weatherization cannot be performed in any of the ten units.

Describe how Rental Units/Multifamily Buildings will be addressed

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In order to insure the benefits of weatherization accrue primarily to the low-income tenants, subgrantees are required to have a Landlord Tenant Agreement (consistent with Community Services Policy Manual) and may have a written landlord contribution policy. Further, each subgrantee is required to ensure a landlord agreement is completed for each building containing a rental dwelling unit to be weatherized, prior to the weatherization of any rental unit. A Tenant Synopsis must be signed by the tenant receiving weatherization services. The Landlord Agreement (per CSPM Item 610.1) states:

In consideration for the weatherization improvements, The Owner does covenant and agree that the monthly rental fee of the premises, as shown on Exhibit A, shall not be increased for a period of two years from the commencement date, unless such rental increase can be fully justified due to significant increases in actual operating costs.

The Owner agrees to maintain the weatherization materials installed under this Agreement, in accordance with all relevant codes regarding maintenance.

The Owner agrees not to evict, terminate, or institute any court action for possession against any eligible dwelling unit tenant for the 12 months following the commencement date, except for: failure to pay rent; violating the terms of the lease (other than to surrender possession upon proper notice); causing substantial damage to the premises; permitting a nuisance; carrying on unlawful business.

The Owner agrees that the terms, premises, and obligations of the Agreement shall supersede and be superior to any inconsistent provision of any oral or written lease agreement affecting the rent collected for the eligible dwelling units identified in Exhibit A."

The Tenant's Synopsis lists the stipulations in the Landlord Agreement and includes the landlord's name and the date the landlord signed the Landlord Agreement.

The landlord agreement language has been clarified as follows: "...shall not be increased for a period of two years from the date weatherization activities were completed on said unit."

The CSPM item also includes the following language:

"Subgrantees are advised to inform the clients of the terms of the landlord agreement. Subgrantees are advised to call upon the assistance of available service organizations (legal aid; nonprofit tenant-landlord mediation services, etc.) when complaints are received."

Multi Family Eligibility will be addressed per State of MI Community Services Policy Manual Item 608.

http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20130911083544

ISSUANCES AFFECTED:

REFERENCES 10 CFR Part 440, Weatherization Assistance Program (WAP) for Low-Income Persons

BACKGROUND:

10 CFR Part 440.22(b)(2), states that a subgrantee may weatherize a building containing rental dwelling units where not less than 66 percent (50 percent for duplexes and four-unit buildings) of the dwelling units in the building

(i) Are eligible dwelling units, or

(ii) Will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building.

10 CFR Part 440.22(b)(3), states that a subgrantee may weatherize a building

containing rental dwelling units...where:

(i) The benefits of weatherization assistance in connection with such rental units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;

(ii) Rents shall not be raised because of the increased value of dwelling units due solely to weatherization assistance provided under this part; and

(iii) No undue or excessive enhancement shall occur to the value of the dwelling unit.

Per DOE Weatherization Program Notice 10-15, DOE published a final rule in the Federal Register on January 25, 2010, amending 10 CFR Part 440.22, Eligible dwelling units. (75 Fed Reg 3847).

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DOE Weatherization Program Notice 10-15A, provides guidance regarding accrual of benefits to low-income tenants in multi-unit buildings under the WAP.

POLICY:

The Grantee may weatherize rental dwelling units in a **multi-unit building** when:

The property owner has signed a landlord agreement authorizing the weatherization work, accepting conditions protecting the interests of low-income tenants and for those units where the tenant does not pay for energy directly, the property owner agrees to specifically demonstrate that the benefits of the weatherization accrue primarily to the tenant.

Not less than 66 percent (50 percent for duplexes and four-plexes, and certain eligible types of multi-unit buildings) of the resident households of the building meet the eligibility requirements cited in 10 CFR Part 22(b)(2) and (3) above. The 66 percent/50 percent rule applies to multi-unit buildings. If the building is located in a complex, **each** building is to be considered separately when determining the 66 percent/50 percent eligibility.

A vacant unit may be weatherized in a multi-unit building only where;

Not less than 50 percent of the dwelling units in the building are eligible dwelling units for duplexes and four-unit buildings; or

Not less than 66 percent of the dwelling units in the building are eligible dwelling units for five-unit or more buildings.

A vacant unit is considered an ineligible unit in the 66 percent/50 percent calculation, unless the vacant unit(s) is a part of a Federal, State, or local government program for rehabilitation and will be occupied by eligible families within 180 days.

A vacant building may be weatherized only if the building is part of a Federal, State, or local government rehabilitation program. The units must be occupied within 180 days with eligible families. A notation will be made in the file regarding the date(s) of occupancy.

Multi-unit Buildings as identified by the Department of Housing and Urban Development (HUD) and the Department of Agriculture (USDA):

DOE has posted three lists of properties supplied by HUD and USDA. Properties identified on these lists have been determined to meet **certain** eligibility criteria under WAP. The lists will reduce the review and verification necessary to weatherize the identified buildings through WAP.

List #1: Properties identified on list #1 have been determined to comply with the requirements that:

- A minimum of 66% of the dwelling units in the building are occupied by a family unit that meets the income requirement (as required under 10 CFR 440.22(b)(2));
- For a reasonable period of time after weatherization work has been completed, the eligible dwelling unit will not be subject to rent increases as a result of the weatherization (as required under 10 CFR 440.22(b)(3)(i)); and

No undue or excessive enhancement has occurred to the value of the dwelling unit (as required under 10 CFR 440.22(b)(3)(i)).

For list #1, see Website at:

http://www.eere.energy.gov/wip/docs/10_cfr_440_22_b_4_i_list.xls

List #2:

Properties identified on list #2 have been determined to comply with the requirements that:

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A minimum of 66% of the dwelling units in the building are occupied by a family unit that meets the income requirement (as required under 10 CFR 440.22(b)(2));
and

No undue or excessive enhancement has occurred to the value of the dwelling unit (as required under 10 CFR 440.22(b)(3)(i)).

For List #2, see Website at:

http://www.eere.energy.gov/wip/docs/10_cfr_440_22_b_4_ii_list.xls

List #3:

(USDA List of Multifamily Units) Properties identified on List #3 have been determined to comply with the requirement that:

A minimum of 66% of the dwelling units in the building are occupied by a family unit that meets the income requirement (as required under 10 CFR 440.22(b)(2))

For List #, see Website at:

http://www1.eere.energy.gov/wip/docs/rd_mfh_low_and_very_low.xls

The buildings identified on the lists must still meet all other applicable eligibility requirements.

Note: The final DOE rule (WPN 10-15) does not:

Result in automatic eligibility for identified buildings, but rather, it only addresses a subset of eligibility requirements, or

Establish a priority for the weatherization of the identified buildings. States are not required to establish a particular prioritization with regard to the weatherization of multi-unit buildings.

Benefit Accrual to the Tenant

In instances in which a tenant does not pay for energy directly, LWOs must ensure the weatherization benefits accrue to the low-income tenant. To ensure this, LWOs have the option of:

Requiring a landlord agreement for a minimum period of five years, or

Developing an agency policy describing a combination of several categories of benefits that can be used to demonstrate that the benefits of the weatherization accrue primarily to the tenant.

Benefits that could be combined, include, but are not limited to:

Longer term preservation of the property as affordable housing;

Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22(b)(3)(ii));

Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;

Investment of the energy savings from the weatherization work in specific health and safety improvements with measureable benefits to tenants;

Improvements to ventilation and to heat and hot water distribution to improve the comfort of residents; and

Establishment of a shared savings program.

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Generic assertions such as "tenant services will be improved" or "weatherization will improve health and safety" are **not** sufficient to demonstrate that the accrual of benefits requirement is met.

LWOs wishing to use their own policy(ies) must submit the draft policy to the Bureau for approval prior to implementation. Draft policy review requests should be emailed to: DHS-BCAEO@michigan.gov with a copy to the grant manager.

Multi-Unit Application Process

A client file must be retained for every unit in the building. See CSPM Item 612 for Client File requirements. An application must be completed for every unit in the building.

Exception:

For units in a building(s) included in one of the three DOE posted listings of eligible properties, individual household applications (DHS-4283) are not required. In lieu of this application, completion of the Michigan Department of Human Services BCAEO Multi-Family Property Intake Form, DHS-4283-M, is required. A client file is not required for these units. A building file must be retained for each building and must include required documents as described in CSPM Item 612.

Income Verification

Units on DOE Listing

For multi-unit buildings included on one of the three DOE posted listings of eligible properties, income eligibility is satisfied for 66% in each multi-unit building. To ensure as much DOE funding as possible is available for each project, LWOs can opt to document income eligibility for all units in the building. The required documentation can be obtained from the property management office and should include verification of the annual household income for each unit. This information must be included in all client files.

Note: The income eligibility determination must have been made within the last 12 months.

This information must be included in all building files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for building file requirements.

Units with Rent Based on Income

For multi-unit buildings not on one the three DOE listings, where tenant rent is based on household income, income eligibility verification documentation may be collected from the property management office if the following information is verified and documented:

1. Rental fees are based on household income.
2. An annual income verification process is conducted for every unit.
3. The annual income verification has occurred within the last 12 months. The look back period starts with the application date and back 12 months.
4. The management office collects verification documents for all income sources reported. Self-certification statements will not satisfy this requirement.

This information must be included in all building files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for building file requirements.

All Other Units

For multi-unit buildings that do not fall under the two categories above, individual applications and income eligibility verifications must be obtained for each unit. This information must be included in all client files. See CSPM Item 601 for Income Eligibility Guidelines. See CSPM Item 612 for client file requirements.

Multi-Unit Building Audits

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The Grantee must use a State of Michigan approved, DOE-recognized audit for all multi-unit buildings.

Multi-unit buildings with four or less units:

The WA8 audit is appropriate for use in buildings with four or less units and four or less stories regardless of whether or not each has an independent heating and baseload system.

The LWO may opt to submit the completed audit to the technical weatherization specialist for review and assistance prior to the installation of measures.

Multi-unit buildings with five or more units:

A multi-unit building with five or more units must have its own energy audit performed to identify cost effective measures to be installed. The audit used has to be a State of Michigan approved, DOE- recognized multi-unit audit. The completed audit **must be** submitted to the Bureau for written approval **before** any weatherization measures can be installed.

In buildings with units where each has an independent heating and base load system, such as a converted single family dwelling or a townhouse, it may be appropriate to use the WA8 audit.

NOTE: Buildings with 24 or more units and/or five or more stories may require a TREAT audit.

The Grantee must contact their technical weatherization specialist for audit tool guidance. The Grantee must have written approval from the Bureau before any measures are installed.

WAP eligible multi-unit buildings (high-rise) over four stories:

Weatherization funds may be used to weatherize program eligible multi-unit buildings over four stories. NOTE: If DOE ARRA funds are used for buildings over four stories, the commercial wage classification rates must be paid to all weatherization workers.

However, per DOE WPN 10-04, a local agency may use either the weatherization labor rates or the commercial prevailing wage in calculating the cost-effectiveness (SIR) of a weatherization measure installed in high-rise buildings.

Rehabbed Multi-Unit Buildings:

Weatherization funds may be used to weatherize a dwelling being rehabbed such as Habitat for Humanity rehabs or MHSDA rehabs (cannot be used on new construction) if the dwelling fits the following:

1. the households have been determined eligible; and
2. the grantee is meeting or exceeding all the goals for elderly, disabled, and Native Americans (or the household falls into one of these categories); and
3. the waiting list of eligible applicants is followed based on the priorities established by the grantee. These units can not be given a priority just because they are a part of a rehab program.

Multi-Unit DOE Funding:

Per DOE WPN 10-01, when addressing multi-unit buildings with DOE funds, multiply the total number of income-eligible units in the multi-unit buildings by the current statewide average cost per unit to determine the amount of DOE funding available for weatherizing the building. All units in the building can be served and all units should be reported to DOE.

The maximum amount of DOE funds that can be used will be the lesser of either one of the following:

The percentage of low-income eligible units times the total allowable weatherization costs (estimated in the initial audit).

The number of eligible units multiplied by the maximum average allowable cost per unit.

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All units in the building MUST be similarly served and all units separately reported to DOE. All units, whether having income eligible occupants or not, must be weatherized, along with common areas, and tenants (eligible or not, having applied or not) cannot opt out of audit determined energy savings measures.

Multi-Unit Restrictions

If a multi-unit building is not determined eligible, no single unit may be weatherized. Example: In a 10-unit building there are four eligible units and six ineligible units. Weatherization cannot be performed in any of the ten units.

Describe the deferral Process

From the Community Services Policy Manual Item 609:

Each subgrantee is required to have a written walk-away (deferral) policy which is in the best interest for its service area. Examples of reasons to walk away from a unit scheduled to be weatherized include:

>Standing water, mold, friable asbestos, deteriorated lead-based paint surfaces or other hazardous materials that cannot be addressed by the weatherization work.

>Evidence of infestations of rodents, insects, and/or other vermin.

>Unvented space heater(s) that may have a harmful effect on the air quality of the home.

>Unsecured pets that may prevent workers from safely completing their work.

>The presence of sewage or animal feces in or around the home.

>Improperly stored chemicals, combustible materials, or other fire hazards that present a danger to the occupants or the workers.

>Maintenance or housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.

>Major remodeling is in progress, which limits the proper completion of weatherization measures.

The home receives HUD funding and at the time of completion, the unit will not meet applicable HUD Lead-Based Paint standards.

>Electrical or plumbing hazards or structural failures that cannot be addressed/completed within Incidental Repair or Health and Safety cost limitations.

>Threat(s) of violence or abusive behavior to worker(s) or household member(s) during the weatherization process.

>Presence or use of any controlled substance in the home during the weatherization process.

>Occupant has known health conditions that prohibit and/or limit the installation of insulation or other weatherization materials.

>The building or dwelling unit is for sale or in foreclosure.

>Ownership cannot be confirmed due to a legal dispute. Clear title must be established before services can be provided.

>The building or dwelling unit is scheduled for demolition.

Note: When the inspector or any other weatherization employee encounters an unsafe or inoperable heating appliance during the heating season, weatherization work should not proceed until the condition is corrected.

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Grantees are required to have a written walk-away policy that outlines the procedures to be followed when making a deferral decision and notifying the customer. It should include guidelines for establishing a time period for correction and an identification of resources and options to assist the applicant.

When service is deferred, the owner or occupant should be given a reasonable timeframe to correct/eliminate the problem. Examples of reasonable timeframes would be 30 days for housekeeping concerns or 90 days for major remodeling work.

Walk-away (Deferral) Notification Requirements

Upon the decision to defer weatherization program services, the customer must be notified in writing within five working days. The notice must include the reason for the deferral, and the means by which the applicant can rectify the situation so the weatherization measures can be performed. The requirements for rectifying the deferral must be reasonable and appropriate to the severity of the situation being addressed. Any eligible applicant that complies fully with these requirements shall be reinstated in the Grantee's work system so weatherization work can progress as soon as reasonably possible.

There is no time extension for the eligibility period due to a deferral. If the dwelling cannot be reported as complete within the eligibility period, the customer must reapply for weatherization assistance. On a deferred unit, photographs documenting the reason for deferral (mold or other problems) are required and shall be part of the client file. If photographs are unobtainable, the reason(s) must be documented in the client file.

V.1.3 Definition of Children

Definition of children (below age): **19**

V.1.4 Approach to Tribal Organizations

Recommend tribal organization(s) be treated as local applicant?

If YES, Recommendation. If NO, Statement that assistance to low-income tribe members and other low-income persons is equal.

In accordance with 10 CFR 440.16(f), low-income members of an Indian tribe will receive benefits equivalent to the assistance provided to other low-income persons within the state.

V.2 Selection of Areas to Be Served

All 83 counties are served; the state contracts with primarily Community Action Agencies (CAAs) to provide services throughout the state. Each CAA or local subgrantee serves one or more counties (except Wayne Metropolitan Community Action Agency and Downriver Community Conference - each services parts of Wayne County). Services are based largely on CAAs historical geographical boundaries and past performance. This enables the CAAs to use their existing outreach structure to inform low-income persons about the program and to take applications. Each State of Michigan local weatherization subgrantee is a CAA or other public or nonprofit entity.

V.3 Priorities for Service Delivery

In accordance with section 440.14(2)(iiii) DHS has established a statewide goal of 20 percent elderly and 15 percent for persons with disabilities. Each LWO sets an annual goal. LWOs must have an exception (including rationale) approved by DHS to set goals below the statewide goals. Both the statewide and the agencies' goals are monitored.

The state appropriation budget for the DHS weatherization program requires 25% of households weatherized be households of families receiving family independence program, state disability assistance, or supplemental security income. These programs are state programs that fit the guidelines of the federal DOE priority system.

The Family Independence Program is the state federally funded cash assistance program which is for low income families with children or pregnant. This is an

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eligible priority point, per 10 CFR 440.16, stating priority is given to families with children. The State Disability Assistance (SDA) program is a disability program that provides cash assistance to eligible low income disabled adults, and SSI is the federal Supplemental Security Income program which provides income to disabled adults and children. Per 10 CFR 440.16, SDA and SSI are eligible priority points as they are persons with disabilities. These priorities are used pursuant to CSPM 611.

http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_45583_45584---,00.html

POLICY

The Grantee is required to develop a client priority system to ensure that the client priority goals, as identified on their DHS-4322, Goals Summary, are met.

Mandatory priority categories and percentage of production for each are as follows:

- Family Independence Program (FIP-Cash Assistance), Food Assistance Program (FAP), State Disability Assistance (SDA) and Supplemental Security Income (SSI) Units- 25%.
- Elderly Units- 20% unless data is available to support a different amount.
- Disabled Units- 15% unless data is available to support a different amount.

The following two priority categories are mandatory effective 5/3/10. There are no minimum percentages applicable to either.

- High Residential Energy Users – The Michigan Department of Licensing and Regulatory Affairs Public Service Commission, publishes an annual report titled "Michigan Energy Appraisal." High Residential Energy User households are defined as meeting or exceeding the normalized heating fuel consumption identified in the Michigan Energy Appraisal by ten percent or more. Use the chart below to determine whether the household is eligible for this priority.

The Grantee must collect the heating fuel consumption records for the winter heating season: November through March each year. Compare the household consumption to the chart below. If the household consumption meets or exceeds 10% over the normalized use- Column D- the household is eligible for priority points in this category.

Column A	Column B	Column C	Column D
Heating Fuel Type	Normalized Use for November 2010-March 2011	Measure	10% applied
Natural Gas	76	Mcf	84
Heating Oil	561	Gallons	618
Propane	795	Gallons	875

- Households with a High Energy Burden- defined as follows: any household that pays more than 20% of its total annual household income toward annual energy costs.

In PY10 the priority categories of "high energy user" and "household with a high energy burden" became mandatory. CSPM Item 611 includes criteria used to determine if units should be included in one or both of the categories.

V.4 Climatic Conditions

Michigan has large seasonal temperature changes and a significant north-south

temperature variance. The number of Heating Degree Days (for a 30 year time span) for each LWO is listed below.

The percentage of heating degree days is factored into the funding allocation formula. The heating degree days percentage was obtained from weatherization

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service data.

The NEAT program is adjusted by area of the state for the heating degree days. When a NEAT audit is completed in the upper peninsula, it may call for more insulation than a NEAT audit completed in the southernmost part of the state.

HEATING DEGREE DAYS BY AGENCY (Source: <http://www.wrcc.dri.edu/htmlfiles/mi/mi.hdd.html>):

ASCET 6834; AlgerMarquette

8650; Allegan County RDC 6759; BaragaHoughtonKeweenaw

9195; CAA of South Central MI 66694; Capital Area 7014; City of Detroit 6427; ChippewewLuceMackinac

9117; DickinsonIron

8699; EightCAP 7020; Five CAP 7087; Genesee County CAA 6975; GogebicOntonagon

CAA 9202; Human Development Comm 7057; Kalamazoo County 6292; Macomb

County CSA 6633; MenomineeDeltaSchoolcraft

8524; MidMichigan

CAA 6945; Monroe County Opp 6281; MuskegonOceana

CAAPE 6852; Northeast MI CSA 8195; Northwest MI HSA 7688; Oakland

Livingston HSA 6670; Ottawa County CAA 6491; CAA of JLH 6774;

Saginaw County CAC 7156; Saint Clair County EOC 6652; Van Cas CAP 6592; Washtenaw County CSA 6555; Wayne Metro CSA

6427; City of and Downriver CC 6355.

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

Technical Guides

Document Title

Issue Date

SOM Technical Weatherization Policies Manual 07/22/13

http://www.michigan.gov/documents/dhs/Technical_Weatherization_Policies_Manual_215832_7.pdf?20130911094855

Midwest Best Practices

May, 2007

SOM Community Services Policy Manual

2012/2013

http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_45583_45584---,00.html

US 10-CFR-440

US 10-CFR-600

US DOE Program Notices

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Weatherization Work

All is performed in accordance with DOE-approved audit procedures and 10 CFR 440, Appendix A.

The weatherization measures most commonly installed in eligible units are major bypasses; duct sealing, repair, replacement and insulation; attic and wall insulation; and health and safety measures. Michigan has also added cost-effective electric base load measures including refrigerator replacement and compact fluorescent (CFL) light bulbs. Domestic water heaters (DWH) are an electric base load measure being replaced under Energy Savings and/or Health & Safety on eligible dwelling units and as defined in the table below.

Table 8- Health & Safety Hazards Related to Water Heaters

Requires Water Heater Replacement:

- Excessive tank corrosion has caused irreparable water leaks. Prolonged water leaks have caused floor damage that requires repair.
- Missing parts are no longer available. For example, an original equipment replacement cannot be located for a draft hood and the carbon monoxide level cannot be adjusted to acceptable levels with a generic draft hood.
- Water heater tank is full of corrosion and sediment that cannot be flushed. As a result, the water heater cannot provide an adequate amount of hot water for the household. Upon inspection, the sacrificial anode has corroded away.
- When venting into approved chimney cannot emit gases safely from dwelling area.

Does Not Require Water Heater Replacement

Carbon monoxide readings exceed the threshold because:

- Combustion by-products are not venting to the outside properly. Blocked chimneys, vents terminating inside the living space, and back-drafting can be identified and remedied without having to replace the existing water heater. The flame is being impinged. The baffle or other parts may have been knocked out of position. These can be adjusted so that the flame is no longer impinged.
- The water heater has the wrong burner nozzle for the fuel type. The nozzle can be replaced with one appropriate for the current fuel type.
- Combustion air and gas pressure settings are out of adjustment. Air and pressure settings are out of adjustment. Air and pressure can be adjusted to reduce carbon monoxide to acceptable levels.
- Atmospherically vented natural gas, propane, or oil water heater is located in a bedroom, which violates the building code. If the water heater location prohibits the ability to weatherize a dwelling, the crew or contractor could move the existing water heater for a fairly modest cost.

Optional Measures

The Furnace Clean/Tune/Repair, Programmable Thermostat, DWH tank insulation, Low-flow showerhead measures shall be evaluated on each dwelling when the auditor determines them to benefit the occupants' energy savings.

Optional Weatherization Measures shall be evaluated on each home based upon the following conditions :

Furnace Clean/Tune/Repair

With the current Mechanical Licensing requirement that all mechanical air handling appliances are to be evaluated by a licensed Technician, a Certified Weatherization Auditor/Pre-Inspector can request all mechanical equipment be evaluated for energy efficiency & safe operation.

Programmable Thermostat

Based upon client lifestyle and capacity to understand technical operation instructions a Programmable Thermostat, the Certified Weatherization Auditor may recommend that a Programmable Thermostat be installed.

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DHW tank insulation including insulating the first 6 feet of both supply lines

When the manufacturers' instructions prohibit the installation of fiberglass insulation blanket, and/or the appliance would be placed in an area of the home and the material would be compromised by the occupants (children). The auditor has the responsibility to identify whether to install or not install the measure.

Low-flow showerhead.

When the occupants have a very low water pressure, the low-flow showerhead would further impede the water flow. The auditor has the responsibility to identify whether to install or not install the measure.

**Optional Weatherization Measure -can be turned on as an agency option to measure its SIR in relation to the other measures the agency is utilizing. Optional measures turned on by a LWO must be performed if justified by SIR.

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Single-Family : Single-Family NEAT software on non-standard homes. Approved by DOE November 17, 2011.

Manufactured Housing : Mobile Home MHEA software on manufactured homes. Approved by DOE November 17, 2011.

Multi-Family : Multi-Family (5 + unit or more) TREAT or any DOE-approved multi-family audit. Approved by DOE November 17, 2011.

Comments

Michigan has implemented a policy per the DHS Technical Weatherization Policy Manual (TWP), Section 2200 Inspection/Testing/Energy Audit. Requirements whereby all LWOs will be using the National Energy Audit Tool (NEAT) and Manufactured Home Energy Audit (MHEA) software package (Version 8.6.0.4 or newer) on all homes of one to four unit dwellings.

The DOE approved audit TREAT (Targeted Retrofit Energy Analysis Tool) may be used for auditing multifamily buildings (with 5 or more units).

V.5.3 Final Inspection

A complete audit and Quality Control (QC) inspection are required for each home weatherized. Audits include NEAT audit reviews as well as required testing. QC inspection approval is mandatory for a home to be considered a completion. No dwelling unit may be reported to DOE as completed until all weatherization material is installed and a final QC inspection is performed. Policies and specifications are provided to each LWO through the Technical Weatherization Policy (TWP) manual and are covered during auditor/ QC inspector training. Weatherization technical monitoring is done a minimum of once a year. This monitoring includes review of selected units to determine compliance with file documentation, work standard and quality standards. Audits and QC inspections include Indoor Air Quality (IAQ) inspections. IAQ inspection requirements include completion of DHS forms 552 and 552A and ASHRAE 62.2 ventilation standard.

Attendance and completion of the DHS IAQ and LSW training and testing is required for all DHS-certified weatherization auditors/inspectors, contractors and crew members. Beginning in PY13 training and testing will be administered using an on-line DHS training/testing program.

Blower door testing of all homes is conducted during both the audit and inspection of the home by a DHS-certified weatherization auditor/ QC inspector or crew person/contractor who has successfully completed a Blower door manufacturer's training. Certification of the completion of this training is required. The blower door test will be considered invalid without proof of Manufacturer's certification of training. No other documentation is necessary for DHS- auditor/QC inspector certification status.

V.6 Weatherization Analysis of Effectiveness

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DHS expects all LWOs to achieve 100% of their planned operational goals for fiscal expenditure, unit production and client priorities. It is also expected that each LWO will demonstrate adequate financial management controls to assure the accountability of its program effort. The following evaluation system has been developed to analyze current subgrantee performance and to assess viability for continued participation in the program.

On-site Inspections of Weatherized and In-Progress Units

BCAEO technical monitors inspect between 5%-10% of completed units for each subgrantee. In addition to monitoring completed units, monitors inspect units in progress to identify best practices and/or shortfalls early in the process and to allow for onsite training and technical assistance opportunities in lieu of potential disallowed costs.

Inspector Certification

In Michigan, only Michigan-certified auditors/inspectors may conduct the initial audit and/or final inspection of a home. This requirement ensures that individuals have completed the necessary training, field experience, and the final over-the-shoulder evaluation to certify the individual is qualified and competent to independently proceed with these critical audit responsibilities.

Program & Fiscal Monitoring

An annual monitoring visit is conducted with each subgrantee to conduct programmatic and fiscal monitoring visits. These visits focus on fiscal, administrative and programmatic compliance with all applicable federal and state WAP rules and regulations.

Audits

Each subgrantee required by OMB Circular A-133 to have a single audit performed must submit the reporting package and an audit transmittal letter to the DHS Office of Monitoring and Internal Controls in accordance with the time frame established in the OMB Circular. When findings are identified in the single audit, they are referred to the WAP office. WAP fiscal staff then reviews the proposed corrective action for the finding and issues a management decision. Additionally, WAP fiscal staff reviews the single audits as a part of the fiscal monitoring process.

Productivity

Each subgrantee must maintain a rate of production to ensure that all DOE WAP funds are expended in a timely manner each program year.

Trend Analysis

The technical monitors are responsible for the development and maintenance of a trend analysis for each subgrantee. This information includes a collection of all observations, questioned costs, and/or best practices identified during monitoring visits and the staff and/or contractors directly responsible. This information is used to identify training and technical assistance needs, to identify and inform subgrantees of repeated performance issues with specific staff/contractors, and to identify and inform the network of trends that must be addressed. The WAP staff use this information to make policy and procedure changes as appropriate and to assess network training needs throughout the program year.

Corrective Action

If DHS determines that the LWO's administrative and/or financial organization is consistently out of compliance with program requirements and/or the LWO is not improving at an agreed upon plan, the LWO's grant may be terminated in accordance with 10 CFR 440.15(3)(e).

In order to ensure that there are not extended periods without service to any area, DHS may appoint an interim provider until such time that the public process for identification of a permanent provider can be accomplished. 10 CFR 400.15 will be followed in selecting a permanent replacement provider.

Utility Usage Data

DHS will work with the Michigan Public Service Commission, utilities, and the FACSPRO system administrator to facilitate a dialogue between the entities to develop the process for collection of accurate utility usage data on the Michigan homes weatherized. These discussions have begun, and through continued work, DHS will ensure that data necessary to accurately assess the reduction in utility usage, as it relates to weatherization activities, becomes a reality in Michigan.

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The Michigan Health & Safety plan is estimated to use less than 15% of program operations budget. Michigan enforces Health and Safety via sub-grantees using policy which states there is a per unit average percent of 14.9% for health and safety expenditures. Also, Health and Safety per unit maximum shall not exceed \$2000.00 and cannot exceed 50% of the total job costs. The Health and Safety plan is attached and also available in the Technical Weatherization Policy Manual located at the link below.

http://www.michigan.gov/documents/dhs/Technical_Weatherization_Policies_Manual_215832_7.pdf?20130911094855

It should be noted that incidental repairs are determined by the SIR. Costs are monitored using the DOE approved auditing tools and are capped when using the SIR. When the incidental repair exceeds the value of the SIR, a non DOE fund can be used to buy into the incidental repair costs leaving the energy conservation measured value at 1 or greater. The incidental costs are used toward the average unit cost of the job.

It should also be noted that Michigan climate does not warrant air conditioning replacement/installation, or repair.

V.8 Program Management

V.8.1 Overview and Organization

The Weatherization Program is managed by Department of Human Services (DHS), within DHS the program administration falls under the Bureau of Community Action and Economic Opportunity (BCAEO). The BCAEO was created by the state legislature to oversee many of the activities of the Michigan Community Action Agencies (CAAs). CAA services include programs that address education, emergency services, employment, health, housing, income management, linkages, nutrition, and self sufficiency. 29 CAAs and one limited purpose agency provide weatherization services to the state's low-income population.

Bureau staff oversee several federal contracts with CAAs and provide written policy and procedures for these various program areas. Staff also provide training to CAA staff on contract related policy, eligibility issues, etc. and technical weatherization staff deliver training and conduct review for state inspector certification. Bureau staff conduct annual monitoring visits to each LWO.

V.8.2 Administrative Expenditure Limits

Standard allowed administrative allocation is 5% of subgrantees total allocation.

V.8.3 Monitoring Activities

Attached to the SF-424 are the following:

- Fiscal Monitoring Tool
- Programmatic Monitoring Tool
- Sample Technical Monitoring Tool
- Bureau Monitoring
- Bureau Monitoring Plan

All monitoring is conducted in accordance with the guidance in WPN 12-5. The combined program compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements. For PY13 we estimate that a minimum of 30% of T&TA funds will be spent on monitoring.

The Bureau has two technical monitors, two programmatic monitors and two fiscal monitors (one fiscal is currently vacant). Technical monitors and program compliance monitors will monitor the weatherization program. DHS monitoring policy requires an exit interview with the executive director and/ or designated staff after each monitoring visit. For technical monitoring, a weatherization monitoring report, including observations and corrective action requirements, is completed by the technical staff. After agency Technical responses have been received, a Quality Control Letter is composed and includes all outstanding Observations and Findings. This document is reviewed by supervisory staff and forwarded to the agency's executive director with a copy to the weatherization coordinator. (A copy of the program compliance monitoring report is also shared with the Agency Board Chair.) DHS will issue a report within 30 days after

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each monitoring visit. A written response to corrective action will be required of agencies within 45 days of receipt of the monitoring report.

The combined program compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements.

The agency to be monitored is normally, but not always, informed prior to the visit by contacting the executive director or his/her designee.

Weatherization technical monitoring will be conducted at each LWO a minimum of once a year for the following: review of materials for compliance with audit specifications, review of quality control system and procedures, inspection of selected houses to determine compliance with file documentation work standards and quality standards, check of jobs in progress, safe work practices and mandatory training requirements. Contractor licensing, insurance and training requirements are also reviewed. Additional visits will be conducted for LWOs that are determined to have significant deficiencies. Reviews will be completed on-site for at least five percent of the completed units.

Weatherization compliance and financial monitoring will be conducted at each LWO a minimum of once a year. Additional visits will be conducted for LWOs that are determined to have significant deficiencies. The monitor prepares for the field visit by reviewing contract files to determine the reporting and financial status of the agency. Previous monitoring reports, including corrective action requirements, correspondence, and new items are reviewed. At the agency, the monitor reviews files for completeness and accuracy of eligibility documentation.

To the extent possible, some monitoring activities will be done by desk review using the statewide FACSPRO database.

LWOs are required to have a single audit performed in accordance with OMB Circular A133, as applicable. The LWOs are responsible for obtaining their own audit services. DHS receives a copy of the audit report and performs audit resolution.

The agency to be monitored is normally, but not always, informed prior to the visit by contacting the executive director or his/her designee. Site visits are coordinated through agency staff. Tentative monitoring schedules are set early in the Program Year.

Monitors leave a report with the agency Executive Director with any observations they have found and suggested corrective action. Depending on the type of monitoring (programmatic, technical, fiscal) the agency has a specified amount of days to complete the corrective action and provide proof to the monitor. The amount of days for response varies depending on the type of monitoring. Upon response from the agency, the monitor has so many days to ensure the corrective action has been made and to respond as to whether they accept the actions or not and if any further/additional assistance or information is needed.

The Technical Weatherization Policy Manual and the Community Services Policy Manual (CSPM) both provide policy for monitoring.

Technical Weatherization Policy (TWP) Manual:

http://www.michigan.gov/documents/dhs/Technical_Weatherization_Policies_Manual_215832_7.pdf

4800 Technical Monitoring

Technical monitoring will be performed to ensure compliance with all DOE WAP, HHS regulations and guidance, and DHS policies. Technical monitoring will include, but is not limited to a review of the following areas:

- Any outstanding findings, previous year's findings, and required corrective actions
- Program requirements for all funding sources
- Materials standards and specifications
- NEAT/MHEA setup libraries (copies of each shall be provided by Grantee)

NEAT/MHEA mdb production shall be provided by Grantee (wdz files may be submitted subsequently on a quarterly basis)

- Contractor Licensing, Certifications, and Insurance requirements
- Work specifications (e.g. FACSPRO SIR generated IWC Work Order(s) including change orders)
- Quality control procedures
- Approved audit (IWC) completeness and storage in the BCAEO Excel format using FACSPRO

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- Financial reconciliation for all job cost and invoicing reported on IWC Cost Center TAB
- Compliance with blower door testing requirements
- Combustion Appliance testing protocol
- Correct audit selection & completion
- Optional: An in progress site visit with the Contractor/crew (working)
- Trend analysis of best practices, observations, questioned costs or findings

File selection and review will be via FACSPRO and based upon 10% of scheduled production. Site review will be based upon 5% or more if appropriate, of scheduled production and/or one completed site visit per contractor/crew

Community Services Policy Manual provides policy for monitoring and oversight of the Weatherization Program.
http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_45583_45584---,00.html

POLICY

To provide adequate oversight, it is the Grantee's responsibility to train and provide information to the subcontractors on the Weatherization Assistance Program policies to ensure that subcontractors perform in accordance with weatherization standards and comply with all rules and regulations.

To provide oversight, the Grantee is required to have, at a minimum:

- Procedures to ensure that agreements are entered into only with competent subcontractors.
- A system for monitoring subcontractors and dwelling units.
- A system to provide technical assistance to subcontractors as needed.
- Documentation of all monitoring and technical assistance provided, to include at a minimum, who was trained on what subject on what date.
- A system to track grantee and BCAEO monitoring findings and observations by auditor/inspector, contractor, and/or worker to ensure that repeated program deficiencies observed are addressed appropriately and swiftly.

V.8.4 Training and Technical Assistance Approach and Activities

Attendance at state-sponsored training may be required on a case-by-case basis to help correct program deficiencies or to ensure competence in specific areas. In such cases, subgrantee and delegate attendance will be required as a matter of program compliance.

DHS will provide direct T/TA funds to the LWOs. This allows LWOs to attend weatherization/energy-related training sponsored by DHS or DOE. These funds may also be used by the LWOs to provide local training regarding weatherization/energy-related programs. The remainder of T/TA funds are retained by the DHS for T/TA activities including monitoring, technical assistance and training.

DHS Technical staff maintains a technical monitoring trend analysis which allows the technical staff to view weak areas for an agency and assist with providing training to strengthen their program.

DHS will hold its annual weatherization conference September 24 - 25, 2013 in Bay City, MI. The sessions include ASHRAE 62.2, Health & Safety, FACSPRO Wx Module, QCI/QM planning sessions, SWS Navigation, and Policy Update sessions.

DHS Technical staff also provides LSW and IAQ Training to the network and is working on additional interactive training sessions for the network.

DHS Technical staff will provide training at the State Community Action Association Winter and Summer conferences as requested.

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DHS allows T/TA funds to be used for the cost of printing client education materials. DHS utilizes several methods to assess the training needs of its subgrantees, including but not limited to:

Recommendations by state monitoring staff and the PAC Training Committee.

Review of subgrantee deficiencies related to reports and other materials.

Subgrantee direct training requests.

Involvement of T/TA subcontractor

Formal and informal quarterly training needs surveys.

Recommendations resulting from external entities (DOE staff, contractors, auditors, etc.).

Changes in DOE requirements.

Beginning in PY13 training and testing of auditors/QC inspectors will be administered using an on-line DHS training/testing program. Agency auditor/inspectors must pass an inspector competency assessment which includes completing actual audits/inspections approved by a certified inspector within 12 months of training course completion. Training for LSW and IAQ will also be provided on the online training/testing site via interactive trainings. These trainings have not been created for the online site as of yet. Estimation for completion is PY13.

DHS may require some subgrantee staff to attend a particular training session if DHS feels the training is particularly needed by the subgrantee.

The technical monitoring staff are available to provide training and technical assistance to all LWOs on an as needed basis. Routinely technical monitors and compliance monitors provide one on one training to people newly hired by LWOs.

T/TA funds will be used for training supplies.

Per Community Services Policy Manual Item 612.4, Client Energy Education is as follows:
(Click on link to view documents)

http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20130911105524

Technical-related training to be conducted for LWOs at regional trainings. BCAEO sends a survey quarterly to determine the needs of the network. After reviewing the results, BCAEO will set up trainings as needed. These contracts will include Q/A training for the network but a workgroup consisting of State and Agency staff will determine the plan and then follow proper DOE Procurement procedures to execute a contract with trainers. Out of State QCI training for staff and for agency staff will be included in this total. BCAEO will have to utilize training facilities outside of the state as Michigan does not have a certified training facility to provide QCI training. All training vendors TBD. All required federal/state procurement policies will be followed i.e. RFP/RFQ/multiple bids. In cases where the training is specific and unable to be bid, documentation will be kept to show such circumstance.

REFERENCES

10 CFR Part 440, Weatherization Assistance Program for Low-Income Persons

PURPOSE

Client education and participation will help reduce energy costs in a weatherized dwelling.

The goal of the Weatherization Assistance Program is for the weatherization team (weatherization coordinator, intake staff, auditors, inspectors, and crews/contractors) and the client to work together as partners to save energy, to make the home more comfortable, and reduce energy bills.

The weatherization team must be aware of the importance of energy education for the client. Every effort must be made to increase client awareness through multiple contacts during the weatherization process. Staff and contractors must be aware they are the critical link in the partnership goal. Inclusion of the goal statement on literature, brochures, and forms the client must sign reinforces the partnership goal.

POLICY

Intake

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM (WAP)
STATE PLAN/MASTER FILE WORKSHEET

(Grant Number: EE0006161, State: MI, Program Year: 2013)

Energy education begins with intake. This is where the applicant is initially introduced to the weatherization assistance program, the goal statement, the partnership concept, and the applicant is advised of his/her role.

The following minimum steps related to intake must be included in the Grantee's Energy Education Plan.

1. Introduce the Weatherization Assistance Program. Explain the concept of the program, what work may be done, and expectations for the applicant's participation.
2. Complete the application in FACSPRO or the paper Application for Weatherization Assistance, DHS-4283. Retain the signed WAP application or signed FACSPRO client intake report with the Weatherization disclaimer in the client file.
 1. Determine eligibility and prioritize the applicant. See Item 611 regarding the client priority system.
 2. Notify the applicant of the eligibility determination.
 3. Ask the applicant to prepare for the audit by:
 4. Making a list of energy questions and concerns
 5. Making the attic, basement, and crawl space accessible
 6. Making the perimeter accessible
 7. Securing pets
 8. Planning to be home and ready to participate

Audit

It is important that the client be involved in the audit process. Client involvement is encouraged through commitment in writing to the goal statement and a minimum of *three energy action steps*. These energy action steps are to be placed in the client file and to be included with all documentation given to anyone who goes to the client's home.

The following minimum steps related to the audit process must be included in the Grantee's Energy Education Plan.

Explain the Weatherization Assistance Program, stressing what each partner will do during each step.

Explain the agenda of the audit and what the client will need to do.

Explain how the house loses heat. Inquire about the heating system. Talk with the client about whether some rooms seem warmer while others are cooler. Show the client how to adjust heat flow to different areas to save energy and provide more comfort. Point out areas where the client could take action to save energy and money.

Complete the audit.

Summarize the results of the audit for the client.

1. Explain the nature of the work that may be done on the home.
2. If the client is actively participating, agree on three energy action steps for the client to do.
3. If the client is actively participating, the Client Plan of Action should be signed by the client and auditor. A copy is to be provided to the client and the original must be uploaded to the FACSPRO Weatherization Module under the Weatherization Application Documents tab.

Weatherization Work

When the crew or contractor is at the client's home, he/she should take advantage of every opportunity to reinforce the client's Energy Action Plan (E.A.P.). The theme of partnership and the goal statement need to be a part of the crew or contractor's interaction with the client for continued success.

The following minimum steps must be included in the Grantee's Energy Education Plan.

Introduce the contractor or crew to the client.

Complete a quick survey of the home, accompanied by the client. Reinforce the energy conservation work already done by the client.

Discuss the work plan for the day and proposed work for the client. Reinforce the three energy action steps to which the client committed.

Complete the work. Summarize the day's work for the client.

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Explain the next step- inspection.

Inspection

Reinforce the partnership between the Grantee and the client. Stress the importance of both the weatherization work and the client's action steps, and explain that a breakdown of either could result in less than adequate comfort and savings to the client.

The following minimum steps must be included in the Grantee's Energy Education Plan.

Ask the client about the weatherization work.

If appropriate, ask about the client's three energy action steps.

Inspect the work.

Follow up on referrals.

If follow up is provided, explain the next step.

The Grantee may wish to develop a Client Education Package to include the following items.

A generic letter introducing the Weatherization Assistance Program. See page 5.

An illustrated step-by-step energy savings guide. This could be distributed with the letter of introduction.

The client plan of action (required to be retained in the client file) and examples of energy action steps and the potential savings. See page 6 and 7.

A list of weatherization measures, which includes information relative to the contractor, if applicable. See page 9.

A generic letter to be provided to the client after the weatherization measures are completed. See page 10.

An illustrated guide for maintaining the weatherization measures installed.

A follow up survey. See page 11.

V.9 Energy Crisis and Disaster Plan

Michigan will not use any grant funds for energy crisis relief during the 2013 Program Year.

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0006161		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30037 Lansing, MI 48933		4. Program/Project Start Date 07/01/2013	5. Completion Date 06/30/2014

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Federal	81.042	\$ 0.00		\$ 11,913,125.00		\$ 11,913,125.00
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 11,913,125.00	\$ 0.00	\$ 11,913,125.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTR ATION	(2) SUBGRANTE E ADMINISTR	(3) GRANTEE T&TA	(4) SUBGRANT EE T&TA	
a. Personnel	\$ 234,260.85	\$ 0.00	\$ 133,558.45	\$ 0.00	\$ 367,819.30
b. Benefits	\$ 168,990.73	\$ 0.00	\$ 96,388.90	\$ 0.00	\$ 265,379.63
c. Travel	\$ 14,369.00	\$ 0.00	\$ 40,975.00	\$ 0.00	\$ 55,344.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 3,000.00	\$ 0.00	\$ 4,000.00	\$ 0.00	\$ 7,000.00
f. Contract	\$ 0.00	\$ 680,169.00	\$ 96,787.85	\$ 180,000.00	\$ 11,096,787.85
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 8,000.00	\$ 0.00	\$ 9,400.21	\$ 0.00	\$ 17,400.21
i. Total Direct Charges	\$ 428,620.58	\$ 680,169.00	\$ 381,110.41	\$ 180,000.00	\$ 11,809,730.99
j. Indirect	\$ 65,850.73	\$ 0.00	\$ 37,543.28	\$ 0.00	\$ 103,394.01
k. Totals	\$ 494,471.31	\$ 680,169.00	\$ 418,653.69	\$ 180,000.00	\$ 11,913,125.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0006161		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30037 Lansing, MI 48933	4. Program/Project Start Date		07/01/2013
	5. Completion Date		06/30/2014

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 11,913,125.00	\$ 0.00	\$ 11,913,125.00

SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	Grant Program, Function or Activity				Total (5)	
	(1) PROGRAM OPERATION S	(2) HEALTH AND SAFETY	(3) LIABILITY INSURANCE	(4) FINANCIAL AUDITS		
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 367,819.30	
b. Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 265,379.63	
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 55,344.00	
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 7,000.00	
f. Contract	\$ 8,781,556.35	\$ 1,263,274.65	\$ 60,000.00	\$ 35,000.00	\$ 11,096,787.85	
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
h. Other	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 17,400.21	
i. Total Direct Charges	\$ 8,781,556.35	\$ 1,263,274.65	\$ 60,000.00	\$ 35,000.00	\$ 11,809,730.99	
j. Indirect	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 103,394.01	
k. Totals	\$ 8,781,556.35	\$ 1,263,274.65	\$ 60,000.00	\$ 35,000.00	\$ 11,913,125.00	
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0006161		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30037 Lansing, MI 48933	4. Program/Project Start Date 07/01/2013		
	5. Completion Date 06/30/2014		

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 11,913,125.00	\$ 0.00	\$ 11,913,125.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) VEHICLES AND EQUIPMENT	(2)	(3)	(4)	
a. Personnel	\$ 0.00				\$ 367,819.30
b. Benefits	\$ 0.00				\$ 265,379.63
c. Travel	\$ 0.00				\$ 55,344.00
d. Equipment	\$ 0.00				\$ 0.00
e. Supplies	\$ 0.00				\$ 7,000.00
f. Contract	\$ 0.00				\$ 11,096,787.85
g. Construction	\$ 0.00				\$ 0.00
h. Other	\$ 0.00				\$ 17,400.21
i. Total Direct Charges	\$ 0.00				\$ 11,809,730.99
j. Indirect	\$ 0.00				\$ 103,394.01
k. Totals	\$ 0.00				\$ 11,913,125.00
7. Program Income	\$ 0.00				\$ 0.00

U.S. DEPARTMENT OF ENERGY



BUDGET JUSTIFICATION FOR FORMULA GRANTS

Applicant: State of Michigan
Award number: EE0006161

Budget period: 07/01/2013 - 06/30/2014

1. PERSONNEL - Prime Applicant only (all other participant costs are listed in 6 below and form SF-242A, Section B. Line 6.f. Contracts and Sub-Grants).

Positions to be supported under the proposed award and brief description of the duties of professionals:

<u>Position</u>	<u>Description of Duties of Professionals</u>
Secretary B	Provides administrative support to all weatherization-related activities.
Weatherization Program Specialist 13	Works with the Policy Advisory Council (PAC) in recommending policy to the DHS with respect to the development and implementation of our weatherization program. Functions as the co-chair of the PAC Training Committee. Develops and prepares the state plan and all subsequent amendments; responsible for federal reporting, policy clarification, and general oversight of the program; oversees the activities of the programmatic compliance; evaluates statutes, program needs, problems and opportunities that would provide a more comprehensive view of the program.
Bureau Executive Director SAM 17 (1)	As required in state legislation, the executive director supervises and coordinates: state activities to reduce poverty, implement community social and economic programs, designate community action agencies pursuant to Section 8 of the Act, provide assistance to units of local governments, contract (with public and private non-profit agencies as well as non-profit organizations) for demonstration programs and other services necessary to implement the Act, to serve as an advocate within the executive branch to remove administrative barriers to self-sufficiency services and to seek additional resources for anti-poverty strategies.
Departmental Analyst (3) Grant Manager	Reviews all budgets/plans for compliance with DOE regs, and DHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, DHS Community Service Policy Manual upon request and/or upon results of annual monitor report.
Weatherization Building Code Inspectors (2) (Technical Specialists)	Review program compliance, on-site, among assigned local weatherization operators. Provide training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship.
Departmental Analyst (2) - Grant Monitor	Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides onsite training and/or recommendations related to monitor visit observations and/or findings. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process.
Secretary A	Provides support to the Bureau director. Performs secretarial duties. Provides clerical support to bureau staff and commission members.
Financial Analyst 12 (2)	Assists with fiscal aspects of monitoring. Provide support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial functions related to the Bureau.

Direct Personnel Compensation:

<u>Position</u>	<u>Salary/Rate</u>	<u>Time</u>	<u>Direct Pay</u>
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Secretary B	\$35,737.00	35.0000 % FT	\$12,507.95
Weatherization Program Specialist 13	\$72,710.00	75.0000 % FT	\$54,532.50
Bureau Executive Director SAM 17 (1)	\$89,118.00	20.0000 % FT	\$17,823.60
Departmental Analyst (3) Grant Manager	\$199,983.00	35.0000 % FT	\$69,994.05
Weatherization Building Code Inspectors (2) (Technical Specialists)	\$133,600.00	85.0000 % FT	\$113,560.00
Departmental Analyst (2) - Grant Monitor	\$133,323.00	30.0000 % FT	\$39,996.90
Secretary A	\$50,965.00	25.0000 % FT	\$12,741.25
Financial Analyst 12 (2)	\$133,323.00	35.0000 % FT	\$46,663.05
		Direct Pay Total	\$367,819.30

2. FRINGE BENEFITS

- a. Are the fringe cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and attach a copy of the rate agreement to the application.
- b. If a. above does not apply, please use this box (or an attachment) to further explain how your total fringe benefits costs were calculated. Your calculations should identify all rates used, along with the base they were applied to (and how the base was derived), and a total for each (along with grand total). If there is an established computation methodology approved for state-wide use, please provide a copy. Also, please fill out the table below with the Fringe Benefits Calculations.
- Fringe benefits vary by employee. Actual costs are reflected in this budget.

Fringe Benefits Calculations

<u>Position</u>	<u>Direct Pay</u>	<u>Rate</u>	<u>Benefits</u>
Secretary B	\$12,507.95	56.2300 %	\$7,033.22
Weatherization Program Specialist 13	\$54,532.50	72.9500 %	\$39,781.46
Bureau Executive Director SAM 17 (1)	\$17,823.60	76.8800 %	\$13,702.78
Departmental Analyst (3) Grant Manager	\$69,994.05	66.3000 %	\$46,406.06
Weatherization Building Code Inspectors (2) (Technical Specialists)	\$113,560.00	72.6400 %	\$82,489.98
Departmental Analyst (2) - Grant Monitor	\$39,996.90	69.5000 %	\$27,797.85
Secretary A	\$12,741.25	80.3000 %	\$10,231.22
Financial Analyst 12 (2)	\$46,663.05	81.3000 %	\$37,937.06
		Fringe Benefits Total	\$265,379.63

3. TRAVEL

- a. Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel, please identify.

<u>Purpose of Trip</u>	<u>Number of Trips</u>	<u>Cost Per Trip</u>	<u>Total</u>
Administrative staff travel to WAP-related meetings.	12	\$50.00	\$600.00
Michigan will conduct its annual WAP conference in the fall of PY13. A minimum of eight staff will attend.	8	\$110.00	\$880.00
Program monitoring/T&TA visits will be conducted at each of the 31 LWO agencies. A minimum of 5% of production DOE WAP production will be monitored. Length of visits depend on agency production and travel distance.	93	\$325.00	\$30,225.00
Staff will attend various weatherization conferences including: DOE WAP managers' meeting in Denver; DOE national/regional conferences; Affordable Comfort, NCAF Energy Conference; and NASCSP.	7	\$1,425.00	\$9,975.00

Travel for three staff at eight regional trainings.	24	\$125.00	\$3,000.00
Follow-up one-day technical monitoring visits, when needed.	31	\$160.00	\$4,960.00
One 2-day fiscal and programmatic monitoring will be conducted at each of the 31 LWO agencies throughout the year. Approximately 30% of costs will be charged to this grant.	62	\$92.00	\$5,704.00
		Travel Total	\$55,344.00

- b. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

The grant provides travel funds for activities associated with the weatherization program. Travel is charged to the grant on a trip basis as identified on the monthly Travel Expense Voucher. All travel costs are consistent with the State of Michigan Standard Travel Regulations. These regulations are available upon request.

4. EQUIPMENT - Equipment is generally defined as an item with an acquisition cost greater than \$5,000 and a useful life expectancy of more than one year. Further definitions can be found in 10 CFR 600.

- a. List all proposed equipment below and briefly justify its need as it applies to the objectives of the award.

Equipment	Unit Cost	Number	Total Cost	Justification of Need
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- b. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify need. If the Equipment is being proposed as Cost Share and was previously acquired, please provide the source and value of its contribution to the project and logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.

5. SUPPLIES - Supplies are generally defined as an item with an acquisition cost of \$5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Further definitions can be found in 10 CFR 600.

- a. List all proposed supplies below, the estimated cost, and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

General Category	Cost	Justification of Need
office supplies, training supplies, maintenance	\$5,000.00	day-to-day operations, ordinary cost of program operations
Client Education materials; Wx brochure	\$2,000.00	enhanced client education effort
Materials and Supplies Total	\$7,000.00	

- b. Please provide a basis of cost for each item listed above and justify need. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Historical costs; prior purchase.

6. CONTRACTS AND SUBGRANTS - Provide the following information for New proposed subrecipients and subcontractors. For ongoing subcontractors and subrecipients, this information does not have to be restated here, if it is provided elsewhere in the application; under Name of Proposed Sub, indicate purpose of work and where additional information can be found (i.e weatherization subgrants, Annual File section II.3).

Name of Proposed Sub	Total Cost	Basis of Cost*
LWO Health & Safety	\$1,608,271.80	To cover energy-related health and safety expenses. Per the DOE application instructions this amount is 15% of the Michigan Program Allocation which is \$10,721,812.00
Financial Audits	\$35,000.00	Single Audit Act requirement for subgrantees

LWO Wx Program Funds	\$8,421,831.00	State allocation formula to provide weatherization services by county taking into account census information. Please refer to section II.3 of the annual file for individual agency DOE funding amounts.
Liability Insurance	\$60,000.00	Traditional coverage historically provided.
Trainer contracts for technical training throughout the program year/Annual conference	\$111,516.05	Technical-related training to be conducted for LWOs at regional trainings. BCAEO sends a survey quarterly to determine the needs of the network. After reviewing the results, BCAEO will set up trainings as needed. These contracts will include Q/A training for the network but a workgroup consisting of State and Agency staff will determine the plan and then follow proper DOE Procurement procedures to execute a contract with trainers. Out of State QCI training for staff and for agency staff will be included in this total. BCAEO will have to utilize training facilities outside of the state as Michigan does not have a certified training facility to provide QCI training. All training vendors TBD. All required federal/state procurement policies will be followed i.e. RFP/RFQ/multiple bids. In cases where the training is specific and unable to be bid, documentation will be kept to show such circumstance. To cover conference facility, meeting rooms, materials, staff rooms and meals for the annual Michigan WAP conference and regional trainings. Trainings consist of Health & Safety, ASHRAE 62.2, TWP/CSPM policy updates, FACS Pro (statewide database) training, QM/QCI Rollout/expectations, IAQ, LSW, Auditor/Inspector training, eligibility, etc.
LWO Training and Technical Assistance	\$180,000.00	\$6000 for each LWO.
LWO Administrative Funds	\$680,169.00	Capped based on program rules and amount of program funds per LWO. Grantees under \$350,000 can use up to 5% additional based on sliding scale. See Annual File - Miscellaneous
Contracts and Subgrants Total	\$11,096,787.85	

*For example, Competitive, Historical, Quote, Catalog

7. OTHER DIRECT COSTS - Other direct costs are direct cost items required for the project which do not fit clearly into other categories. These direct costs may not be duplicative of costs included in the indirect pool that is the basis of the indirect rate applied for this project. Examples are: conference fees, subscription costs, printing costs, etc.

a. Please provide a General Description, Cost and Justification of Need.

General Description	Cost	Justification of Need
International Code Books	\$200.21	Cost of annual updates.
Telecommunications	\$3,000.00	Costs related to cellular phone service, and conference calls conducted on a bi-monthly basis with the LWO network.
State car usage	\$1,000.00	Costs related to usage of state vehicles for program & technical monitoring, T/TA visits, etc.
Dues and subscriptions	\$9,700.00	NASCSP dues, GoTo Meeting subscription, Survey Monkey subscription, DBA FACSPRO subscription and weatherization publications subscription costs.
Program promotion	\$1,000.00	Tied to Wx Day & Public Information Campaign activities
Printing	\$2,500.00	Printing for brochures, session descriptions, and handouts for WAP conference and regional trainings.
Other Direct Costs Total	\$17,400.21	

- b. Please provide a basis of cost for each item listed above. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Historical pricing.

8. INDIRECT COSTS

- a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.

- b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

The indirect cost rate includes DHS central office functions benefiting the DOE program, including: Central Office Administration, Office of Monitoring & Internal Control, Contract Management, Central Office Facilities and IT services. The DHS Bureau of Community Action & Economic Opportunity administers the DOE weatherization grant. The indirect cost rate is computed by taking the Bureau's total allowable indirect costs (annual amount) and dividing by the Bureau's total wages (annual amount). See Indirect Cost Breakout document uploaded under SF-424.

The name and phone number of the individual responsible for negotiating the State's indirect cost rates.

Name: Kris Schoenow Phone Number: 5172410478

Indirect costs calculations:

Indirect Cost Account	Direct Total	Indirect Rate	Total Indirect
Total Direct Wages times 28.11%	\$367,819.30	28.1100 %	\$103,394.01
		Indirect Costs Total	\$103,394.01

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET

(Grant Number: EE0006161, State: MI, Program Year: 2013)

- *Deletions* of items in part or whole that existed in the original scope of work will be made using the prices at the time of the bid.
- *Additions* of items that did not appear on the original scope of work, or additional quantities of existing items, will be made using the unit prices at the time the change order is approved.

In the event of a change order, the Grantee will send out a revised scope of work showing all additions and deletions, including quantities and prices. The contractor will include this revised scope of work along with its final invoice, and all totals must match.

Liquidated Damages for failed inspections, late job completion

The Grantee incurs the cost for repeat inspections and job delays. Therefore, the Grantee may deduct the following from contractor invoices:

- A set amount for each failed inspection. If the work fails again at re-inspection, the Grantee reserves the right to call on another contractor to correct the defects, and not pay the original contractor for the measures that did not pass inspection.
- A set amount per business day that the work is not completed by the deadline specified, unless it is for reasons beyond the contractor's control (e.g., client non-responsiveness or non-cooperation). The contractor must notify the Grantee in advance of any conditions preventing timely completion of work.

Subgrantee Network

Possible reconfiguration of the subgrantee network for PY14 will be considered during PY13.

Allocation Formula

The subgrantee allocation formula has been updated to reflect more recent census and climatic data.

Income Eligibility

200% of poverty is used for all household sizes.

LWOs with allocations less than \$350,000 may use up to 5% additional admin funds with the following limits:

- Grant of \$200,000 or less - 5%
- Grant of \$200,000 to \$249,000 - 3%
- Grant of \$250,000 to \$299,000 - 2%
- Grant of \$300,000 to \$349,000 - 1%