



**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

**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-WAP-0002019

Title:

2019 Weatherization Assistance Program

**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 families to permanently reduce their energy bills while making their homes more energy efficient, safe, and healthy.



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

**(Grant Number: EE0007927, State: MI, Program Year: 2019)**

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

The Michigan Department of Health and Human Services, Bureau of Community Action and Economic Opportunity (MDHHS-BCAEO) uses a combined WAP DOE/LIHEAP application for the Weatherization Assistance Program (WAP).

Income definition description: A dwelling unit is eligible under DOE funding if it is occupied by a household whose income is at or below 200% of the most recent Federal Poverty Income Guidelines, and is eligible under LIHEAP funding for assistance when income is at or below 200% of Federal Poverty Income Guidelines as allowed by 10 CFR 440.22. 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. 88452, 42 U.S.C. § 2701 et seq. or applicable State or local law, is eligible for Weatherization Assistance Program (WAP) services.

In all cases, eligibility is determined by the statewide database software system called FACSPro, including a weatherization tool developed by Michigan to determine income eligibility and to administer and manage the Weatherization Assistance Program.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 60 - Income Eligibility Guidelines

Describe what household eligibility basis will be used in the Program

Michigan will use 200% of poverty in determining eligibility under section 440.22(a). Michigan uses the most recent federal poverty guidelines as updated in WPN 19-3.

Household eligibility documentation is available through the FACSPro system, BCAEO website, and Subgrantees. All weatherization requirements and changes are updated in FACSPro to ensure weatherization assistance program compliance by all Subgrantees. The FACSPro system prevents weatherization approvals from being created until the household is determined to be eligible. The FACSPro Eligibility Determination Date is used to determine when a client becomes eligible for weatherization. This safeguard ensures that all households receiving weatherization services are eligible. No dwelling unit may be weatherized without documentation that the dwelling unit is an eligible unit. A standard weatherization application or FACSPro intake/customer report is used by Subgrantees. This application requires that all household income be calculated, per DOE (U.S. Department of Energy) requirements. It also requires that income and home ownership is verified by Subgrantee staff. Income eligibility is determined by Subgrantees using the statewide FACSPro database system. Subgrantees are required to maintain a signed weatherization program application or FACSPro client report. All other documentation of client eligibility is uploaded to FACSPro. If weatherization services do not begin (an energy audit has not been initiated) within 12 months of the eligibility date, the household's eligibility must be redetermined. During intake, the standard application is used by the Subgrantees to determine the type of weatherization funding available to the household as DOE only. Both LIHEAP and DOE funding are available for households at or below 200% of poverty.

Michigan treats renters and owner occupied dwellings equally. The Michigan Community Services Policy Manual (CSPM) requires Subgrantees to have procedures in place to ensure eligible households are served according to their priority, whether or not the eligible household rents or owns the dwelling. The Subgrantees procedures are reviewed by BCAEO's monitors. Michigan's tenant eviction policy is specified in the Landlord Agreement. Within that document, the landlord agrees not to evict the tenant(s) during the period of agreement, except for documented cause, and also agrees not to raise the rent as a result of increased value due to weatherization work completed.

Subgrantees work on a case by case basis with rental property owners to ensure and document that any WAP payment for a rental building or dwelling will be directed to eligible low income occupants receiving weatherization services. Any forms for written permission from the owner/landlord prior to the start of any weatherization activities and other requirements, including the dwelling energy audit, must be included in the work file. Renters have the right to appeal any rent increases they believe do not meet the requirements stated above. Any appeal must be stated in writing and must follow an appeal process as outlined in the Michigan's Community Services Policy Manual.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 606 - Program Requirements

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- Community Service Policy Manual 610.1 - Landlord Agreement Sample
- Community Service Policy Manual 610.2 - Landlord Contributions
- Community Service Policy Manual 611 - Client Priority Selection Criteria

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

**Procedures to determine units to weatherize**

Pursuant to 10 CFR Part 440.1: The weatherization program is to increase the energy efficiency of dwellings owned or occupied by low income persons.

10 CFR 440.3 defines a dwelling unit as a house, including stationary mobile home, an apartment, a group of rooms, or a single room occupied as a separate living quarters.

10 CFR Part 440.16(a): No dwelling unit may be weatherized without documentation that the unit is an eligible unit as provided in 440.22.

Subgrantees are required to retain records that allow them to determine which dwellings have been previously weatherized, including the date weatherization activities were completed. No dwellings weatherized after September 30, 1994 using DOE funds will receive additional weatherization services using DOE funds. The statewide FACSPRO system provides documentation of units that have been weatherized. Subgrantees are required to complete, prior to any weatherization activity, a State Historic Preservation (SHPO) review for units 50 years of age or older at the time the work takes place, units that are historic properties, or units that are in a designated historic area. Michigan's SHPO Programmatic Agreement (PA) was extended until April 2020. BCAEO's review of Subgrantee household files includes verification of SHPO review and pre-weatherization status.

**Eligible Dwelling Units**

Structures eligible for weatherization include single family, manufactured housing (mobile homes), and both large (five + units) and small multifamily housing (two to four units). All structures must be stationary and have a specific mailing (street) address. Campers and nonstationary 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 which contains a member who has received any one of the following at any time during the 12 month period preceding the application date for weatherization assistance:  
Cash assistance payments under Title IV (FIP) or XVI of the Social Security Act, (SSI).
2. Occupying a qualified rental dwelling unit in accordance with CSPM Item 608.
3. Occupying a shelter, group home or transitional facility in accordance with CSPM Item 608.1.

If energy savings cannot be realized due to the condition of a home, these conditions shall be documented in the electronic file and the home shall not be weatherized. Such conditions shall be brought to the attention of the client with referrals to other help sources available.

**Eligibility Documentation (owner and renters):**

The following documents must be uploaded to FACSPRO using the document link on the customer intake screen:

- Signed FACSPRO Customer Report or Standard Application Form, DHS4283, including the Social Security numbers of all household members
- Signed FACSPRO weatherization disclaimer
- Income eligibility documentation (pay stubs, award letters, etc.)
- Written notification to client
- Priority criteria selection
- Home ownership documentation (including rental units)
- Landlord Agreement (if applicable)

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- Documentation of landlord contributions (if applicable)
- Utility usage documentation
- MDHHS-BCAEO approval of self-declaration of zero income for the entire household (if applicable)

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- Community Service Policy Manual 605 - Reweathering of Dwelling
- Community Service Policy Manual 606 - Program Requirements
- Community Service Policy Manual 608 - MultiUnit Building Eligibility
- Community Service Policy Manual 608.1 - Shelters, Group Homes and Transitional Facilities
- Community Service Policy Manual 612 - Applicant File Documentation
- Community Service Policy Manual 619 - State Historical Preservation Office (SHPO) Review

Describe Reweathering compliance

Subgrantees are required to retain records of all weatherized dwellings, including the date weatherization activities were completed and a description of DOE and other funds used for weatherization in a particular dwelling. No dwellings weatherized after September 30, 1994 using DOE funds will receive additional weatherization using DOE funds. Dwellings weatherized prior to September 30, 1994 may be reweatherized if the household in the dwelling is currently eligible and a current energy audit documents that additional cost effective work can be performed. Exception to the reweatherization policy is allowed under Michigan's Disaster Plan as described in section V.9.

Subgrantees imported data in 2011 on previously weatherized homes into the FACSPRO system as far back as 1995. This record of previously weatherized dwelling units by address is maintained on FACSPRO by Subgrantees or kept by the agency in their own database. The address is checked prior to scheduling a household for service to see whether that house has been previously weatherized. If the house has been previously weatherized before September 30, 1994 with DOE funds then it is eligible for reweatherization, as defined 10 CFR 440. This policy is clarified in CSPM 605. 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. A maximum of 50 percent of a Subgrantee'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.

Michigan will follow the requirements of CFR 440 10 CFR Part 440.18 stating 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. If the Disaster Plan is enacted, MDHHS-BCAEO will seek approval from the DOE Project Officer for permission to proceed with a determination of homes available for reweatherization. 10 CFR Part 440.18 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. 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. In compliance with WPN 127 addressing Disaster Planning and Relief, if MI does utilize the Disaster Planning and Relief plan, homes which have been weatherized after October 1, 1994 can be weatherized due to natural disasters. Details of the MI Disaster Plan in CSPM 624.

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- Community Service Policy Manual 605 - Re-Weatherization of Dwelling Units
- Community Service Policy Manual 624 - Disaster Planning and Relief

Describe what structures are eligible for weatherization

Structures eligible for weatherization include single family, manufactured housing (mobile homes), and both large (five + units) and small multifamily housing (two to four units). Michigan has approved audits for single family (2016) and manufactured homes (2016).

For energy audit purposes, per 10 CFR 440.22, multifamily housing is defined as any building which contains five or more single-family dwelling units as defined in 10 CFR 440.3, with the following exception: Row houses and townhomes may be treated as single-family dwellings if they have independent mechanical systems and are attached only by vertical walls that contain a continuous pressure boundary (i.e. fire-rated assembly) that is not penetrated from the foundation to the highest point of conditioned space. Multifamily units have historically been, and in PY19 will be, lower than 20% of Michigan's annual production. In accordance with WPN 19-4, Michigan will submit any multifamily project details to our DOE Project Officer for review prior to any multifamily project

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commencing. All structures must be occupied prior to weatherization, stationary, and have a specific mailing (street) address.

Campers and nonstationary trailers are not eligible. Nontraditional dwelling types such as shelters and mixed use buildings, while allowed, must be approved by MDHHS-BCAEO prior to weatherization to ensure that the dwelling meets program regulations. If deemed necessary, MDHHS-BCAEO will seek approval from the DOE Project Officer for the weatherization of a nontraditional dwelling.

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

- Whose income is at or below 200% of the poverty level established by the U.S. Department of Health and Human Services, or 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: FIP or SSI.
- Occupying a qualified rental dwelling unit in accordance with Community Services Policy Manual (CSPM) Item 608.
- Occupying a shelter, group home, or transitional facility in accordance with CSPM Item 608.1.

### **State Historic Preservation Office Review (SHPO)**

MDHHS-BCAEO and the Michigan State Housing Development Authority (MSHDA), have in place a programmatic agreement to ensure National Historic Act compliance with DOE funded activities, originally signed April 2010. Per 36 CFR 800.14 the agreement was extended along with 43 other state agreements for 10 years. CSPM 619 outlines the SHPO policy for Michigan Subgrantees. This can be viewed at the CSPM link located at the bottom of this section. See agreement at this link: [https://www.energy.gov/sites/prod/files/2014/01/t7/state\\_historic\\_preservation\\_programmatic\\_agreement\\_mi.pdf](https://www.energy.gov/sites/prod/files/2014/01/t7/state_historic_preservation_programmatic_agreement_mi.pdf)

### **Multifamily Buildings**

The Subgrantee may weatherize rental dwelling units in a multifamily building when the property owner has signed a landlord agreement, which: authorizes the weatherization work; accepts conditions protecting the interests of low income tenants; and, for those units where the tenant does not pay for energy directly, 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 unit, and certain eligible types of multifamily 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 multifamily 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 multifamily 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.

If the whole building qualifies for WAP, the vacant units should receive WAP services per the energy audit. The unit may also be counted as eligible if it will become income eligible within 180 days under a federal, state, or local government program for rehabilitating the building or making improvements to the building (CFR 440.22(b)(2)(ii)). In the event a vacant unit is counted as eligible but is then occupied by an ineligible family, the project becomes disallowed if the minimum eligibility requirements, set forth in 10 CFR 440.22, for the building as a whole are not met.

### **Rehabbed Multifamily 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 Subgrantee is meeting or exceeding all the goals for elderly, disabled (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 Subgrantee. These units cannot be given a priority just because they are a part of a rehab program.

### **Multifamily Restrictions**

If a multifamily building is not determined eligible, no single unit may be weatherized. Example: In a ten unit building there are four eligible units and six ineligible units. In this case, weatherization cannot be performed in any of the ten units. Any potential multifamily projects will be presented to the DOE Project Officer for approval.

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- Community Service Policy Manual 606 - Program Requirements
- Community Service Policy Manual 608 - Rental Unit and Multifamily Weatherization
- Community Service Policy Manual 608.1 - Shelters, Group Homes and Transitional Living Facilities
- Community Service Policy Manual 619 - State Historical Preservation Office (SHPO) Review

Describe how Rental Units/Multifamily Buildings will be addressed

Rental dwellings have equal access to WAP services as owner occupied dwellings.

Single family rental dwellings and multifamily buildings up to four units are addressed using the NEAT software.

Michigan follows all DOE Weatherization Program Notices (WPNs) with regard to percentage requirements for multifamily buildings with five or more units.

Subgrantees are required to enter into an agreement with landlords of multifamily properties. The agreement must state that rent on properties weatherized with DOE funds cannot be raised as a result of the increase in property value provided by the weatherization for a number of years related to the life of the improvements.

Michigan uses the HUD case by case basis process when appropriate and otherwise uses the 66% percent eligible rule (50% for duplexes and four units) to determine eligibility and the amount allowed to be spent on multifamily buildings.

Except in cases where the landlord also qualifies for weatherization services, Michigan requires financial participation of a landlord for weatherization of a multifamily property. Except in cases where the landlord also qualifies for weatherization services, Subgrantees may choose to require landlord contributions when weatherizing rental properties containing two to four units. Amount of financial participation is determined at the local level. Landlord participation can be used to buy down a SIR of a multifamily weatherization project in compliance with WPN 16-5 and WAP Memo 035.

Landlord contributions for single family dwellings are not required but are optional and may be accepted.

### **Rental Units**

The Subgrantee has established procedures for dwellings which consist of a rental unit or rental units to ensure that:

- The benefits of WAP work accrue primarily to the low income tenants.
- The rent will not be raised within 24 months after weatherization work has been completed unless it is clearly shown that any rent increase is not related to the weatherization work in any way.
- The Subgrantee has procedures in place to enforce the time period limits before there can be a rent increase.
- The weatherization work will not increase the value of the rental units to an undue or excessive amount.

The Subgrantee will 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. Landlord agreements generally include all necessary information to allow the weatherization improvements to proceed in an expeditious and cost effective manor in accordance with DOE regulations and guidelines as well as State of Michigan and local contract law. In addition to addressing basic guidelines, the landlord agreement typically includes:

1. The approval of signatures of the building owner(s) or legal representatives.
2. A description of the owner's obligations including any financial contributions;
3. A description of the Subgrantee's obligations including the scope of work and;
4. Rental clauses that allow rent increases only for specific causes or set limits on increases such as prorated share of increased property taxes, increased operating expense, or the prorated amortized cost of property improving outside the scope of WAP;
5. Protection against sale of property clause; and
6. A definition of a breach in the agreement and the remedies to be taken if such a breach occurs including liquidated damages.

Any Subgrantee customized document must contain the information on the sample agreement provided. See Attachment A for a sample Landlord Agreement.

### **Multifamily Rental Units**

HUD will qualify multifamily buildings on a case by case basis as requested.

### **Shelters/Group Homes/Transitional Living**

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The Subgrantee may weatherize a shelter, group home or similar facility for long or short term residents, provided the owner or organization and residents of the dwelling units meet prescribed building and income eligibility requirements. Subgrantees will document individual resident income verification unless there is such a high rate of turnover among residents that documentation of individual resident eligibility is impractical. In that case, Subgrantees will need to supply the following to BCAEO:

1. Weatherization Assistance Program Application for Shelters, Group Homes and Transitional Facilities, DHS4284
2. A signed statement from the facility operator attesting that the individuals/households residing in the facility are income eligible.
3. A copy of the organization’s income guidelines or a copy of the organization’s mission statement in lieu of individual resident income verification.
4. Documentation that the facility is a nonprofit organization and a copy of the organization’s bylaws.
5. Proof of benefit accrual to the low income tenant(s).

Job files must include all applicable client file information required in Items 601 and 612, as well as a copy of the written approval by the MDHHS-BCAEO staff for the weatherization of any shelter, group home or transitional facility.

**Building Owner Permission**

As required in 10.CFR 440.22(b)(1), the subgrantee is required to obtain the written permission of the owner of the building or agent.

**Demographics**

Subgrantees must have procedures in place to ensure that priority is given to identify and provide weatherization assistance to: elderly persons, persons with disabilities, families with children, high residential energy users, and household with high energy burden. Subgrantees must obtain, verify, and maintain, as required, the proper documentation on demographics for the properties to be weatherized.

Generally, resident demographics must be reported on a unit by unit basis. However, in some cases, buildings with HUD approval may collect rent rolls or other such building owner records provided that on-an-entire-building-or-project-basis are sufficient documentation to meet this requirement. This will be determined when the Subgrantee request is made. Subgrantees are urged to initiate a landlord/tenant agreement to capture elements required by the regulations (e.g., benefits accrue to the tenants, tenants are not subjected to rent increases due to property improvements provided by WAP, what occurs if tenants are evicted or the building sold before a specific period of time has passed). This agreement should correspond to the type of subsidy the building receives.

**Benefit Accrual to the Tenant**

In instances where a tenant does not pay for energy directly, Subgrantees must ensure the weatherization benefits accrue to the low income tenant. Any request for weatherization of eligible multifamily buildings needs to demonstrate in sufficient detail to the Subgrantee that the benefits of weatherization work accrue primarily to the low income tenants.

To ensure this, Subgrantees 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 (10CFR 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.

Subgrantees wishing to use their own policy must submit the draft policy to the Bureau for approval prior to implementation. The table below is an “at a glance” to convey which potential benefits are valid for different utility payment arrangements.

Table 2: Accrual of Benefits

Potential Benefit	Tenant Pays Utilities	Utilities Included in Rent
Lower energy bills when seasonal temperatures are	Yes	No

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consistent with historic temperatures		
“Lower than expected” energy bills in the event of hotter/colder weather than previous years	Yes	No
Longer term preservation of the property as affordable housing	Yes	Yes
Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22 (b)(3)(ii))	Yes	Yes
Investment of the energy savings in facilities or services that offer measureable direct benefits to tenants	Maybe; requires description	Yes
Investment of the energy savings from the weatherization work in specific health and safety improvements with measureable benefits to tenants	Maybe; requires description	Yes
Additional improvements, not related to weatherization, to heat and hot water distribution, and ventilation, to improve the comfort of residents	Yes	Yes
Establishment of shared savings program	Maybe; requires description	Yes

**Audit Runs**

The WAP file for each building should contain at least the following information from the energy audit:

- The recommended statement of work including the savings to investment ratios (SIRs) of each measures and the total project SIR.
  - If any measures were brought down or otherwise leveraged, the documentation must show the preleveraged SIRs of each individual measure and the preleveraged project SIR.
  - Documentation must include the other sources that funded each brought down measure.
- Either a printed file showing all of the building audit inputs and outputs or the immediately accessible electronic file that shows all audit inputs and outputs.
- Final installed costs of each measure and the total project costs. If the project went through the bidding process, then all bid prices winning and losing bids must be in the file.
- All specifications defining each measure.

**Leverage/Buy Down Agreements**

Subgrantees are strongly encouraged to be innovative in attracting other resources into the WAP. The ultimate goal is to increase the number of low income households that can be served and/or permit additional cost effective measures to be installed in each dwelling unit.

Many WAP Programs use a combination of federal funds (e.g., WAP funds, Low Income Home Energy Assistance Program (LIHEAP) funds, and Community Development Block Grant Program (CDBG)) and nonfederal funds (e.g., utility investments from systems benefit charges or efficiency programs, state funds from special set asides, other rehabilitation funds, private funds from landlord contributions or foundations, and other private sources) to accomplish the scope of work on a building.

Only measures on a list of measures with a cumulative SIR of 1 or greater may be paid for in any portion with WAP funds.

In addition, landlords may contribute to the weatherization of their buildings. There are two mechanisms for landlord contributions: participation agreements that address broad Grantee requirements and specific measure buy-downs. Grantees may establish and require participation agreements. They may allow buy-downs in multifamily (including 2-4 unit) weatherization. Funding sources other than landlord contributions may also be used for buy-downs. Buy-downs are only allowable in multifamily weatherization, but leveraging funds is allowable in single family weatherization. For further information on buy-downs and leveraging, see CSPM 622.

At Subgrantee discretion, building owners may also buy down measures they typically prioritize as needs – like furnace or boiler replacements or new fenestration – that do save energy but don’t achieve an SIR of 1 or greater as a stand alone measure. This must be approved by BCAEO. However, in order for the measures to qualify for the buy down, the package of measures, including the full cost (the pre-buy down cost) of the measure which is to be bought down, must have an SIR of 1 or greater.

All associated health and safety costs incurred on a dwelling unit are generally treated outside the SIR when determining cost effectiveness. However, all energy related incidental repair measures associated with weatherizing the dwelling units are a part of the SIR when determining costs. Subgrantees have some flexibility in calculating the SIR for a specific measure when other funds can be used to offset some of the costs, thereby reducing the WAP investment on the remaining investment. It is not BCAEO’s intent, however, to participate in projects that do not demonstrate overall cost effectiveness in design and installation.

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All Subgrantees will use this SIR calculation allowance only when the cost effectiveness for the entire investment in the property can still be substantiated. In other words, a measure can be bought down only when the overall SIR of the package of measures, including the full cost of the measure that would be bought down, is 1.0 or greater.

Example: In order for a measure to qualify for the buy-down, the package of measures including the full cost (the pre buy-down cost) of the measure which is to be bought down, must have an SIR = 1.0.

For example, in the first case below the replacement windows would be eligible for a buy-down in WAP; the replacement windows with a full cost measure SIR = 0.8 could be bought down so the after buy-down DOE measure cost would have an SIR of at least 1.0 (and of course the post buy-down DOE package SIR would increase).

In the second case the replacement windows would not be eligible for a buy down in WAP because the prebuy down package SIR is below 1.0.

Energy Saving Economics Case 1 Buydown Allowed in WAP			Energy Saving Economics Case 2 Buydown Not Allowed in WAP		
Measure	SIR	Cumulative SIR	Measure	SIR	Cumulative SIR
Infiltration Reduction	1.3	1.3	Infiltration Reduction	1.3	1.3
Lighting Retrofits	7.4	1.7	Lighting Retrofits	7.4	1.7
Ceiling Insulation	2.4	1.9	Ceiling Insulation	2.4	1.9
Replacement Windows (prebuy down)	0.8	1.1 (>1.0)	Replacement Windows (pre-buy down)	0.6	.9 (<1.0)

Further, it is not DOE’s intent to “leapfrog” measures that are already cost effective in order to accommodate a measure that is included in the package of measures as a result of using the provisions of this guidance. All measures that were cost effective after the initial energy audit is conducted would remain a part of the list of measures to be completed on the building. Measures that did not attain the SIR of 1.0 can only be considered for buy-down if all the cost effective measures in the initial audit are also installed.

The following steps are recommended in order to determine what other funding is necessary to leverage for a measure that would otherwise not meet WAP SIR Requirements:

1. It is expected that Subgrantees will use this SIR calculation allowance of the building to determine the package of measures that a combined SIR of 0 or greater including measures that are not cost effective without leveraged resources.
2. Determine whether sufficient funds from other resources are available to bring any measures with individual SIRs below 1.0 in that package up to at least an SIR of 1.0.
3. Apply those other funds to that measure and include it in the package of measures.
4. Document the inclusion of the leveraged measure into the weatherization statement of work with the original energy audit and either
  1. A summary of all costs associated with the weatherization of the building, including any or all resources to be used, or
  2. A revised audit in which the leveraged price of the additional measure is used as the measure cost. This documentation will be part of the building’s customer file along with the inputs and results of both energy audits.

See CSPM 622 for further information on buy downs in multifamily weatherization.

Per 10 CFR Part 440.22(b)(3), a Subgrantee may weatherize a building containing rental dwelling units where:

1. 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;
2. Rents shall not be raised because of the increased value of dwelling units due solely to weatherization assistance provided under this part; and
3. No undue or excessive enhancement shall occur to the value of the dwelling unit.

The property owner has signed a landlord agreement authorizing the weatherization work, accepting conditions protecting the interests of lowincome 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.

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Not less than 66 percent (50 percent for duplexes and four unit, and certain eligible types of multifamily 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 multifamily 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 multifamily 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.

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

### **Rehabbed Multifamily 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 Subgrantee is meeting or exceeding all the goals for elderly, and disabled, (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 Subgrantee. These units cannot be given a priority just because they are a part of a rehab program.

### **Multifamily DOE Funding**

Per DOE WPN 165, when addressing multifamily buildings with DOE funds, multiply the total number of income eligible units in the multifamily 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.

### **Multifamily Restrictions**

If a multifamily building is not determined eligible, no single unit may be weatherized.

Example: In a ten unit building there are four eligible units and six ineligible units. Weatherization cannot be performed in any of the ten units.

### **Landlord Contributions**

In the case of multifamily buildings, subgrantees must require financial participation, when feasible, from owners of such buildings.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 601 - Income Eligibility Guidelines
- Community Service Policy Manual 606 - Program Requirements
- Community Service Policy Manual 608 - Rental Unit and Multifamily Weatherization
- Community Service Policy Manual 608.1 - Shelters, Group Homes and Transitional Living Facilities
- Community Service Policy Manual 610.1 - Landlord Agreement Sample
- Community Service Policy Manual 610.2 - Landlord Contributions
- DHS-4284 Application for Shelter

Describe the deferral Process

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There are conditions or situations when an eligible dwelling unit should not be immediately weatherized. A determination may become evident during the eligibility process, during the audit or after work has begun. The decision to defer work in a dwelling is difficult, but at times necessary. This does not mean that weatherization assistance will never be available, but that work should be postponed until the problems can be resolved and/or alternative resources are found.

Subgrantees are expected to pursue reasonable options on behalf of the dwelling owner, and to use good judgment in dealing with difficult situations. If the unsafe conditions cannot be corrected by the subgrantee due to funding constraints, cost limitations, or because the complexity of the problem is considered beyond the scope of the weatherization, alternate funding should be recommended.

Subgrantees shall not simply defer service without pursuing other options and identifying other resources to address the identified hazard(s). Whenever appropriate, educational information on how to address the hazard shall be shared with the occupant. If corrections are made on a deferred dwelling that corrects the issue that led to the deferral, the Subgrantee may proceed with weatherization. Subgrantees are asked to maintain a list of deferred dwellings for that purpose.

Subgrantees may elect to defer a home from receiving weatherization services where health and safety hazards exist for the staff, contractors or clients, or where conditions that cannot be addressed by WAP prevent the safe and effective implementation of weatherization measures.

Each subgrantee is required to have a written walkaway (deferral) policy which is in the best interest for its service area.

**Conditions where Subgrantees must not weatherize include:**

- The dwelling was weatherized after September 30, 1994
- The building or dwelling unit is scheduled for demolition/redevelopment.
- The condition of the structure would make weatherization impossible or impractical (e.g. inability to meet SWS)
- Per WPN 19-4, if the building owner or occupant declines a measure not defined as a major measure prior to work beginning, the auditor must include in the client file a comprehensive justification, including background/source documents that support the decision to skip a specific measure. All other weatherization measures must be installed. If the auditor cannot access background/source documents that justifies the building owner/occupant's decision to decline a measure or the measure is defined as a "major measure", the situation must be fully documented in the client file and the job must be deferred due to client refusal. See CSPM 606.3 for further information on measure skipping.

**Conditions where a Subgrantees may defer, include, but are not limited to:**

- The extent and condition of lead based paint in the house would potentially create further health and safety hazards.
- The building structure or its mechanical systems, including electrical, plumbing, sagging or rotted roof rafters, wall studs and floor joist deficiencies, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost effectively.
- The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities and the conditions cannot be resolved with WAP funds.
- Exterior dwelling deterioration.
- Electrical or plumbing hazards or structural failures that cannot be addressed/completed within Incidental Repair or Health and Safety (H&S) cost limitations.
- Standing water, excessive water/moisture damage, remnant of standing water issues, mold, radon, friable asbestos, deteriorated lead based paint surfaces, flaking lead paint, volatile organic compounds, or other hazardous materials that cannot be addressed by the weatherization work.
- Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
- Unvented space heater(s) that may have a harmful effect on the air quality of the home.
- Dwellings where construction has not been completed.
- Major remodeling is in progress, which limits the proper completion of weatherization measures.
- Improperly stored chemicals, combustible materials, or other fire hazards that present a danger to the occupants or the workers.
- Evidence of infestations of rodents, insects, and/or other vermin.
- Unsecured pets that may prevent workers from safely completing their work.
- The presence of sewage or animal feces in or around the home.
- The home receives HUD funding and at the time of completion, the unit will not meet applicable HUD Lead Based Paint standards.
- Maintenance or housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.
- Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
- In the judgment of the energy auditor, any condition exists which may endanger the health and/or safety of the work crew or subcontractor, the work should not proceed until the condition is corrected.
- The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house. Threat(s) of violence or abusive behavior to worker(s) or household member(s) during the weatherization process.
- The client/occupants has known health conditions that prohibit the installation of insulation and other weatherization materials.
- The illegal presence or use of any controlled substance in the home during the weatherization process. This includes marijuana.

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- 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 cost to weatherize a home is so significant that it will negatively impact the Subgrantee's ability to meet the statewide average cost per dwelling (e.g. those homes that are more than 2x the state average). BCAEO must be notified in writing prior to deferring a dwelling for this reason.

When the auditor/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. If the measure is allowable in weatherization and determined to be necessary for this job, weatherization funds may be used to correct the condition. Although Michigan has acknowledged marijuana as a legal substance, federal law does not recognize marijuana as legal. Therefore, federal law will prevail as the program is federally funded.

Subgrantees are required to have a written deferral 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. In cases where an individual client feels a deferral is unfairly determined, the individual client may appeal a decision to defer.

### **Walkaway (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 Subgrantee'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.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

Community Service Policy Manual 609 - Deferral Policy

Community Service Policy Manual 606.3 - Technical Weatherization Installation Requirements

### **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 the other low income persons within the state unless the applicant has made the recommendations provided in 10 CFR 440.12(b)(5). All eligible households, including those with Native American Indian members, are served equally without regard to race, color, national origin, gender or religion.

### **V.2 Selection of Areas to Be Served**

Michigan serves all 83 counties in the state in order to provide equal access to WAP services for all eligible households. Services are based largely on Community Action Agencies (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.

In 2016, MDHHS-BCAEO conducted statewide procurement for WAP subgrantees with the intention of meeting federal procurement policy by showing fair and competitive bidding procedures. The Invitation to Bid (ITB) was posted on the State of MI Department of Technology, Management, and Budget on the Buy 4 Michigan website <https://www.buy4michigan.com/bsol/> and complied with federal and state procurement policy. The next bid is tentatively scheduled for

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The state reserves the right to reallocate funding from one subgrantee to another, should any of the current Subgrantees be unable, for whatever reason, to fulfill their obligations to implement the program in their service area. The term implement includes low production levels and quality work. Additionally, in an event that an area is unserved, the MDHHS-BCAEO reserves the right to designate a provider for the service area until another Invitation to Bid is posted.

### V.3 Priorities

As required by federal regulation, Michigan prioritizes households with elderly or disabled family members, and families with children. Michigan Subgrantees also use high residential energy use and/or high energy burden in prioritizing households for WAP service. WAP staff uses the Michigan Energy Appraisal Winter Outlook Report for 2018-2019 prepared by the Michigan Agency for Energy to determine thresholds for high energy use/on an annual basis. Subgrantees determine how to best serve the eligible population in their service territory. Subgrantees may choose to use oldest eligibility date for positioning applicants with the same category. Subgrantees are required to have a written policy of their prioritization system. Subgrantees may not discriminate due to housing type where the eligible household lives.

Michigan utilizes a priority point system when delivering services to low income single family homes to meet 10CFR 440. Mandatory priority categories are as follows:

- Households with elderly
- Households with disabled
- Households with children
- High Residential Energy User
- High Residential Energy Burden

Subgrantees utilize a statewide database which determines eligibility. Each agency has set up priority points for the WAP which aligns with the categories identified in this section. Applicants with no priority points remain at the end of the waiting list and will be served, oldest eligibility date first, after all applicants with one (1) or more points are served. Applicants with tied points will also be served by oldest eligibility date first. It is permissible to pull a client from the priority list out of order to engage with a leveraging opportunity if the following guidelines are followed:

- Client is part of a group with an equal number of points at or near the top of the list, and;
- Leveraging opportunity is rare, and;
- Subgrantee can defend the selection of the client for leveraging over other clients on the list.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 611 - Client Priority Selection Criteria

### V.4 Type of Weatherization Work to Be Done

#### V.4.1 Technical Guides and Materials

All weatherization work in Michigan is performed in accordance with DOE approved procedures, including the appropriate DOE approved energy audit (single family, small multifamily (2-4 units), or mobile home) 10 CFR 440 Appendix A, the Michigan Weatherization Field Guide, and the Standard Work Specifications (SWS).

All Subgrantee agreements and vendor contracts, active in Program Year 2015 and beyond, contain language which clearly documents the SWS specifications for work quality. Language matches that of WPN 154 Section 2. The signature on the contract serves as proof of receipt.

Also, beginning in PY15 and as required by WPN 154, Subgrantees must include similar language in their contracts with contractors who perform work for WAP. Administrative monitors review contracts for compliance. Field monitors, through monitoring inspections, confirm conformance with the Michigan Weatherization Field Guide and the SWS.

**Weatherization Guidance Online Access:**

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- Michigan Weatherization Field Guide

The Michigan SWS aligned Field Guide is available as a web interactive version or a downloadable PDF. Subgrantees can access the field guide on mobile devices in the field and from a hard copy, along with all other policy. The base field guide was purchased from Saturn. MDHHS-BCAEO assembled a group of volunteers from the weatherization network to review and update the base guide. The Michigan Field Guide was approved by DOE in July of 2018. The downloadable PDF version can be found at [http://wxfieldguide.com/mi/MIWxFG\\_2018\\_SWS\\_edition.pdf](http://wxfieldguide.com/mi/MIWxFG_2018_SWS_edition.pdf).

The web interactive version can be found at <http://wxfieldguide.com/mi/>.

The following program updates, procedures manuals, and standards documents are available on BCAEO website (<http://www.michigan.gov/bcaeo>), in BCAEO's external SharePoint, and in the FACSPRO system:

- NREL Standard Work Specifications link for the Standard Work Specifications for Home Energy Upgrades for Single Family, Manufactured Housing, and Multifamily Homes at <http://sws.nrel.gov>.
- US 10CFR600
- US 2CFR200
- U.S. Department of Energy Weatherization Program Notices
- U.S. Department of Energy Weatherization Memorandums
- Community Services Policy Manual [http://www.michigan.gov/mdhhs/0,5885,733971551\\_45583\\_45584,00.html](http://www.michigan.gov/mdhhs/0,5885,733971551_45583_45584,00.html)
- State of Michigan Department of Licensing and Regulatory Affairs (LARA) Policy LARA provides oversight for mechanical, construction, and safety laws. This department houses Michigan Occupational Safety and Health Administration (MIOSHA) which provides worker safety oversight and training.

All manuals and policy are provided to the network via the MDHHS-BCAEO website, the statewide database document center, the BCAEO external SharePoint, and via email. When updates are made, the network is notified and all policy is updated online and in the database. MDHHS-BCAEO also provides updates in the BCAEO Update newsletter that is sent to the network.

#### **Section 2.4 Credentials, of the WAP16 Contract states:**

The Subgrantee shall assure that appropriately credentialed or trained staff under its control, including Subgrantee employees and/or subcontractors, shall perform functions under this Agreement. The Subgrantee must provide crews and/or subcontractors with technical requirements for field work including: audits/testing, installation of energy conservation, health and safety and incidental repair measures; and final inspections. The Subgrantee must confirm receipt of those requirements and provide follow up and clarification upon request. A signature on a contract can serve as proof of receipt. The technical requirements must be clearly communicated and the specifications for work to be inspected must be referenced in the subgrantee contracts. Contractors hired by the Subgrantee must have agreements that include the same technical requirements as listed above. The work on the contract must be consistent with the Subgrantee standards and field guides. All energy auditors, retrofit installers, crew leaders, and quality control inspectors must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis (JTAs).

#### **Weatherization Work**

All is performed in accordance with DOE approved audit procedures and 10 CFR 440, Appendix A, Standard Work Specifications, and Michigan Rules and Regulatory policy.

Subgrantee will ensure that all weatherization activities not included in the list of categorical exclusion activities in Section 2.8 of WPN 181 require an Environmental Questionnaire submission for review.

The weatherization measures most commonly installed in eligible units are air sealing; 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 LED bulbs. Domestic water heaters (DWH) are an electric base load measure being replaced as an Energy Conservation Measure or a Health & Safety measure on eligible dwelling units.

#### **LED bulbs**

Michigan has been approved by the DOE project officer to use LED bulbs for the PY17 year.

#### **Standards for Domestic Water Heater (DWH) Replacement**

##### ***Requires Water Heater Replacement***

- Excessive tank corrosion has caused irreparable water leaks.

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- 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 byproducts 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.

***General Heat Waste Reduction Measures***

Grantees may install the identified General Heat Waste reduction measures, known as Optional Weatherization Measures, on one to four unit dwellings. Optional Weatherization Measures are intended to be relatively low cost items that can be quickly and easily installed.

Grantees shall establish a local policy as to whether the installation of optional weatherization measures will be addressed and clearly define the parameters of when such measures can be installed.

Grantees must identify at the beginning of the program year if they will be utilizing optional measures and how they will determine when those measures are necessary. Total optional measure costs (including labor) must not exceed \$250.

**Optional Measures Include:**

- Water Heater Tank Insulation
- Water Heater Pipe Insulation
- Low Flow Showerheads

**Energy Auditor Decertification/QC Inspector Suspension**

**Level One:** Level One violations typically are defined as minor in nature. These types of violations will be reprimanded with a written warning to the certified Energy Auditor/QC Inspector that explains the violation along with the corrective action.

**Level Two:** Level Two violations typically are defined as major in nature or repeated violations and/or the lack of corrective action for minor violations. These types of violations will be reprimanded with a written warning to the certified Energy Auditor/QC Inspector that explains the violation along with the corrective action. The Energy Auditor/QC Inspector is required to submit proof of corrective action in writing that the violation has been corrected. The warning and written response will become part of the record in the person's file. The review of the response and corrective action will be conducted to determine if the person will be suspended or temporarily suspended.

**Level Three:** Level Three violations are defined as a serious violation that may result in the termination of the certification. The violation must be well documented and supported with proof the violation occurred by the Energy Auditor/QC Inspector. A written notice of the violation and the appeal date will be given to the certified Energy Auditor/QC Inspector. A formal hearing will be conducted within 30 business days of the receipt of the appeal request. The panel will inform the appeals applicant in writing of its decision.

The MDHHS-BCAEO may revoke, modify, condition, refuse to renew, or temporarily suspend, the certification of an Energy auditor and temporarily suspend a QC Inspector from conducting final inspections for the MDHHS-BCAEO Weatherization program if the Energy auditor/QC Inspector does any one or more of the following:

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1. Fails or refuses without good cause to exercise reasonable diligence in developing a home inspection report, preparing a report, or communicating a report;
2. Fails to perform work or improvement to a residence upon which the Energy Auditor/QC Inspector performed a home inspection within the previous 12 months;

**Level Two:**

1. Is responsible for citation of repeated findings in consecutive monitoring reports, fails to correct minor violations as identified in level 1/written warnings/reprimands;
2. Commits an act or acts of malpractice, gross negligence, or incompetence in the performance of home inspections;

**Level Three:**

1. Commits fraud or deceit with respect to any required license or permit application or an inspection report submitted to the subgrantee or MDHHS-BCAEO
2. Violates any state or federal law, rule, permit, or order relating to the inspection and/or installation of weatherization measures
3. Makes a false or misleading statement in that portion of a written report that deals with professional qualification or in any testimony concerning professional qualifications;
4. Engages in an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit a home Energy auditor/QC Inspector or other person or with the intent to substantially injure another person;
5. Engages in an act of fraud, misrepresentation, or deceit in the making of a home inspection;
6. Pays a finder's fee or a referral fee to a person in connection with an inspection of or work to be done on a residence;
7. Accepts a home inspection assignment when the employment itself is contingent upon the home
8. Energy Auditor/QC Inspector reporting a predetermined estimate, analysis, or opinion or when the fee to be paid is contingent upon the opinion, the conclusions, analysis, or report reached or upon the consequences resulting from the assignment;
9. Employs fraud, deceit, or misrepresentation in obtaining or attempting to obtain a license or renewal of a license including builder, mechanical, plumber, electrician, and maintenance and alteration licenses such as mobile home, insulator, window installer, etc.
10. Practices as a licensed home Energy auditor/QC Inspector without a current SOM Energy Auditor/QC Inspector certification; or
11. Any other level 3 violation

**Formal Hearing:**

**Panel Review Process**

The review process will include the following elements:

1. Convening of the panel
2. Panel members will select a panel spokesperson.
3. Panel will review any written documents submitted to date.

The panel will include the BCAEO Executive Director, the MiTEC Director, a member from the DOE PAC, and two members from the Weatherization Leadership Committee.

**Presentation**

MDHHS-BCAEO staff will present a summary regarding reason(s) for the recommended action. This summary may be presented to the panel in writing, in person, or via electronic communication. Panel members will communicate any points of clarification needed with the parties.

**Deliberation and Decision**

1. The panel will review summary presentations, documentation and clarifications provided and render a decision.
2. A decision based on simple majority will prevail.
3. The panel spokesperson will communicate the panel's decision to the appellant and the MDHHS-BCAEO Director in writing.

**Decertification Period**

Revocation of an Energy Auditor or suspension of QC Inspector's performing audits for the Michigan Weatherization Assistance program shall be for a minimum of 6 months from the date of notice of decertification, suspension, or of the appeals panel notice, whichever is later.

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Decertified Energy Auditor or suspended QC Inspectors may request renewal of certification at the end of the decertification period. The decertified Energy Auditor/QC Inspector must have a network Subgrantee agency sponsor this request. The decertified Energy Auditor or suspended QC Inspector must attend IREC accredited Energy Auditor or QC Inspector training and recertification training and testing prior to reinstatement of work.

In the event of a QC Inspector suspension, a letter outlining the suspension will be provided to Michigan Weatherization Policy Advisory Council, Department of Energy, and Michigan Community Action.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 618
- Community Service Policy Manual 618.1

Field guide types approval dates

Single-Family: 7/5/2018
Manufactured Housing: 7/5/2018
Multi-Family:

**V.4.2 Energy Audit Procedures**

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: Other (specify)
Single Family NEAT software on nonstandard homes. Approved by DOE September 8, 2016.
Approval Date: 9/8/2016

Audit Procedure: Manufactured Housing
Audit Name: Other (specify)
Mobile Home MHEA software on manufactured homes. Approved by DOE September 8, 2016.
Approval Date: 9/8/2016

Audit Procedure: Multi-Family
Audit Name: Other (specify)
N/A - see comments below
Approval Date: 11/18/2011

Comments

All dwellings scheduled for weatherization must have a comprehensive energy audit that treats the dwelling as a whole system (See Section V.7). Data from the audit is entered into the Weatherization Assistant (WA) software which then determines which Energy Conservation Measures (ECMs) are cost effective for the dwelling. Weatherization measures for a dwelling are considered cost effective if the Savings to Investment Ratio (SIR) is 1 or greater for each measure and the job. In addition to DOE approved ECMs, Michigan also installs health and safety and incidental repair measures as dictated by the audit on each dwelling.

Michigan’s Energy Audit for single family homes and manufactured homes was approved September 8, 2016. Michigan will continue to comply with the DOE requirements of energy audit approval, when applicable. Michigan multifamily dwelling units represent less than 20% of a Subgrantee's building type. In the event that a Subgrantee requests to complete a multifamily dwelling, they will submit documentation to BCAEO for review. Once approved by the MDHHS-BCAEO Director, the Weatherization Specialist will work with the DOE Project Officer to review material for approval prior to commencing weatherization on the building. MDHHS-BCAEO will also verify that the Subgrantee requesting to weatherize a multifamily dwelling has qualified staff with the required training per WPN 154 to complete the unit.

For energy audit purposes, per 10 CFR 440.22, a large multifamily building is any building which contains five or more single-family dwelling units as defined in 10 CFR440.3, with the following exception: Row houses and townhomes may be treated as single-family dwellings if they have independent mechanical systems and are attached only by vertical walls that contain a continuous pressure boundary (i.e. fire-rated assembly) that is not penetrated from the foundation to the highest point of conditioned space. Large multifamily units have historically been, and in PY19 will be, lower than 20% of Michigan’s annual production. In

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accordance with WPN 19-4, Michigan will submit any large multifamily project details to our DOE Project Officer for review prior to that project commencing.

**Fuel Switching**

With prior Department of Energy (DOE) approval, fuel switching is allowed when cost effective or when justified for Health and Safety reasons. DOE approves fuel switching in Michigan on a case-by-case basis. Subgrantees must submit each request to MDHHS-BCAEO with required submission support and MDHHS will submit the information to the DOE Project Officer for approval.

**Current MDHHS-BCAEO**

Two BCAEO technical staff have received the multifamily QCI certification.

**V.4.3 Final Inspection**

**Weatherization Final Inspection Process**

The CSPM specifies the activities/tests that must be completed in a final inspection and the process for rework should the need arise. The final inspection will be conducted to confirm that all work was done to the SWS standards. Dwelling units may not be reported as complete until all work passes a final inspection and all required signatures are obtained on the required forms. Each Subgrantee is required to use a certified Quality Control Inspector (QCI) who is in good standing with the Building Performance Institute to conduct all final inspection of all dwelling units.

Michigan utilizes a separate Energy Auditor and Quality Control inspector (QCI) per WPN154 for each Weatherization job. As of January 2018, Michigan has 46 certified Quality Control inspectors. In the event that a Subgrantee is not able to find a QCI, MDHHS-BCAEO will help Subgrantees identify QCIs to assist. Subgrantees are also working together to share energy auditors and QCIs for the Program Year 2018 to ensure compliance as needed.

All Subgrantee final inspections are performed by a Quality Control Inspector as outlined in WPN 154. All Subgrantees have contract language which they sign and return stating that all work performed requires the QCI. See Section V.5.1 of Master File for contract language. Also, see sample contract uploaded to annual file.

**Subgrantees will provide QCI certified inspections according to the following protocol:**

**Independent QCI:** A final inspection on every home will be conducted by a QCI who had no involvement in the weatherization work on the home either as the auditor or as a member of the crew.

**QCI Shortage:** To meet production goals in a timely manner, Subgrantees are responsible for maintaining staff and/or contractual relationships with QCI certified inspectors. In the case of a shortage of QCI certified inspectors in the service territory, MDHHS-BCAEO may choose to allow the following, in accordance with WPN 154, Section 3.

The QCI certified auditor performs the audit and the final quality control inspection. The auditor is not involved in any of the actual work on the home. In this case, a MDHHS-BCAEO certified QCI or a DOE approved representative will perform quality assurance reviews of at least 10 percent of all completed units as this model does not allow for an independent review of the audit on every home. Additionally, the Subgrantee will be required to develop and submit a quality assurance plan to ensure that the individual who is functioning as both the auditor and the quality control inspector is able to consistently perform both tasks and MDHHS-BCAEO may choose to reduce the respective Subgrantee T&TA allocation to cover the expense of increased monitoring.

**Disciplinary Actions:** If a QCI Inspector is found to be negligent, either through repeat findings or gross negligence in their duties, MDHHS-BCAEO, with or without the support of a Subgrantee, may institute the following:

- Additional training
- Temporary suspension (e.g. six months)
- Permanent suspension and written notification to BPI

A complete audit and quality control inspection is required for each home weatherized. Audits include WA8 audit reviews as well as required testing. Quality control inspection approval is mandatory for a home to be considered a completion. Beginning July 1, 2014 all Quality Control Inspectors implemented a quality control checklist which they sign and date confirming that all work from the original audit was completed to required standards. The checklist is created by the energy auditor based on the energy audit results and provides the measure, the SWS item linked with the measure, and the CSPM reference policy item for that measure. No dwelling unit may be reported to DOE as completed until all weatherization material is installed and a final quality control inspection is performed.

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Policies and specifications are provided to each subgrantee through the CSPM. An example of the quality control checklist has been uploaded and is available in the SF424. The Quality Control checklist is signed by the energy auditor, crew leader, and the quality control inspector through the various stages of weatherization. If the state monitor chooses the job to monitor, they sign the Quality Control checklist as well.

### **Completed Units**

No dwelling unit is reported to DOE as complete until all weatherization measures have been installed and the Subgrantee has performed a final inspection(s) including any mechanical work performed and certified work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required by 10 CFR 440.21.

### **Training and Technical Assistance**

The Michigan field guide and standards are distributed to Subgrantees and their contractors via the statewide database document center, through a link on the state's website, and through the BCAEO External SharePoint. The Michigan Weatherization Field Guide contains links to the SWS which can be accessed through an internet browser or on a mobile device in the field. Subgrantees are responsible for ensuring that all of their contractors and crews have access to and reviewed the Michigan Weatherization Field Guide and SWS.

### **Specific Training**

#### **Indoor Air Quality Training**

- Indoor Air Quality (IAQ) Training is required for individuals in the Michigan WAP as listed below. For further details on the IAQ training, see section 7.4, Training and Technical Assistance Approach and Activities of this document
  - Energy Auditors and Quality Control Inspectors
    - Individuals in these roles must receive Indoor Air Quality Training.
  - Mechanical, Electrical and Plumbing Contractors
    - Individuals in these roles are not required to receive Indoor Air Quality Training.
  - Shell Contractors and Crews
    - Individuals in these roles must receive Indoor Air Quality Training.

#### **Lead Safe Work and Lead Renovator Repair Painting Training**

- All employees and contractors working on pre-1978 homes must receive training to install measures in a lead-safe manner in accordance with the SWS and EPA protocols, and installation must be overseen by an EPA Certified Renovator. Crews must follow EPA's Lead, Renovation, Repair and Painting Program (LRRP) when working in pre-1978 housing unless testing confirms the work area to be lead free. Different roles in Weatherization have different requirements for Lead Safe Work (LSW) or LRRP training and certification. All required training/certification must be completed within 180 days of the date they are hired. Requirements are as follows:
  - Energy Auditors and Quality Control Inspectors
    - Individuals in these roles must receive either LSW or LRRP training and must follow EPA rules.
  - Shell Contractors and Crews
    - Individuals in these roles must receive either LSW or LRRP training and must follow EPA rules.
  - Mechanical, Electrical and Plumbing Contractors
    - Individuals in these roles must follow EPA rules, but there are no training requirements for individuals beyond those listed generally in this section.

Michigan does not currently have an accredited training center, so out of state travel is required for all JTA/HEP training and certifications. In Program Year 2018, Michigan began the transition from the out of state training to its newly established training center. Michigan will continue the partnership with neighboring accredited training centers to complete training in Michigan for JTA/HEP certifications until its training center is IREC accredited.

### **State Monitoring**

Weatherization technical monitoring is conducted at minimum of once a year. State monitors will perform quality assurance site reviews on at least 5% of all completed units and 10% quality assurance file reviews.

Small Subgrantees (defined as Subgrantees with a minimum production level of 30 dwellings per program year), or Subgrantees experiencing a barrier to complete production, may apply for a waiver to the 5% onsite monitoring and 10% file reviews with appropriate justification, such as an inability to obtain the separation of duties demonstrated in the work of the Energy Auditor and QC Inspector. If BCAEO approves the waiver, BCAEO's state monitors will perform quality assurance site reviews on at least 10% of all completed units and 20% quality assurance file reviews for that program year. In addition, BCAEO will conduct more follow-up reviews and require the agency to implement a Corrective Action Plan to resolve the issues within the program year or 6 months from

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waiver approval. BCAEO may require the Subgrantee to schedule monthly calls with BCAEO to determine the agency's progress to increase staffing capacity.

This monitoring includes review of selected units to determine compliance with file documentation, work standard, and quality standards. Audits and quality control inspections include Indoor Air Quality (IAQ) inspections. IAQ inspection requirements include completion of MDHHS-BCAEO forms 552 and 552A and ASHRAE 62.2 ventilation standard. Blower door testing of all homes is conducted during both the audit and inspection of the home by a MDHHS-BCAEO certified weatherization monitor/QCI or crew person/contractor. Subgrantees are required to submit their fuel cost libraries with justification for prices on a minimum of an annual basis, and these libraries are reviewed by technical monitors. State of Michigan technical weatherization monitors have QCI certifications for single family homes, and two monitors have the multifamily QCI certification. They have also attended INCAA training for the other Home Energy Professional (HEP) categories. MDHHS-BCAEO will contract QCI work as needed. As of March 14, 2019, BCAEO has three technical monitors on staff.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 603
- Community Service Policy Manual 618

#### V.5 Weatherization Analysis of Effectiveness

MDHHS-BCAEO is currently working on the implementation of the Weatherization Change Vision that was developed to address the deficiencies addressed in the ACSI Survey Results. MDHHS-BCAEO's goal is for a 5 point improvement in the overall satisfaction score. The next ACSI survey will be released to agencies in 2019 and BCAEO anticipates the results to be available in PY19.

The BCAEO Weatherization Change Vision is as follows:

We want to take Michigan's Weatherization Assistance Program to the next level by improving program performance and quality, expanding and enhancing support from the State Office, and creating and maintaining a training program that includes a state of the art training facility in Michigan.

The change vision includes the following focus areas:

- Reorganization of the State Weatherization Office
- Training and Technical Assistance expansion and enhancement
- State monitoring stabilization and growth
- Stronger collaborations with partners to assist in the rebuilding efforts
- Comprehensive communication plan

To accomplish our goals in each of the focus areas, we have created small functional teams that include statewide partners, subgrantee staff and BCAEO staff. Much progress has been made since the beginning of the BCAEO Weatherization Change Vision. During PY17 and PY18 projects included: selecting and updating a new Michigan Weatherization Field Guide; hiring staff to build a training center, MiTEC, that is working to become IREC accredited; developing a new online training platform; launching an external SharePoint; streamlining the State Office policies and procedures; and executing our current training plan while we plan for future enhancements. The work will be led by the Weatherization Leadership Team.

ACSI Report shows the following results:

- Lowest score: 50%

Development of the DOE State Plan

BCAEO should focus on high impact areas

- 71% Communication
  - Improve clarity of communications
  - Frequency of communications
- 70% Technical Assistance
  - Improve clarity and consistency of assistance
  - Improve timeliness of receiving requested information

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Activities in PY18 included and in PY19 will continue to include:

- Development, implementation, and recognition of the DOE State Plan Development workgroup.
- 2 to 3 in-person Regional Weatherization Manager Meetings annually (4 regions)
- Monthly updates in the BCAEO Update
- Monthly Weatherization Manager Webinars (as needed)
- 2 Conferences
  - Weatherization Manager Conference in July
  - Weatherization Technical Conference in October
- Improved Field Guide and better access to Field Guide
- Training on Field Guide
- Timely Monitoring Reports (feedback within 60 days)
- Streamlined and updated tools for weatherization in the Statewide Database
- Updated monitoring section of Statewide Database and rebuilt monitoring report to streamline and provide clarity.
- Network volunteers for the following committees (committees meet regularly or on an as-needed basis):
  - PAC adding contractors to the PAC for a diverse perspective
  - Training Center Partners Committee
  - Weatherization Leadership Committee Strategic Planning
  - New Weatherization Managers Cohort
  - Technical Weatherization Committee
  - Forms and Files Streamlining Committee

MDHHS-BCAEO expects Subgrantees to achieve 100% of their planned operational goals for fiscal expenditure, unit production, and client priorities. It is also expected that each Subgrantee 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.

MDHHS-BCAEO will utilize all tools below to analyze the effectiveness of subgrantee weatherization, productivity, and energy savings between subgrantees, developing Training & Technical Assistance (T&TA) activities, and priorities for the network, continuously strengthening the Michigan Weatherization Assistance Program, tracking performance, and managing and monitoring of the program and each subgrantee. All monitoring tools have been updated to reflect any program changes or requirements.

### **Onsite Inspections of Weatherized and In Progress Units**

MDHHS-BCAEO technical monitors inspect between 5% and 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 to allow for onsite training and technical assistance opportunities in lieu of potential disallowed costs (as resources permit). The in progress monitoring is intended to serve as training and technical assistance.

MDHHS-BCAEO technical staff monitor the effectiveness of Quality Control Inspectors by keeping a trend analysis for each agency. CSPM 618.1 has language stating that if it is found that a QCI is not performing to DOE program standards that the state has the right to suspend them from working in the program. There is also language as to how an inspector can appeal the process.

### **Inspector Certification**

MDHHS-BCAEO will make available training opportunities for the Subgrantee network to provide HEP Quality Control Inspector training and certification opportunities. Contract language with Subgrantees requires the use of a HEP certified QCI for all final inspections and the use of a separate energy auditor and QCI on each job to be weatherized.

### **Programmatic & Financial Monitoring**

Programmatic and financial monitoring reviews are conducted with each Subgrantee to evaluate the Subgrantee's ability in the area of fiscal, administrative, and programmatic compliance with all applicable federal and MDHHSBCAEO WAP rules and regulations. The monitoring reviews are a combination of onsite visits and desk reviews.

### **Audits**

Each Subgrantee required by the OMB Uniform Guidance to have a single audit performed and must submit the reporting package and an audit transmittal letter to the MDHHS Office of Quality Control and Internal Controls in accordance with the time frame established in the OMB Uniform Guidance. When findings are identified in the single audit, they are referred to the MDHHS-BCAEO office. MDHHS-BCAEO fiscal staff then reviews the proposed corrective action for the finding, and issues a management decision upon approval from MDHHS-BCAEO Executive Director. Additionally, MDHHS-BCAEO fiscal staff reviews

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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. Productivity is monitored quarterly and letters are sent to each Subgrantee. BCAEO is creating productivity dashboards so that Subgrantees can see statewide production results in real time. If by the end of the second quarter, if the Subgrantee has low production, the Subgrantee is required to submit a plan to MDHHS/BCAEO outlining their corrective action to meet the productivity requirements. It should be noted that when necessary, MDHHS-BCAEO may reallocate WAP funding from underperforming Subgrantees and provide those dollars to Subgrantees that are meeting or exceeding performance and have the capacity to spend the funding out by the end of the program year.

**Section 3.2 Performance Evaluation and Monitoring contract language states:**

**3.2. Performance Evaluation and Monitoring**

The services provided by the Subgrantee under this Agreement shall be evaluated and assessed at least annually by MDHHS-BCAEO on the basis of the criteria outlined in Section 2.6.

MDHHS-BCAEO shall perform grant monitoring through activities such as:

- Conducting onsite monitoring.
- Current level of expenditures for all active weatherization related programs.
- Depth of existing waiting list.
- Financial and program management capacity.

If carryover funds are available, funds will be distributed to eligible Subgrantees based upon their capacity to take additional funds. Subgrantees on a Quality Improvement Plan (QIP) or who fail to utilize 90% of their award based on the Subgrantees original allocation at closeout, will not be eligible to receive carryover funding unless approved by BCAEO. In the event that a Subgrantee has the willingness and capacity to pilot a multifamily project in conjunction with BCAEO and DOE, carryover funds may be made available for this project depending on the amount of funds available and the capacity of all entities involved.

**Trend Analysis/Performance Reviews**

The MDHHS-BCAEO 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 MDHHS-BCAEO staff use this information to make policy and procedure changes as appropriate and to assess network training needs throughout the program year. All technical monitoring is entered into a database which allows MDHHS-BCAEO to track findings and training and technical assistance provided to the agency. Monitors prepare for each monitoring review by reviewing prior year's reports and corrective action plans. The reports contain problem areas (corrective action plans) that must be reviewed during the current monitoring evaluation. The monitor will then provide narrative on progress.

**Risk Assessments**

MDHHS-BCAEO will conduct risk assessments for each subgrantee prior to the start of a grant agreement and more frequently if needed.

**Corrective Action**

If an agency significantly underproduces or underspends, MDHHS-BCAEO may reduce the agency's allocation in the next Program Year. If MDHHS-BCAEO determines that the Subgrantee administrative and/or financial operations are consistently out of compliance with program requirements and/or the Subgrantee is not improving at an agreed upon plan, the Subgrantee 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, MDHHS-BCAEO may appoint an interim provider until such time that the public process for identification of a permanent provider can be accomplished or corrections identified by the Subgrantee have been made. 10 CFR 400.15 will be followed in selecting a permanent replacement provider.

In the event the statewide Request for Weatherization Subgrantees results in some areas not being served, or if a provider of an area rescinds its selection as the local Weatherization provider, MDHHS-BCAEO may appoint a provider for those areas until another competitive bidding process is scheduled for the WAP.

Subgrantees may be requested to provide corrective action as part of a Quality Improvement Plan (QIP) to MDHHS/BCAEO for programmatic reports,

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showing both completed and in progress units, indicating achievement by quarter:

- First Quarter            25% of minimum production
- Second Quarter        60% of minimum production
- Third Quarter           75% of minimum production; or, 85% for Subgrantees with minimum production over 200 units

MDHHS-BCAEO reserves the right to redistribute funds if a Subgrantee is not able to meet production goals outlined in the Subgrantee approved serviced plan. Any reallocation will be in an attempt to ensure proper utilization of WAP funds. Subgrantees eligible for redistributed funds will be determined based on, but not limited to, the following criteria:

- Current level of expenditures for all active weatherization related programs
- Timely and accurate submission of reports and Statement of Expenditures
- Depth of existing waiting list (in progress jobs)
- Met self-imposed benchmarks (identified in Subgrantee production plan)
- Financial and program management capacity

**Utility Usage Data**

MDHHS-BCAEO will work with the Michigan Public Service Commission (MPSC) and Michigan Agency for Energy (MAE), utilities, other data analysis and research contractors, 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, MDHHS-BCAEO will ensure that data necessary to accurately assess the reduction in utility usage as it relates to weatherization activities, becomes a reality in Michigan. The process of data collection has begun in the statewide database and will continue to grow. Information is entered on a client-by-client basis by the Subgrantees. In PY18, MDHHS-BCAEO worked with our statewide database vendor to make improvements to the system that gave the Subgrantees an ability to easily collect pre and post utility data. At this point, continued conversations and training are needed to move this item forward. In PY19, a pilot will be conducted to determine policy to streamline specific issues that come up in the collection of utility data.

Training needs for the network are identified through surveys, conference evaluations, weatherization training committee, feedback at regional and monthly weatherization management meetings, and monitoring recommendations.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 603
- Community Service Policy Manual 618.1

**V.6 Health and Safety**

Historically, the Michigan Health and Safety cost category limit has been based on 15% of Program Operations. In PY19, Michigan is requesting that limit be raised to 20% of Program Operations. An estimated 19.95% of program operations budget is placed in the allocation charts to the subgrantees to stay within the limit. To ensure that program services concentrate on energy efficient measures, Health and Safety (H&S) measures must not total more than 50% of the total job cost. If Health and Safety costs of a job do exceed more than 50% of the total job costs (as determined by the initial audit), the Subgrantee may submit a waiver for approval from the MDHHS-BCAEO technical monitor prior to weatherization. The Subgrantee is responsible for documenting the approval from the technical staff and including it with the file documentation. In instances where the H&S measure that pushes the H&S cost over 50% of total job cost is an ASHRAE fan or system, the Subgrantee may move forward on the project without review and permission from a MDHHS-BCAEO technical monitor. Buildings that cannot be weatherized without the H&S measures shall be deferred. H&S measures are not considered as part of the cumulative SIR and do not need an SIR to install.

The Health and Safety Plan is also attached in SF424.

The Health and Safety plan and policy can be found in the CSPM 600 Series which have been uploaded under SF424.

**Health and Safety funds may be used for:**

- The elimination of energy related H&S hazards that are necessary before or because of the installation of weatherization measures
- Items as identified as allowable for H&S spending in the Michigan Health & Safety Plan (CSPM 614) and,
- H&S spending is limited to 50% of the total job cost with the exception protocol listed above; and, the limit is reasonable in light of the primary energy

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conservation purpose of the Weatherization Assistance Program.

DOE funds shall not be used to meet code compliance. Health and Safety measures do not require an SIR and are not included in the Average Cost per Unit. Health and Safety measures are billed to their own cost category. Subgrantees ask a series of questions during intake and energy audit related to occupant health conditions to capture any preexisting conditions. Some Subgrantees have implemented a preassessment visit to homes which allow a trained Weatherization staff to look for common issues for health and safety issues or deferral.

The DHS552 Weatherization Health and Safety Assessment Findings notification document is a required document completed by the subgrantee and signed by the client. The form includes client name, address, dates of audit/assessment, and when the client was informed of the potential problem. Subgrantees review the form and then explain any observations found during the energy audit. A copy of the form has been uploaded for review. It should also be noted that Michigan's climate does not warrant air conditioning replacement/installation or repair. If energy savings cannot be realized due to the condition of a home, these conditions shall be documented in the electronic file and the home shall not be weatherized. Such conditions shall be brought to the attention of the client with referrals to other help resources available. ASHRAE compliance is outlined in Michigan Weatherization Field Guide and the CSPM (606 and 614) and on the H&S Plan uploaded in SF424.

MDHHS-BCAEO provides ASHRAE 62.2 version 2016 training as a Specific training to the network annually and as needed. Michigan will utilize ASHRAE 62.2 version 2016 Weatherization H&S. Training is conducted in an ongoing manner during technical monitoring, inquiries throughout the year, as requested by Subgrantees via the training survey, and as changes are made to the rules and regulations. OSHA requirements are enforced by the Michigan OSHA office. MDHHS-BCAEO hosts an annual weatherization conference and the Michigan OSHA office conducts training at the conference.

Sources: [http://wxfieldguide.com/mi/MIWxFG\\_2018\\_SWS\\_edition.pdf](http://wxfieldguide.com/mi/MIWxFG_2018_SWS_edition.pdf)

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 606
- Community Service Policy Manual 614

## V.7 Program Management

### V.7.1 Overview and Organization

The Weatherization Assistance Program is managed by the Michigan Department of Health and Human Services (MDHHS), Bureau of Community Action & Economic Opportunity (BCAEO) which is under the Bureau of Community Services Division. The MDHHS mission is to provide opportunities, services, and programs that promote a healthy, safe, and stable environment for residents to be self-sufficient. The vision of the Department is to develop and encourage measurable health, safety, and self-sufficiency outcomes that reduce and prevent risks, promote equity, foster healthy habits, and transform the health and human services system to improve the lives of Michigan families.

The MDHHS-BCAEO was created by the state legislature to oversee activities of Michigan Community Action Agencies (CAAs) and administer the U.S. Department of Energy Weatherization Assistance Program and the U.S. Department of Health and Human Services Community Services Block Grant. CAA services include programs that address education, emergency services, employment, health, housing, income management, linkages, nutrition, and self sufficiency. CAAs are the primary subgrantees for the Weatherization Assistance Program in Michigan.

MDHHS-BCAEO is responsible for the administration and oversight of the WAP in accordance with the conditions set forth in the approved DOE State Plan. In addition to WAP, MDHHS-BCAEO administers LIHEAP Weatherization funds and the Community Services Block Grant. Responsibilities include statewide programmatic and fiscal planning and development, training and technical assistance (T&TA), monitoring, evaluation, and reporting. MDHHS-BCAEO annually contracts for program delivery activities with approximately twenty eight local CAAs.

Twenty five of the twenty eight CAAs are weatherization subgrantees. Michigan unexpectedly had one Subgrantee rescind their position as a Weatherization subgrantee and their designation as a Community Action Agency in PY18. BCAEO ran an RFP for neighboring subgrantees to take over the territory and selected one as the interim provider. Michigan anticipates no changes to the network of subgrantees in PY19. MDHHS-BCAEO staff oversee several contracts and provide written policy and procedures for these various program areas. They 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. MDHHS-BCAEO staff conduct annual programmatic, technical, and financial monitoring reviews for each subgrantee. The MDHHS-BCAEO Executive Director and MDHHS-BCAEO Deputy Director oversee all personnel within the MDHHS-BCAEO. Personnel include grant managers, financial monitors, programmatic monitors, technical weatherization monitors, a CSBG specialist, a weatherization specialist, and administrative support staff. The BCAEO Executive Director also oversees the MPHI affiliates who staff MiTEC, the Michigan Training Center. The MPHI affiliates are a Director, a Deputy Director, Technical Instructors, a Program Assistant and a ROMA Data Integration Coordinator. MiTEC is working to become an IREC accredited training center.

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The MDHHS-BCAEO Organizational Chart has been attached to SF424.

Michigan's WAP funds are distributed via an allocation formula that was revised to reflect the current conditions and energy conservation needs in Michigan based on the 2010 census. It uses a formula that includes a population factor, a territory size factor, and a heating degree day factor.

**V.7.2 Administrative Expenditure Limits**

Per 10 CFR 440.1818(d), not more than 5% of the grant can be used for administrative purposes by the state. Subgrantees receive an allocation of 5% of the total DOE WAP allocation for administrative costs. This 5% is allocated to twenty five Subgrantees by the funding formula. Subgrantees who receive less than \$350,000 in new PY19 DOE funds will receive up to an additional 5% for administrative purposes. The additional funds will come from Subgrantees' program allocation and will be inversely prorated according to the amount of DOE funds received. Carryover funds are anticipated in PY19. As the Annual File contains both new PY19 funds and carryover funds, a spreadsheet called "Subgrantees with Less than 350k in PY19 New Funds" is attached to the SF424, which differentiates new PY19 funds and carryover funds included in the Annual File to make clear which Subgrantees receive less than \$350,000 in new funds.

**V.7.3 Monitoring Activities**

The overall goals of monitoring are to assure compliance with federal and state rules, policies and the efficiency, quality and effectiveness of Subgrantee operations. An additional goal is to identify and correct issues that have the potential to cause major program deficiencies. Because work with Subgrantees has a broader focus than compliance, T&TA dollars may fund activities in this area.

**General monitoring strategies include the following:**

- Desk monitoring: Desk monitoring includes ongoing reviews of monthly programmatic and fiscal data submitted by subgrantees. Programmatic data from each household served is available and reviewed from the statewide database FACSPRO system. Examples of FACSPRO data include estimated and final cost data by measure and by job, mechanical test results, and blower door readings. A sample of the Subgrantee's monthly expenses and invoices are reviewed as well as allocations. Fiscal review also includes audit review and financial reconciliation.
- Subgrantee visits: Each Subgrantee receives at least one onsite field visit per year, monitoring a minimum of 5% of all weatherized households statewide, unless a waiver for the Energy Auditor and QCI to be the same person on a job (see Final Inspection section, V.4.3, above) is approved by BCAEO, then BCAEO will monitor at least 10% of all weatherized households in a select service area. In addition, each Subgrantee receives a minimum of one administrative (programmatic and financial) monitoring onsite visit per grant cycle (typically once every three years with desk reviews in between onsite visits).
- A risk assessment called STAR (State Technical Assessment Report) is conducted at the start of the program year or prior to the start of a new grant contract (and modified throughout the year as needed), as a risk based approach to monitoring; to determine priority in monitoring, to setup a monitoring schedule, to prepare the monitoring plan, and to establish custom subgrantee training and technical assistance. For both field and administrative monitoring, additional visits are scheduled, as needed, to address specific Subgrantee issues as they arise.
- Inspections of completed dwellings are conducted to determine compliance with federal and state requirements, client satisfaction, and work quality.
- MDHHS-BCAEO also may choose to visit "in progress" jobs. All MDHHS-BCAEO household inspections are completed by a certified Quality Control Inspector prior to being moved to Final Close Out in WxPro.
- MDHHS-BCAEO has developed both a field, programmatic, and financial monitoring tool. The programmatic tool was updated in PY18, and the financial tool was updated in PY17. The field tool is currently being updated and an updated version is anticipated in PY19. These tools are used to ensure that planned monitoring reviews are completed consistently in the field and appropriately document the results. The tools are available for the Project Officer to review during DOE monitoring visits.
- Household file reviews: MDHHS-BCAEO staff reviews data and household files for compliance using subgrantee data, forms, signatures, bids, invoices, and other documentation. The file review sample may include those dwellings that are selected for onsite inspection. In depth household file reviews are conducted by field monitors prior to inspection. Programmatic and financial monitors randomly sample files during onsite visits to demonstrate compliance with DOE, MDHHS-BCAEO, and local Subgrantee policy.
- Subgrantees are required to upload files of dwellings to be inspected by MDHHS-BCAEO field monitors to the secure FACSPRO system.
- Programmatic and Financial Monitoring: These reviews include follow up on issues raised by the premonitoring planning and the STAR Assessment Monitoring Plan as well as any other administrative and/or financial issues as needed, including but not limited to:
  - Program overview
  - Equipment/Inventory/Materials
  - Client/Household eligibility

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- Distribution of services between renters and owners
- Distribution between counties within the Subgrantee service territory
- Reporting compliance
- Internal controls related to financial management and operations
- Fiscal Audits
- Payroll/Personnel
- Vehicles and equipment
- Subawards/Subgrantee monitoring
- Invoicing
- Records retention
- Staff qualifications and training
- How monitoring results are handled and required followup procedures
- Inventory records
- Contractor/crew qualifications
- Procurement procedures
- Outreach efforts to incorporate minority and disadvantaged contractors
- Field Monitoring visits: All MDHHS-BCAEO field inspections are conducted by a BCAEO Technical Monitor, who is a certified Quality Control Inspector and will ensure compliance with the Standard Work Specifications. These reviews include follow up on issues raised in desk monitoring, prior monitoring reports, as well as any other issues as needed, including but not limited to:
  - Administrative field work (Client file review, Work orders, Audit reporting)
  - Energy audits
  - Training & Technical Assistance activities and needs
  - Weatherization of units
  - Health and safety
  - Final inspections and verification that all inspections are performed by a QCI
  - How monitoring results are handled and require followup procedures
  - Lead safe work practices Quality Assurance
  - Compliance with Standard Work Specifications (SWS)

### **Monitoring**

All monitoring is conducted in accordance with the guidance in WPN (Weatherization Program Notice) 164. The combined program compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements. All monitoring tools have been updated to reflect DOE program requirements. The combined programmatic/financial compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements.

Monitoring reviews are coordinated through agency staff. Tentative monitoring schedules are set early in the program year.

Depending on the type of monitoring (programmatic, technical, financial), the Subgrantee has a specified number of days to complete the corrective action and provide proof of correction to the monitor. The number 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. If it is found that a subgrantee has significant deficiencies, MDHHS-BCAEO will establish a Quality Improvement Plan (QIP) for the subgrantee and increase monitoring to address said deficiencies until the MDHHS-BCAEO determines the agency has improved. It is expected that with the implementation of the in progress monitoring, that MDHHS-BCAEO will be able to identify deficiencies earlier, rather than later if they exist. In progress reviews will be planned when MDHHS-BCAEO is fully staffed. MDHHS-BCAEO monitors also utilize Technical Assistance Plans (TAP) and Corrective Action Plans (CAP) as part of monitoring to improve Subgrantee performance. The CSPM provides a policy for monitoring.

### **Technical Monitoring**

Technical monitoring will be performed to ensure compliance with all DOE WAP, U.S. Health and Human Services (HHS) regulations and guidance, and SOM and MDHHS-BCAEO 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 subgrantee)
- NEAT/MHEA mdb files shall be provided by subgrantee (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

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- Approved Audit Inspection, Work Order, Cost Center (IWC) completeness and storage in FACSPRO
- Financial reconciliation for all job cost and invoicing reported on the 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

Technical Monitoring Reviews will be completed onsite for at least 5%, or more if appropriate or approved through a waiver (10%), of the completed units. File selection and review will be via FACSPRO and based upon 10% of scheduled production. For technical monitoring, a weatherization monitoring report, including observations, findings, and corrective action requirements, is completed by the technical staff. After agency technical responses have been received, a Quality Assurance letter is composed that includes all outstanding observations and findings. Any Health and Safety issues that are identified at that time, particularly if they present an imminent danger to occupants, will be addressed immediately by the Subgrantee. This document is reviewed by supervisory staff, approved by the MDHHS-BCAEO Executive Director, and then forwarded to the agency's Executive Director with a copy to the weatherization manager/coordinator.

All MDHHS-BCAEO technical monitors providing monitoring for WAP file and site visits must have a QCI certification. MDHHS-BCAEO Technical staff is required to perform all diagnostic testing along with monitoring all installed measures to ensure they have been correctly installed. The technical staff takes photographs during monitoring and also conducts file reviews to ensure Subgrantee compliance. Weatherization technical monitoring will be conducted for each Subgrantee 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.

### **Programmatic and Financial Monitoring**

The programmatic and financial monitors will compose a monitoring report, including administrative recommendations, findings, and best practices that is also shared with the agency's Executive Director and Subgrantee's Board Chair. This document is reviewed by supervisory staff, approved by the MDHHS-BCAEO Executive Director, and then forwarded to the agency's Executive Director with a copy to the weatherization manager/coordinator.

Weatherization programmatic compliance and financial monitoring will be conducted with the Subgrantee a minimum of once a year. The monitor prepares for the monitoring by reviewing monitoring reports, including corrective action requirements, correspondence, and new items are reviewed. The monitor reviews files for completeness and accuracy of eligibility documentation, programmatic compliance, and financial compliance. Subgrantees are required to have a single audit performed in accordance with OMB Uniform Guidance, as applicable. The Subgrantees are responsible for obtaining their own audit services. MDHHS-BCAEO receives a copy of the audit report and prepares management decisions as needed.

### **Monitoring Reports (Technical, Programmatic, and Financial)**

MDHHS-BCAEO will issue monitoring reports within 30 days after each monitoring review. A written response to corrective action will be required of subgrantee's within 30 days of receipt of the monitoring report. MDHHS-BCAEO utilizes a monitoring module, for technical monitoring responses, in the statewide database which expedites feedback and correction. MDHHS-BCAEO also has a custom Grants Management and Monitoring Database that tracks all monitoring activities and follow up until closeout.

### **Follow Up and Monitoring**

Additional visits and/or reviews will be conducted for Subgrantees that are determined to have significant deficiencies.

### **Training and Technical Assistance**

A system has been setup in the Monitoring Access Database to track Subgrantee and MDHHS-BCAEO monitoring findings and observations by auditor/inspector, contractor, and/or worker to assist in planning training and technical assistance activities. Additional days may be added to the agency visit if monitoring results identifying a need for additional T&TA for the agency.

To provide adequate oversight, it is the Subgrantee's responsibility to train and provide information to the subcontractors on the WAP policies to ensure that subcontractors perform in accordance with weatherization standards and comply with all rules and regulations. To provide oversight, the Subgrantee 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, and on what date.

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- Subgrantees are responsible to ensure that their contractors and staff participate in all required trainings.

**MDHHS-BCAEO Monitoring Staff and Funding Description**

The MDHHS-BCAEO has two technical monitors, one technical quality assurance coordinator, seven grant managers/programmatic monitors, and two financial monitors. Technical staff, programmatic monitors, and financial monitors provide oversight and compliance reviews for the weatherization program. MDHHS-BCAEO monitoring policy requires they offer of an entrance and exit interview with the Executive Director and/or designated staff for each monitoring review.

Technical staff positions are funded 100% with T&TA funding. All travel is 100% DOE funding unless other funding is available such as LIHEAP. If LIHEAP is available during the program year, the expenses are shared depending on the activity. This is tracked in the State of Michigan accounting system. Travel for monitoring purposes is shared between all active grants which can include LIHEAP, CSBG, and DOE. To the extent possible, monitoring activities will be done by desk. This is a cost effective way of monitoring. MDHHS-BCAEO will request an exception to MDHHS travel rules which require a monitor travel more than 100 miles before having permission to spend the night. The exception request will ask for permission of overnights stays for monitors at 50 miles or more from the designated work location. This will allow monitoring to be completed in a 7-8 hour work day rather than in a 5 hour work day with 3 hours dedicated to commuting. This will allow for more efficient monitoring in a timelier manner. The weatherization program specialist position is funded by DOE to administer the program. The MDHHSBCAEO executive director position salary is funded by 50% of total salary with DOE funds. The MDHHSBCAEO monitoring schedule is available in SF424.

Attached to the SF424 are the following:

- MDHHS-BCAEO Fiscal Monitoring Tool
- MDHHS-BCAEO Programmatic Monitoring Tool
- MDHHS-BCAEO Technical Monitoring Tool
- MDHHS-BCAEO Tentative Technical, Programmatic and Financial Monitoring Plan

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 603

[http://www.michigan.gov/documents/mdhhs/CSPM\\_1300\\_Series\\_503778\\_7.pdf](http://www.michigan.gov/documents/mdhhs/CSPM_1300_Series_503778_7.pdf)

**V.7.4 Training and Technical Assistance Approach and Activities**

Training and Technical Assistance activities (T&TA) for both Subgrantee and MDHHS-BCAEO WAP staff are instrumental in the provision of weatherization services to low income households in Michigan. All BCAEO and MiTEC T&TA activities will have one of the following objectives:

- Maintain and increase the efficiency, quality and effectiveness of the WAP at all levels
- Maximize energy savings within Michigan's WAP
- Ensure the Health and Safety of low income households and WAP workers
- Increase the effectiveness of client education
- Improve the quality of weatherization work performed on dwellings
- Improve program management and administrative procedures within Michigan's WAP

**Establishment of the Michigan Training and Education Center (MiTEC)**

During the WAP PY18 the MDHHS-BCAEO established a weatherization training center known as Michigan Training and Education Center (MiTEC). As MiTEC continues to develop, it will carry the responsibility for properly training Michigan's WAP network of providers.

MiTEC has been established as a state entity. Staff for MiTEC are hired through the Michigan Public Health Institute (MPHI) to function as State of Michigan affiliate staff in accordance with a contract between the MPHI and the Michigan Department of Health and Human Services (MDHHS). Federal and state procurement policies will be followed for the purchase of all relevant goods and services.

The BCAEO Executive Director supervises the MiTEC staff. MiTEC staff participate in all Weatherization Assistance Program's committees, team projects, field guide and audit tool reviews, conferences, webinars, and meetings that will support implementation of the annual U.S. Department of Energy's approved State Plan.

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MiTEC staff are known as and considered to be a BCAEO state employee. All computer equipment, email addresses, cell phone, and access to systems will be provided by the Michigan Department of Health and Human Services. Each staff person will have a State of Michigan title and will represent BCAEO's Weatherization Program. Most MiTEC staff will be very mobile and will complete work assignments in multiple locations including their home work station. In addition, a work space will be available in Lansing and in Benton Harbor for all MiTEC staff.

MiTEC is currently staffed with the following positions:

- Director
- Deputy Director/Instructor
- Program Assistant
- Technical Instructor
- Technical Instructor
- Vacant [Technical Instructor]

The above positions represent years of WAP experience in instruction, measures installations, and Subgrantee and grantee program management. Two of the above positions join MiTEC with previous WAP Training Center experience.

In addition to the above staff members, MiTEC is working with an Accreditation Consultant. The role of this consultant is to assist in the development of policies and procedures in accordance with IREC requirements and keep MiTEC on schedule to apply for accreditation. The Accreditation Consultant has been through both the initial and renewal accreditation process with a current IREC Accredited WAP training center. This familiarity with the IREC process makes this consultant a highly qualified source of assistance throughout the MiTEC accreditation process.

MiTEC staff either participate in or have knowledge of annual risk assessments, monitoring results, corrective actions, follow-up activities, policy updates, state plan preparation, and technical assistance that is managed by the BCAEO. Information from these activities are the basis for annual curriculum development, course work enhancements, and new classes.

In PY 19 the BCAEO and MiTEC will implement a new online training platform. This platform will utilize the Learning Management System (LMS) and will facilitate both online learning and management of MiTEC's student portal. This online platform will be the hub for class registration and student training records.

MiTEC, in cooperation with the BCAEO, is responsible for seeing that all of Michigan's T&TA needs are addressed. While MiTEC works to become an accredited training center, they will work with existing accredited WAP training centers to provide Comprehensive training as needed to meet MDHHS-BCAEO policy and in accordance with WPN 15-4 and Memorandum 034. Specific training needs, to the degree possible, will be met by MiTEC staff.

### **IREC Accreditation**

MiTEC is actively working with IREC to become an accredited WAP training center. MiTEC is approaching accreditation by first pursuing curriculum development for Energy Auditor, QCI, Retrofit Installer, and Crew Leader. To aid MiTEC in this process, curriculum development training was provided in June 2019 in cooperation with DOE and SMS. This training was provided for all MiTEC staff. This training will ensure that all MiTEC T&TA activities align with the current JTA's and meet IREC expectations regarding accreditation. This training will also ensure that all curriculum, Comprehensive or Specific, developed by MiTEC, will follow the same patterns of learning, accuracy, and effectiveness. MiTEC anticipates applying for IREC accreditation during WAP PY 2019.

The MiTEC Deputy Director has made curriculum development assignments to the instructors and work is in progress.

The MiTEC Director and Program Assistant are charged with developing the policy and procedures and all administrative requirements that accompany becoming an accredited training center.

As mentioned above, MiTEC is also working with an Accreditation Consultant. This consultant works closely with the MiTEC Director and Program Assistant to ensure all IREC requirements are being met and that MiTEC meets or exceeds IREC timelines associated with becoming an accredited WAP training center.

### **Comprehensive and Specific Training**

The BCAEO has determined that Comprehensive Training for Energy Auditor, QCI, Crew Leader and Retrofit Installer/Technicians will be required for all WAP workers with a JTA aligned position every five years. MiTEC is responsible for tracking and ensuring that Comprehensive Training is provided in accordance with BCAEO policy, WPN 15-4, and WAP Memorandum 034. During PY 2018, the BCAEO provided Comprehensive Training for Retrofit Installer/Technicians, Energy Auditors and QCIs in cooperation with INCAA. During PY 2019, MiTEC will work with an accredited training center to provide Comprehensive Training for Crew Leader, Retrofit Installer/Technicians, Energy Auditor, and QCI in accordance with BCAEO and MiTEC determined needs.

The BCAEO and MiTEC will evaluate the T&TA needs of Michigan's WAP Network utilizing the following methods and information:

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- Feedback provided by BCAEO Technical monitoring staff and reports
- Feedback from State Plan preparation meetings
- Feedback from the Michigan Weatherization Leadership Committee
- Feedback from the Weatherization Technical Committee
- Feedback from the BCAEO Regional Weatherization Road Shows
- Requests from Michigan's WAP Network
- Feedback from training class evaluations
- Compliance with WPN 15-4, WAP Memorandum 034, and all other applicable DOE Program Guidance
- Feedback from State Association Director's Meetings
- Feedback from the Policy Advisory Committee (PAC)

**The following T&TA activities are planned for PY 2019 by the BCAEO and MiTEC:**

- Submit application for IREC Accreditation
  - Develop policy and procedures needed for training center operation and IREC application process
  - Secure contracts for all satellite training locations
  - Secure BPI test houses
  - Curriculum development to meet IREC's requirements
  - Technical instructors becoming and maintaining BPI certifications
- Become and maintain status as a BPI Test Center
- Plan and execute WAP Program Management Training for the BCAEO/MCA 2019 Summer Conference.
- Plan and execute the WAP Technical Conference in October 2019.
- In cooperation with BCAEO WAP Staff, continue to participate in bi-monthly trainings for new sub-grantee WAP program managers
- In cooperation with BCAEO WAP Staff, continue to participate in the following activities:
  - Weatherization Leadership Committee
  - Weatherization Regional Road Shows
  - Michigan Weatherization Technical Committee
- Develop BCAEO/MiTEC Training Board
- Develop Specific training related to, but not limited to, the following WAP topics and issues:
  - Mobile Home Weatherization
  - CAZ Testing for the Michigan WAP
  - Code Vent Systems
  - ASHRAE Theory and Proper Installation Options
  - Enhanced NEAT & MHEA Performance

The BCAEO requires the following Michigan specific training for their WAP Network:

- Indoor Air Quality
  - MiTEC will continue to offer the Indoor Air Quality training during PY 2019. MiTEC will also work during PY 2019 to transition this Michigan required course from IAQ to a more focused Health and Safety training.
- Lead Safe Work and LRRP
  - All employees and contractors working on pre-1978 homes must receive training to install measures in a lead-safe manner in accordance with the SWS and EPA protocols, and installation must be overseen by an EPA Certified Renovator. Crews must follow EPA's Lead; Renovation, Repair and Painting Program (LRRP) when working in pre-1978 housing unless testing confirms the work area to be lead free. Different roles in Weatherization have different requirements for Lead Safe Work (LSW) or LRRP training and certification. All required training/certification must be completed within 180 days of the date they are hired. Documentation relative to LSW/LRRP certification shall be maintained at the agency. Requirements are as follows:
- Energy Auditors and Quality Control Inspectors
  - Individuals in these roles must receive either LSW or LRRP training and must follow EPA rules.
- Mechanical, Electrical and Plumbing Contractors
  - Individuals in these roles must follow EPA rules; but, there are no training requirements for individuals beyond those listed generally in this section.
- Shell Contractors and Crews
  - Individuals in these roles must receive either LSW or LRRP training and must follow EPA rules.
- OSHA
  - Training shall be provided by Occupational Safety and Health Administration qualified instructor. The construction "10-hour Occupational Safety and Health training course" is required. All Energy Auditors/QC Inspectors and agency crews/contractors who have not attained certification will not be permitted to independently inspect, supervise, and/or work on the homes to be weatherized unless they are accompanied by or in the presence of staff who have attained the required certification. New staff (Energy Auditors/QC Inspectors and agency crews/contractors) are required to attend training within 180 days of the date they are hired. Documentation relative to certification shall be maintained at the agency. The

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OSHA 30 hour course is not required for individuals in the Michigan WAP, but may replace the OSHA 10 hour to meet this requirement. (NOTE: Weatherization Agency Crew Leaders are no longer required to take the OSHA 30 hour course).

- Michigan Energy Auditor Certification
  - MiTEC has updated the Over the Shoulder testing process used to certify Energy Auditors within the State of Michigan. This updated process brings the testing parameters and requirements in line with BPI testing protocol. Subgrantees are being encouraged to use this process as a preparatory step toward obtaining the BPI Energy Auditor Certification.
  - All Energy auditor candidates must be sponsored by one of the Subgrantee agencies in the Michigan WAP network. The sponsoring subgrantee will be responsible for the field training necessary to prepare candidates sufficiently for other required training and testing. Subgrantee training should include agency specific paperwork and protocol used during the audit/inspection process.
  - Energy auditor candidates shall complete all required training sessions and must pass all required tests prior to performing any WAP energy audits independently.
  - The Energy Auditor must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis for Energy Auditor. In order for a Quality Control Inspector to perform energy audits, testing with the BCAEO technical staff is not necessary. However, the Subgrantee must still require time in the field with BCAEO technical staff prior to allowing the QCI to perform energy audits for the WAP. If a candidate holds the BPI Energy Auditor certification, they may perform energy audits. Grantees are responsible for documenting field time and ensuring the Energy Auditor can perform all required tasks in compliance with the Standard Work Specifications, WAP policy, and state and federal policy. Field requirements are listed below.
  - If the Energy Auditor does not have these certifications, they must complete the required time in the field, testing/certification requirements and an over the shoulder test conducted by BCAEO technical staff.
  - If a Grantee chooses to utilize an Energy Auditor that has not been certified by the SOM, but holds the BPI Quality Control Inspector or BPI Energy Auditor certifications as listed above, it is the Grantee responsibility to ensure the Energy Auditor can perform all tasks related to the WAP including WA8, FACSPRO, IWC policy requirements, and ensuring performance and skills meet the requirements of the WAP.
  - QCI competency is demonstrated by certification as a Home Energy Professional Quality Control Inspector.

The BCAEO and MiTEC are working cooperatively with the Wayne Metropolitan Community Action Agency in the development of a WAP training house. This house is to be properly and completely weatherized with access to the properly completed measures. The house is a two-story structure with a full basement and walk-in attic. The house will be equipped with working appliances to include a furnace, heat pump, central air system, gas cook stove/range, water heaters, refrigerator and ASHRAE 62.2 compliant ventilation systems. This house may also be utilized as a client education tool.

The BCAEO and MiTEC are also pursuing satellite training sites with the Michigan Career Technical Institute (MCTI), Wayne Metropolitan Community Action Agency, and Northern Michigan University. Additional Subgrantees and entities are being identified for potential partnerships.

**PY 2019 Summary Training Plan:**

MCA/BCAEO Summer Weatherization Conference

- July 23-25, 2019 – 10 sessions

Bi-monthly New Weatherization Manager Trainings

- July 2019, September 2019, November 2019, January 2020, March 2020, May 2020

Weatherization Leadership Committee Meetings

- On-going on a bi-monthly basis

Regional Weatherization Roadshows

Fall Weatherization Technical Conference

- October 21-25, 2019

All BCAEO/MiTEC T&TA activities will be tracked utilizing meeting agendas and sign-in sheets. For Weatherization course offerings, all activity will be tracked utilizing sign-in sheets, learning objectives, student evaluations, and instructor post course feedback.

All MiTEC staff performance is partially tracked through the completion of MPHI Quarterly Performance reports. These reports are required by MPHI and are based upon each staff member's official work plan. These quarterly reports provide a mechanism of tracking the progress of MiTEC goals and initiatives.

**Comprehensive Training Plan:**

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Per CSPM 603, all staff and contractors completing weatherization work in compliance with the Standard Work Specifications (SWS) outlined in the Michigan Weatherization Field Guide and the Community Services Policy Manual (CSPM). All contracts must have this language included. This includes being in compliance with WPN 15-4 and Comprehensive Training requirements.

During PY 2019, the BCAEO and MiTEC will work with the Energy Smart Academy at Santa Fe Community College to provide comprehensive training activities in Michigan. All WAP workers with a JTA aligned position must participate in comprehensive training every five years. Participation in comprehensive training must be verified by training records supplied by the accredited entity providing the training, the Subgrantee, BCAEO, or the contractor. BCAEO anticipates the Energy Smart Academy to meet all of Michigan's Comprehensive Training needs. If Michigan needs additional support, BCAEO will only seek a partnership with an IREC accredited training center in the associated JTA to meet the identified Comprehensive Training need.

Accredited training courses will be offered four times each for Retrofit Installer and Crew Leader technicians throughout PY 2019. It will be the Subgrantees' responsibility to ensure that all appropriate contractor and crew technicians attend one of these comprehensive training offerings. Should technicians fail to attend these offerings, it will be the responsibility of the Subgrantee to utilize their T&TA resources to secure the required comprehensive training for the area in which the technician[s] work. It is the Subgrantee's responsibility to know and track all crew and contractor personnel working within the WAP in their service territory. Weatherization technicians who have participated in documented Tier 1 or comprehensive training in the last three program years do not have to attend the above mentioned training.

Comprehensive training for QCI was held during PY 2018 as well as prior program years in conjunction with INCAA. MiTEC will work with BPI to establish QCI training that will allow certified QCIs within Michigan's WAP Network to work toward maintaining the required CEUs for their certifications. This will be accomplished with courses offered throughout PY 2019 as well as sessions offered during the Weatherization Fall Technical Conference being held in October 2019.

Comprehensive training for Energy Auditors was held during PY 2018 as well as prior program years in conjunction with INCAA. MiTEC will work with the Energy Smart Academy at Santa Fe Community College during PY 2019 to provide Energy Auditor training that is aligned with the updated JTA. MiTEC will work to provide Energy Auditor training as needed to meet the needs of Michigan's WAP related to expiring QCI certifications. As these individuals will need to obtain their HEP Energy Auditor certification through BPI to continue performing the duties of a QCI, MiTEC will work to ensure they are prepared to be successful.

**Specific Training Plan:**

MiTEC will offer the following Specific training during PY 2019:

Course Offering	Estimated Number of Offerings
CAZ Testing	4
Mechanical Systems Evaluation	5
Code Vent Systems	5
Mobile Home Weatherization	4
Michigan Energy Auditor Certification – Over the Shoulder	10
Indoor Air Quality	10
Proper Air Sealing Measures and Guidance	5
Proper Insulation Application and Installation	5
Field Guide and SWS	10
LSW – As detailed in approved State Plan	10
Ashrae 62.2	5

While Subgrantees are not required to attend all T&TA activities, they are responsible to know and implement any technical and policy content covered in those T&TA activities. The State verifies, through the Subgrantee's training activities, that certifications are sufficient for the appropriate staff. MDHHS-BCAEO does not require specific certification of Subgrantee staff prior to hire. It is the responsibility of the Subgrantee to ensure the qualifications of its hires. Within the first year of work, auditors must successfully complete Michigan's Over the Shoulder testing to become certified as an Energy Auditor, or obtain the Quality Control Inspector certification from the Building Performance Institute. New energy auditor's work must be closely supervised during the course of their training and prior to meeting certification requirements to ensure compliance to program guidelines. All inspectors must be Quality Control Inspector certified prior to completing inspections.

T&TA funds may be used to pay for wages of Subgrantee weatherization workers for training events. Subgrantee T&TA funds may be used to train contractors, including providing a reasonable stipend to contractors who attend WAP training at the request of the Subgrantee. All such contractors must sign a retention agreement in accordance with DOE guidelines. T&TA funds may also be used for Subgrantee administrative staff to attend Weatherization related training.

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MDHHS-BCAEO's Subgrantees will be responsible for costs related to:

- Travel and labor related to state sponsored Comprehensive and Specific training
- Lead Renovator training and certification
- Continuing education credits for any relevant certifications (e.g. QCI or Building Analyst)
- Additional Comprehensive and Specific training not available through MDHHSBCAEO
- Contractor stipends, if any, Subgrantee will provide a T&TA budget as part of the contracting process that communicates a thorough plan to expend all T&TA funds in an effective manner.

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. Additionally, Michigan will provide T&TA funds for each Subgrantee to directly assist with additional training costs to meet certification requirements and to ensure funding so that staff can attend DOE approved national weatherization related conferences. Subgrantees are encouraged to utilize the funding for training needs, but any dollars not used for training must go back into program operations.

The BCAEO and MiTEC will perform a quarterly review to examine progress on the items outlined within the Training Plan. This review will note not only progress made but issues hindering progress. Please note that this will be a heavy burdened year for MiTEC as they pursue IREC Accreditation.

### **Client Education**

T&T/A is also used to provide Client Education to the WAP client. The Client Education is outlined in the Community Services Policy Manual 600 Series and guides Subgrantees as to the proper methods of Client Education. Below is an excerpt CSPM 612.4:

Client 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 Subgrantee's energy education plan.

1. Introduce the WAP. 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, DHS4283.
3. Retain the signed WAP application or signed FACSPRO client intake report with the Weatherization disclaimer in the client file.
4. Determine eligibility and prioritize the applicant. See CSPM Item 611 regarding the client priority system.
5. Notify the applicant of the eligibility determination.
6. Ask the applicant to prepare for the audit by:
  - o Making a list of energy questions and concern
  - o Making the attic, basement, and crawl space accessible
  - o Making the perimeter accessible
  - o Securing pets
  - o Planning to be home and ready to participate

### **Home Energy Audit**

It is important that the client be involved in the home energy 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 subgrantee's energy education plan.

1. Explain the WAP, stressing what each partner will do during each step.
2. Explain the agenda of the audit and what the client will need to do.
3. Explain how the house loses heat. Inquire about the heating system.
4. Talk with the client about whether some rooms seem warmer while others are cooler.
5. Show the client how to adjust heat flow to different areas to save energy and provide more comfort.
6. Point out areas where the client could take action to save energy and money.
7. Complete the audit.
8. Summarize the results of the audit for the client.
  - o Explain the nature of the work that may be done on the home.
  - o If the client is actively participating, agree on three energy action steps for the client to do.
  - o If the client is actively participating, the client plan of action should be signed by the client, auditor, and other trained weatherization staff, if applicable.

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

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tab. 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 Subgrantee's energy education plan.

1. Introduce the contractor or crew to the client.
2. Complete a quick survey of the home, accompanied by the client. Reinforce the energy conservation work already done by the client.
3. Discuss the work plan for the day and proposed work for the client. Reinforce the three energy action steps to which the client committed.
4. Complete the work. Summarize the day's work for the client.
5. Explain the next step inspection. Reinforce the partnership between the subgrantee 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 subgrantee's Energy Education Plan.

1. Ask the client about the weatherization work.
2. If appropriate, ask about the client's three energy action steps.
3. Inspect the work.
4. Follow up on referrals.
5. If follow up is provided, explain the next step.

The Subgrantee may wish to develop a Client Education Package to include the following items:

1. A generic letter introducing the Weatherization Assistance Program.
2. An illustrated step by step energy savings guide. This could be distributed with the letter of introduction.
3. The client plan of action (required to be retained in the client file) and examples of energy action steps and the potential savings.
4. A list of weatherization measures, which includes information relative to the contractor, if applicable.
5. A generic letter to be provided to the client after the weatherization measures are completed.
6. An illustrated guide for maintaining the weatherization measures installed.
7. A follow up survey.
8. Productivity vs. Energy Savings

MDHHS-BCAEO has implemented changes in the statewide database to determine energy savings by household, Subgrantee, and energy auditor. BCAEO has been working with neighboring states to determine the best method for Michigan. ASHRAE 62.2 version 2016.

**Subgrantee/Subgrantee Training Tracking System**

All training completions, dates, staff, and certifications for the Weatherization Assistance Program (WAP) are to be entered by each subgrantee into FACSPRO. A transition plan will be developed in PY2019 to move this process to the online training platform. Each Subgrantee is required to inform BCAEO of any agency contractor/staff that achieves any of the Home Energy Professional certifications. Subgrantees can inform BCAEO by emailing the mailbox and including the Agency name, certified staff/contractor, type of certification, and date of certification.

**Policy Link:** [http://www.michigan.gov/documents/dhs/CSPM\\_600\\_Series\\_215133\\_7.pdf](http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf)

- Community Service Policy Manual 611 - Client Priority Selection Criteria
- Community Service Policy Manual 612.4 - Applicant File Documentation Client Energy Education
- Community Service Policy Manual 618 - Technical Weatherization Training
- Community Service Policy Manual 618.1 - Inspector Certification

Percent of overall trainings

Comprehensive Trainings:	9.5
Specific Trainings:	90.5

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	25.0
Percent of budget allocated to Crew/Installer trainings:	34.0
Percent of budget allocated to Management/Financial trainings:	5.0

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**V.8 Energy Crisis and Disaster Plan**

**PURPOSE**

To provide guidance on allowable activities using Department of Energy (DOE) Weatherization Assistance Program (WAP) resources to low income individuals and families in the event of disasters as declared by the President of the United States or the State of Michigan Governor.

**POLICY**

All Subgrantees of the Weatherization Assistance Program (WAP) must adhere to the following policy if considering requesting weatherization funding toward disaster planning and relief. Disaster relief funds are to be used only in the event of a declared emergency at the state or federal level and shall be used only to provide emergency services to low income individuals and families in the designated disaster area. WAP has a very limited role in any disaster response plan. DOE funds are very limited to eligible weatherization activities and the purchase and delivery of weatherization materials. To the extent services are in support of eligible weatherization (or permissible re-weatherization) work for eligible households, such expenditure is allowable. Allowable expenditures under WAP include:

- The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective.
- The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials.
- Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include: securing weatherization materials, tools, equipment, weatherization vehicles, or protection of local agency weatherization files, records and the like during the initial phase of the disaster response.
- Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the DOE regulations.

The use of DOE funds for relief efforts is limited to the following:

- Per WPN 12-7, the total allowance for relief efforts limited to allowance of \$6500 per dwelling unit.
- The total allowance for incidental repairs in support of installation of weatherization materials is limited to the current maximum reimbursement for minor envelope repairs per contract and policy language.
- The total allowance for installation of each weatherization measure is limited to the current maximum reimbursement Subgrantee contract. To the extent that the services are in support of eligible weatherization (or permissible reweatherization) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost. As such, using DOE funds to pay for weatherization personnel to perform relief work in the community as a result of a disaster is not allowable.

**Reprioritization of Weatherization requests**

For reprioritization of weatherization requests coming from the disaster area, WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens (10 CFR 440.16(b)). However, it would be permissible to consider households located in the disaster area a priority as long as the households are eligible and meet one of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

**Reweathering work**

In the event of a declared federal or state disaster, weatherization crews may return to a unit reported as a completion to DOE that has been “damaged by fire, flood, or act of God, to be re-weatherized, without regard to the date of weatherization”. 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit (s) salvageable as well as habitable and the damage to the materials is not covered by insurance or other form of compensation. Subgrantee Requests for Disaster Relief Funds

If funding is available, MDHHS-BCAEO will consider all requests from Subgrantees for disaster relief funds that meet the outlined criteria. The requests must include the following components:

- Overview of disaster
- Date disaster was declared a federal or state disaster
- Additional funding requested, if applicable
- How weatherization funds/weatherization work will be utilized to enhance disaster relief funds in the federal or state defined disaster area. Subgrantees must submit requests to the MDHHS-BCAEO@michigan.gov mailbox. Once submitted, MDHHS-BCAEO will review with the assistance of the DOE.

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**Funding for Disaster Planning and Relief**

If MDHHS-BCAEO approves a Subgrantee disaster relief plan, an agency can dedicate current year allocation and funding to the identified disaster area, and serve that area as priority over other areas. In the event the Subgrantee requests additional funding for the disaster relief efforts, MDHHS-BCAEO, with the approval of DOE via the state plan, can allocate additional funds to a designated disaster site during a reallocation process throughout the year.

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**IV.1 Subgrantees**

<b>Subgrantee (City)</b>	<b>Planned Funds/Units</b>
Allegan County Resource Development Committee Inc (Allegan)	\$274,947.00 26
Area Community Services Employment and Training Council (Grand Rapids)	\$0.00 0
Baraga-Houghton-Keweenaw CAA (Houghton)	\$323,901.00 31
Blue Water Community Action (Port Huron)	\$331,195.00 31
Capital Area Community Services Inc (Lansing)	\$775,671.00 78
Chippewa-Luce-Mackinac Community Action and (Sault Ste Marie)	\$317,370.00 30
Community Action Agency of South Central Michigan (Battle Creek)	\$901,701.00 91
Dickinson-Iron Community Services Agency (Iron Mountain)	\$284,109.00 27
EightCAP Inc (Greenville)	\$859,756.00 86
FiveCAP Inc (Scottville)	\$383,310.00 38
Genesee County CAA (Flint)	\$673,676.00 68
Gogebic-Ontonagon CAA (Bessemer)	\$269,841.00 26
Human Development Commission (Caro)	\$499,640.00 50
Kalamazoo County Human Services Department (Nazareth)	\$0.00 0
KENT, COUNTY OF (INC) (Grand Rapids)	\$747,517.00 75
Macomb County Community Services Agency (Clinton Township)	\$944,199.00 95
Menominee-Delta-Schoolcraft Community Action Agency and (Escanaba)	\$483,341.00 49
Mid Michigan CAA Inc (Farwell)	\$668,978.00 67
Monroe County Opportunity Program (Monroe)	\$689,476.00 69
Northeast Michigan Community Action Agency (Alpena)	\$713,362.00 72
Northwest Michigan Human Services Agency (Traverse City)	\$730,064.00 73
Oakland Livingston Human Services Agency (Pontiac)	\$1,245,576.00 125
Ottawa County CAA (Holland)	\$349,999.00 33
Saginaw County Community Action Committee (Saginaw)	\$429,458.00 43

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Southwest Michigan CAA (Benton Harbor)	\$585,371.00 59
Washtenaw County Human Services (Ypsilanti)	\$441,084.00 44
Wayne Metropolitan Community Action Agency (Detroit)	\$3,012,520.00 302
<b>Total:</b>	<b>\$16,936,062.00</b> <b>1,688</b>

**IV.2 WAP Production Schedule**

<b>Weatherization Plans</b>	<b>Units</b>
Total Units (excluding reweatherized)	1,678
Rewatherized Units	10

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

<b>Average Unit Costs, Units subject to DOE Project Rules</b>		
<b>VEHICLE &amp; EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)</b>		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	1,678
C	Total Units Rewatherized	10
D	Total Dwelling Units to be Weatherized and Rewatherized (B + C)	1,688
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
<b>AVERAGE COST PER DWELLING UNIT (DOE RULES)</b>		
F	Total Funds for Program Operations	\$12,628,817.00
G	Total Dwelling Units to be Weatherized and Rewatherized (from line D)	1,688
H	Average Program Operations Costs per Unit (F divided by G)	\$7,481.53
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$7,481.53

**IV.3 Energy Savings**

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

	Units	Savings Calculator (MBtus)	Energy Savings
This Year Estimate	1688	29.3	49458
Prior Year Estimate	1616	29.3	47349
Prior Year Actual	711	29.3	20832

**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 29.3 million site BTUs.

The Program Year (PY) 2019 estimate of energy savings for the DOE funding (PY19 new funding + carry over) is: 1,682 homes x 29.3 million site BTUs per home = 49,282.6 million site BTUs.

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**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

Consumers Energy	Type of organization: Utility Contact Name: Ms. Teri L. VanSumeren Phone: (517)788-2067 Email: <a href="mailto:tlvansumeren@cmsenergy.com">tlvansumeren@cmsenergy.com</a>
Macomb County Community Services Agency	Type of organization: Unit of Local Government Contact Name: Mr. Steve Schuster Phone: 5864696329 Email: <a href="mailto:steve.schuster@macombgov.org">steve.schuster@macombgov.org</a>
Menominee-Delta-Schoolcraft Community Action Agency and Human Resource Authority	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Naomi Fletcher Phone: 9067867080 Email: <a href="mailto:nfletcher@mdscaa.org">nfletcher@mdscaa.org</a>
Michigan Community Action Agency Association Weatherization Committee	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Kate White Phone: 5173217500 Email: <a href="mailto:kwhite@mcaaa.org">kwhite@mcaaa.org</a>
Monroe County Opportunity Program	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Billie Jo Dye Phone: 7342412775 Email: <a href="mailto:billiejodye@gmail.com">billiejodye@gmail.com</a>
R&L Fire and Water Restoration	Type of organization: For-profit or Corporate (not a financial institution or utility) Contact Name: Tom McLain Phone: 2483796763 Email: <a href="mailto:mlfirewater@aol.com">mlfirewater@aol.com</a>
Solutions for Energy Efficient Logistics	Type of organization: For-profit or Corporate (not a financial institution or utility) Contact Name: Gary Warsecke Phone: 3132942447 Email: <a href="mailto:gwarsecke@sealllc.com">gwarsecke@sealllc.com</a>
State of Michigan	Type of organization: Unit of State Government Contact Name: Kris Schoenow Phone: 5173738896 Email: <a href="mailto:Schoenowk@Michigan.gov">Schoenowk@Michigan.gov</a>
State of Michigan	Type of organization: Unit of State Government Contact Name: Tammy Bair Phone: 5173420030 Email: <a href="mailto:bairt@michigan.gov">bairt@michigan.gov</a>
State of Michigan	Type of organization: Unit of State Government Contact Name: Brad Banks Phone: 5172848118 Email: <a href="mailto:BanksB1@michigan.gov">BanksB1@michigan.gov</a>
State of Michigan	Type of organization: Unit of State Government Contact Name: Susan Corbin Phone: 5172845182 Email: <a href="mailto:CorbinS@michigan.gov">CorbinS@michigan.gov</a>
State of Michigan	Type of organization: Unit of State Government Contact Name: Maddy Kamalay Phone: 8552756424 Email: <a href="mailto:kamalaym@michigan.gov">kamalaym@michigan.gov</a>
Wayne Metro Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Mr. John Carmody Phone: 7342462280 Email: <a href="mailto:jcarmody@waynemetrol.org">jcarmody@waynemetrol.org</a>

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**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
03/27/2019	Lansing State Journal: 3/27/19 Marquette Mining Journal: 3/27/19 Oakland Press: 3/27/19

**IV.7 Miscellaneous**

**Recipient Business Officer**

Kris Schoenow, Executive Director  
Bureau of Community Action and Economic Opportunity  
Michigan Department of Human Services  
235 S Grand Ave. Ste. 204  
Lansing, MI 48933  
(517)373-8896  
[SchoenowK@michigan.gov](mailto:SchoenowK@michigan.gov)

**Recipient Principal Investigator**

Maddy Kamalay Weatherization Specialist  
Bureau of Community Action and Economic Opportunity  
Michigan Department of Human Services  
235 S Grand Ave. Ste. 204  
Lansing, MI 48933  
(517)241-5116  
[Kamalaym@michigan.gov](mailto:Kamalaym@michigan.gov)

**Average Cost Per Unit (ACPU)**

Michigan utilizes the maximum average cost per unit allowable by DOE. A few subgrantee's experience high counts of poor housing stock that lead to high cost completions or deferrals which results in a higher ACPU. Although as a state, the average is not and has not been exceeded.

**Other Funding Sources for WAP**

Low Income Energy Assistance Program (LIHEAP) funds are not always allocated to the MI WAP. The funding period for LIHEAP is different than DOE. DOE grant period is 7/1 - 6/30. The LIHEAP grant period is 10/1 - 9/30. At the time of plan submission, there is a floor amount of \$6,000,000 to be allocated to the Michigan WAP for FY20 (10/1/2019 - 9/30/2020).

**Cost Allocation Plan for Michigan Department of Health & Human Services**

The MDHHS Cost Allocation Plan has been uploaded and attached to the SF-424.

**Policy Advisory Council (PAC):**

The PAC met on April 9, 2019 and approved the state plan for submission. The minutes to the PAC meeting have been uploaded.

**MDHHS Single Audit**

The MDHHS Single Audit for FY17 has been uploaded.

**State Plan Public Hearing:**

Documentation attached to SF-424 indicates MI is in compliance with posting notice of the public hearing and to inform subgrantees how they can obtain a copy of the State Plan. The notice was publicized in three different newspapers across Michigan shown in the attached documentation. Also, MDHHS-BCAEO emailed the information to the subgrantees. The public hearing is scheduled for April 10, 2019. Minutes of the hearing and publications are attached.

**Health & Safety Policy - Ventilation**

Michigan will use ASHRAE 62.2 2016 for DOE funded units and will comply with WPN 17-7 for Health and Safety policy.

**DOE Extended Measure Lifetimes**

Michigan has received approval from DOE on extended measure lifetimes as guided in WPN 19-4. Michigan intends to implement these extended lifetimes in

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PY19.

**DOE WAP Materials**

As outlined in WPN 19-4, Michigan has received approval from DOE to utilize LED bulbs, two part sprayfoam as insulation, refrigerators and hot water heaters in WAP dwellings.

**Training & Technical Assistance**

MDHHS-BCAEO will provide quarterly training and technical assistance. The currently scheduled T/TA is found in the master file and in the budget. In addition to what is outlined in the master file and budget, other training will be made available as subgrantee needs are identified.

**Significant Changes for PY19**

- DOE Allocation - Per DOE guidance, this plan was created using the allocation amount for MI per WPN 19-2.
- Updated process for allocating funds to subgrantees
- Added and adjusted policy in accordance with WPN 19-4
- Updated Training and Technical Assistance Approach and Activities section as the MiTEC gets established and works toward IREC accreditation
- Increased average cost per unit
- During PY18, Kalamazoo County rescinded its CSBG designation and its WAP allocation. BCAEO ran a selection process and selected Community Action of South Central Michigan to serve this area. This change of service area occurred on January 1, 2019.
  - In PY19, Kalamazoo County Human Services Department has been designated \$0 and 0 planned units to reflect this change. The allocation and planned production for Kalamazoo county has been moved to Community Action of South Central Michigan.
- The Community Action Agency providing CSBG and WAP services to Kent County moved from Area Community Services Employment and Training Council to Kent County.
  - In PY19, Area Community Services Employment and Training Council has been designated \$0 and 0 planned units to reflect this change. The allocation and planned production for Kent County has been moved to Kent County.
- Less significant changes are throughout the submission

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**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Name: **Allegan County Resource Development Committee Inc** Contact: Ms. Lisa Evans  
DUNS: 069493229

Address: 323 Water Street Phone: (269) 673-5472  
Allegan, MI 49010-0000 Fax: (269) 673-3795  
Email: levans@communityactionallegan.org

Counties ALLEGAN County Tentative allocation: \$ 274,947.00 Congressional CD  
served: Planned units: 26 districts served: MI-06

Type of organization: Non-profit organization  
Source of labor: Contractors

Name: **Area Community Services Employment and Training Council** Contact: Mr. Roger Strickfaden  
DUNS: 072571888

Address: 121 Franklin Street SE Phone: (616) 632-7950  
Suite 110 Fax: (616) 632-7955  
Grand Rapids, MI 49507-0000 Email: roger.strickfaden@kentcountymi.gov

Counties KENT County Tentative allocation: \$ 0.00 Congressional CD  
served: Planned units: 0 districts served: MI-03

Type of organization: Unit of local government MI-02  
MI-06

Source of labor: Contractors

Name: **Baraga-Houghton-Keweenaw CAA** Contact: Mr. Paul Hannula  
DUNS: 153462288

Address: 926 Dodge Street Phone: (906) 482-5528  
Houghton, MI 49931-0000 Fax: (906) 482-5512  
Email: bhkcaawx@att.net

Counties BARAGA County Tentative allocation: \$ 323,901.00 Congressional CD  
served: HOUGHTON County Planned units: 31 districts served: MI-01  
KEWEENAW County

Type of organization: Non-profit organization  
Source of labor: Contractors

Name: **Blue Water Community Action** Contact: Ms Darlene Kramp  
DUNS: 062876743

Address: 302 Michigan St. Phone: (810) 455-6418  
Port Huron, MI 48060-0000 Fax: (810) 982-7233  
Email: DKramp@bwcaa.org

Counties ST. CLAIR County Tentative allocation: \$ 331,195.00 Congressional CD  
served: Planned units: 31 districts served: MI-10

Type of organization: Non-profit organization  
Source of labor: Contractors

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(08/05)

U.S. Department of Energy

OMB Control No: 1910-5127

**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Name:	<b>Capital Area Community Services Inc</b>	Contact:	Mr. Bob Liss
		DUNS:	076389618
Address:	101 East Willow Street Lansing, MI 48906-0000	Phone:	(517) 393-1780
		Fax:	(517) 393-6631
		Email:	bliss@cacswx.org
Counties served:	CLINTON County EATON County SHIAWASSEE County INGHAM County	Tentative allocation:	\$ 775,671.00
		Planned units:	78
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-04 MI-08 MI-07

Name:	<b>Chippewa-Luce-Mackinac Community Action and</b>	Contact:	Mr. Eric Rowell
		DUNS:	116103888
Address:	P. O. Box 70 524 Ashmun Street Sault Ste Marie, MI 49783-0000	Phone:	(906) 632-3363
		Fax:	(906) 632-4255
		Email:	erowell@clmcaa.com
Counties served:	LUCE County CHIPPEWA County MACKINAC County	Tentative allocation:	\$ 317,370.00
		Planned units:	30
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

Name:	<b>Community Action Agency of South Central Michigan</b>	Contact:	Mr. Charles Asher
		DUNS:	020899480
Address:	PO Box 1026 175 Main Street Battle Creek, MI 49016-0000	Phone:	(269) 965-7766
		Fax:	(269) 966-4170
		Email:	charlesa@caascsm.org
Counties served:	BARRY County ST. JOSEPH County CALHOUN County KALAMAZOO County BRANCH County	Tentative allocation:	\$ 901,701.00
		Planned units:	91
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-07 MI-03 MI-06

Name:	<b>Dickinson-Iron Community Services Agency</b>	Contact:	Mr Don Tramontin
		DUNS:	556499234
Address:	1238 Carpenter Ave Iron Mountain, MI 49801-0000	Phone:	(906) 774-2256
		Fax:	(906) 774-2257
		Email:	dtramontin@dicsami.org
Counties served:	IRON County DICKINSON County	Tentative allocation:	\$ 284,109.00
		Planned units:	27
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

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(08/05)

U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM**  
**SUBGRANTEE INFORMATION**

OMB Control No: 1910-5127  
Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Name:	<b>EightCAP Inc</b>	Contact:	Mr. Daniel Petersen
		DUNS:	020892659
Address:	904 Oak Drive- Turk Lake Greenville, MI 48838-0000	Phone:	(616) 754-9315
		Fax:	(616) 225-8761
		Email:	danielp@8cap.org
Counties served:	GRATIOT County MONTCALM County OCEANA County MUSKEGON County IONIA County ISABELLA County	Tentative allocation:	\$ 859,756.00
		Planned units:	86
		Type of organization:	Non-profit organization
		Congressional districts served:	<u>CD</u> MI-02 MI-03 MI-04
		Source of labor:	Agency

Name:	<b>FiveCAP Inc</b>	Contact:	Ms. Mary Trucks
		DUNS:	047673603
Address:	302 North Main Street P. O. Box 37 Scottville, MI 49454-0000	Phone:	(231) 689-6688
		Fax:	(231) 757-9669
		Email:	fivecap@fivecap.org
Counties served:	NEWAYGO County LAKE County MASON County MANISTEE County	Tentative allocation:	\$ 383,310.00
		Planned units:	38
		Type of organization:	Non-profit organization
		Congressional districts served:	<u>CD</u> MI-01 MI-02
		Source of labor:	Contractors

Name:	<b>Genesee County CAA</b>	Contact:	Mr. Jason Jones
		DUNS:	099662942
Address:	601 N. Saginaw St., Ste. 1B Flint, MI 48502-0000	Phone:	(810) 762-4893
		Fax:	(810) 762-0009
		Email:	JJones2@co.genesee.mi.us
Counties served:	GENESEE County	Tentative allocation:	\$ 673,676.00
		Planned units:	68
		Type of organization:	Unit of local government
		Source of labor:	Agency
		Congressional districts served:	<u>CD</u> MI-05

Name:	<b>Gogebic-Ontonagon CAA</b>	Contact:	Mr. Paul Janczak
		DUNS:	096826656
Address:	100 S. Mill St. Bessemer, MI 49911-1354	Phone:	(906) 667-0283
		Fax:	(906) 663-0356
		Email:	janczakp@gocaa.org
Counties served:	ONTONAGON County GOGEBIC County	Tentative allocation:	\$ 269,841.00
		Planned units:	26
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

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U.S. Department of Energy

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**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Name:	<b>Human Development Commission</b>	Contact:	Ms. Lori Offenbecher
		DUNS:	039630793
Address:	429 Montague Avenue Caro, MI 48723-0000	Phone:	(989) 673-4121
		Fax:	(989) 673-0646
		Email:	lorio@hdc-caro.org
Counties served:	HURON County TUSCOLA County SANILAC County LAPEER County	Tentative allocation:	\$ 499,640.00
		Planned units:	50
		Type of organization:	Non-profit organization
		Source of labor:	Agency
		Congressional districts served:	<u>CD</u> MI-05 MI-10

Name:	<b>Kalamazoo County Human Services Department</b>	Contact:	Ms. Amber Leverette
		DUNS:	957100217
Address:	P. O. Box 42 3299 Gull Road Nazareth, MI 49074-0042	Phone:	(269) 373-5058
		Fax:	(269) 373-5109
		Email:	arleve@kalcounty.com
Counties served:	KALAMAZOO County	Tentative allocation:	\$ 0.00
		Planned units:	0
		Type of organization:	Unit of local government
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-06

Name:	<b>KENT, COUNTY OF (INC)</b>	Contact:	Roger Strickfaden
		DUNS:	187501866
Address:	121 Franklin Street SE Suite 110 Grand Rapids, MI 49507-0000	Phone:	(616) 632-7950
		Fax:	(616) 632-7955
		Email:	roger.strickfaden@kentcountymi.gov
Counties served:	KENT County	Tentative allocation:	\$ 747,517.00
		Planned units:	75
		Type of organization:	Unit of local government
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-03 MI-02

Name:	<b>Macomb County Community Services Agency</b>	Contact:	Mr. Steve Schuster
		DUNS:	957867120
Address:	VerKuilen Building, Suite 10 21885 Dunham Road Clinton Township, MI 48036-1030	Phone:	(586) 469-6329
		Fax:	(586) 469-5996
		Email:	steve.schuster@macombgov.org
Counties served:	MACOMB County	Tentative allocation:	\$ 944,199.00
		Planned units:	95
		Type of organization:	Unit of local government
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-09 MI-10

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**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

<p>Name: <b>Menominee-Delta-Schoolcraft Community Action Agency and</b></p> <p>Address: 507 First Avenue North Escanaba, MI 49829-3998</p> <p>Counties served: SCHOOLCRAFT County MARQUETTE County MENOMINEE County ALGER County DELTA County</p>	<p>Tentative allocation: \$ 483,341.00 Planned units: 49 Type of organization: Non-profit organization</p> <p>Source of labor: Contractors</p>	<p>Contact: Ms. Naomi Fletcher DUNS: 192300858 Phone: (906) 786-7080 Fax: (906) 786-9423 Email: nfletcher@mdscaa.org</p>	<p>Congressional districts served: <u>CD</u> MI-01</p>
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<p>Name: <b>Mid Michigan CAA Inc</b></p> <p>Address: 1574 East Washington Road P.O. Box 768 Farwell, MI 48622-0768</p> <p>Counties served: MECOSTA County CLARE County BAY County MIDLAND County OSCEOLA County GLADWIN County</p>	<p>Tentative allocation: \$ 668,978.00 Planned units: 67 Type of organization: Non-profit organization</p> <p>Source of labor: Agency and Contractors</p>	<p>Contact: Mr. Justin Walls DUNS: 069468080 Phone: (989) 386-3805 Fax: (989) 386-3277 Email: jwalls@mmcaa.org</p>	<p>Congressional districts served: <u>CD</u> MI-04 MI-05</p>
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<p>Name: <b>Monroe County Opportunity Program</b></p> <p>Address: 1140 South Telegraph Road Monroe, MI 48161-4006</p> <p>Counties served: HILLSDALE County LENAWEE County MONROE County JACKSON County</p>	<p>Tentative allocation: \$ 689,476.00 Planned units: 69 Type of organization: Non-profit organization</p> <p>Source of labor: Contractors</p>	<p>Contact: Ms. Sandra Wilson DUNS: 097226690 Phone: (734) 241-2775 Fax: (734) 457-0630 Email: swilson1140@gmail.com</p>	<p>Congressional districts served: <u>CD</u> MI-07</p>
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<p>Name: <b>Northeast Michigan Community Action Agency</b></p> <p>Address: 2375 Gordon Road Alpena, MI 49707-0000</p>	<p>Contact: Mr. Douglas Tallant DUNS: 020905642 Phone: (989) 329-3664 Fax: (989) 471-2700 Email: tallantd@nemcsa.org</p>
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**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Counties served: ALCONA County PRESQUE ISLE County OSCODA County OGEMAW County CHEBOYGAN County ALPENA County ARENAC County IOSCO County OTSEGO County CRAWFORD County MONTMORENCY County	Tentative allocation: \$ 713,362.00 Planned units: 72 Type of organization: Non-profit organization	Congressional districts served:	CD MI-01 MI-04 MI-05
Source of labor: Contractors			

Name: <b>Northwest Michigan Human Services Agency</b>	Contact: Ms. Lisa Ritter DUNS: 060177904		
Address: 3963 Three Mile Road Traverse City, MI 49686-9164	Phone: (231) 346-2136 Fax: () - Email: lritter@nmcaa.net		
Counties served: MISSAUKEE County CHARLEVOIX County ROSCOMMON County ANTRIM County EMMET County BENZIE County LEELANAU County WEXFORD County KALKASKA County GRAND TRAVERSE Coun	Tentative allocation: \$ 730,064.00 Planned units: 73 Type of organization: Non-profit organization	Congressional districts served:	CD MI-04 MI-01
Source of labor: Contractors			

Name: <b>Oakland Livingston Human Services Agency</b>	Contact: Mr. Ryan Mitchell DUNS: 088746458		
Address: P.O. Box 430598 196 East Cesar E. Chevez Pontiac, MI 48343-0598	Phone: (248) 209-2760 Fax: () - Email: ryanm1@olhsa.org		
Counties served: OAKLAND County LIVINGSTON County	Tentative allocation: \$ 1,245,576.00 Planned units: 125 Type of organization: Non-profit organization	Congressional districts served:	CD MI-14 MI-09 MI-11 MI-08
Source of labor: Contractors			

Name: <b>Ottawa County CAA</b>	Contact: Ms. Michelle Brothers DUNS: 085899011
Address: 12251 James Street Suite 300 Holland, MI 49424-9661	Phone: (616) 393-5603 Fax: (616) 393-5612 Email: mbrothers@miottawa.org

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**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

Counties served:	OTTAWA County	Tentative allocation:	\$ 349,999.00	Congressional districts served:	<u>CD</u> MI-02
		Planned units:	33		
		Type of organization:	Unit of local government		
		Source of labor:	Contractors		

Name:	<b>Saginaw County Community Action Committee</b>	Contact:	Mr. Jeffrey Mitchell
		DUNS:	138775994
Address:	2824 Perkins Saginaw, MI 48601-0000	Phone:	(989) 753-7741
		Fax:	(989) 753-2439
		Email:	jmittchell@saginawcac.org

Counties served:	SAGINAW County	Tentative allocation:	\$ 429,458.00	Congressional districts served:	<u>CD</u> MI-05 MI-04
		Planned units:	43		
		Type of organization:	Non-profit organization		
		Source of labor:	Agency and Contractors		

Name:	<b>Southwest Michigan CAA</b>	Contact:	Ms. Sandra Klank
		DUNS:	002009442
Address:	185 East Main Street Suite 200 Benton Harbor, MI 49022-0000	Phone:	(269) 925-9077
		Fax:	(269) 925-9271
		Email:	sklank@smcaa.com

Counties served:	CASS County VAN BUREN County BERRIEN County	Tentative allocation:	\$ 585,371.00	Congressional districts served:	<u>CD</u> MI-06
		Planned units:	59		
		Type of organization:	Non-profit organization		
		Source of labor:	Contractors		

Name:	<b>Washtenaw County Human Services</b>	Contact:	Mr. Aaron Kraft
		DUNS:	020111969
Address:	PO Box 915 415 W. Michigan Ave, Ste 2200 Ypsilanti, MI 48197-0915	Phone:	(734) 544-2947
		Fax:	(734) 544-6731
		Email:	Krafta@ewashtenaw.org

Counties served:	WASHTENAW County	Tentative allocation:	\$ 441,084.00	Congressional districts served:	<u>CD</u> MI-12 MI-07
		Planned units:	44		
		Type of organization:	Unit of local government		
		Source of labor:	Contractors		

Name:	<b>Wayne Metropolitan Community Action Agency</b>	Contact:	Mr. Mike Locke
		DUNS:	053258109
Address:	7310 Woodward Ave Suite 800 Detroit, MI 48202	Phone:	(313) 873-6000
		Fax:	(313) 873-6066
		Email:	mlocke@waynemetrometro.org

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OMB Control No: 1910-5127

**WEATHERIZATION ASSISTANCE PROGRAM  
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: MI Grant Number: EE0007927 Program Year: 2019

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Counties served:	WAYNE County	Tentative allocation: \$ 3,012,520.00	Congressional districts served:	<u>CD</u>
		Planned units: 302		MI-11
		Type of organization: Non-profit organization		MI-13
				MI-12
				MI-14
		Source of labor: Contractors		

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**BUDGET INFORMATION - Non-Construction Programs**

1. Program/Project Identification No. EE0007927		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695		4. Program/Project Start Date 07/01/2019	5. Completion Date 06/30/2020

**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	\$ 3,500,000.00		\$ 17,869,403.00		\$ 21,369,403.00
2.						
3.						
4.						
5. TOTAL		\$ 3,500,000.00	\$ 0.00	\$ 17,869,403.00	\$ 0.00	\$ 21,369,403.00

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRA TION	(2) SUBGRANTE E ADMINISTRA	(3) GRANTEE T&TA	(4) SUBGRANTE E T&TA	
a. Personnel	\$ 420,707.00	\$ 0.00	\$ 293,169.00	\$ 0.00	\$ 713,876.00
b. Fringe Benefits	\$ 239,709.00	\$ 0.00	\$ 158,045.00	\$ 0.00	\$ 397,754.00
c. Travel	\$ 62,800.00	\$ 0.00	\$ 66,400.00	\$ 0.00	\$ 129,200.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 50,000.00	\$ 0.00	\$ 28,538.00	\$ 0.00	\$ 78,538.00
f. Contract	\$ 189,639.00	\$ 1,109,844.00	\$ 2,876,604.00	\$ 600,000.00	\$ 20,002,305.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 27,580.00	\$ 0.00	\$ 15,000.00	\$ 0.00	\$ 42,580.00
i. Total Direct Charges	\$ 990,435.00	\$ 1,109,844.00	\$ 3,437,756.00	\$ 600,000.00	\$ 21,364,253.00
j. Indirect Costs	\$ 3,035.00	\$ 0.00	\$ 2,115.00	\$ 0.00	\$ 5,150.00
k. Totals	\$ 993,470.00	\$ 1,109,844.00	\$ 3,439,871.00	\$ 600,000.00	\$ 21,369,403.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

**BUDGET INFORMATION - Non-Construction Programs**

1. Program/Project Identification No. EE0007927		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695	4. Program/Project Start Date 07/01/2019		
	5. Completion Date 06/30/2020		

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		\$ 3,500,000.00	\$ 0.00	\$ 17,869,403.00	\$ 0.00	\$ 21,369,403.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) PROGRAM OPERATIONS	(2) HEALTH AND SAFETY	(3) LIABILITY INSURANCE	(4) FINANCIAL AUDITS	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 713,876.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 397,754.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 129,200.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 78,538.00
f. Contract	\$ 12,628,817.00	\$ 2,519,401.00	\$ 52,000.00	\$ 26,000.00	\$ 20,002,305.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 42,580.00
i. Total Direct Charges	\$ 12,628,817.00	\$ 2,519,401.00	\$ 52,000.00	\$ 26,000.00	\$ 21,364,253.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 5,150.00
k. Totals	\$ 12,628,817.00	\$ 2,519,401.00	\$ 52,000.00	\$ 26,000.00	\$ 21,369,403.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

**BUDGET INFORMATION - Non-Construction Programs**

1. Program/Project Identification No. EE0007927		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695		4. Program/Project Start Date 07/01/2019	5. Completion Date 06/30/2020

**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		\$ 3,500,000.00	\$ 0.00	\$ 17,869,403.00	\$ 0.00	\$ 21,369,403.00

**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				\$ 713,876.00
b. Fringe Benefits	\$ 0.00				\$ 397,754.00
c. Travel	\$ 0.00				\$ 129,200.00
d. Equipment	\$ 0.00				\$ 0.00
e. Supplies	\$ 0.00				\$ 78,538.00
f. Contract	\$ 0.00				\$ 20,002,305.00
g. Construction	\$ 0.00				\$ 0.00
h. Other Direct Costs	\$ 0.00				\$ 42,580.00
i. Total Direct Charges	\$ 0.00				\$ 21,364,253.00
j. Indirect Costs	\$ 0.00				\$ 5,150.00
k. Totals	\$ 0.00				\$ 21,369,403.00
7. Program Income	\$ 0.00				\$ 0.00

**U.S. DEPARTMENT OF ENERGY**



**BUDGET JUSTIFICATION FOR FORMULA GRANTS**

Applicant: State of Michigan  
Award number: EE0007927

Budget period: 07/01/2019 - 06/30/2020

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>
Bureau Executive Director SAM 17	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. The Executive Director oversees the Weatherization Assistance Program for Michigan by overseeing state weatherization staff, monitoring staff (fiscal, programmatic, technical), grant managers, weatherization training center, and support/admin staff within the Bureau. The Executive Director reviews all monitoring reports and provides leadership for the WAP Directors and Executive Directors. 50% of salary is charged to DOE Admin costs. The rest is charged to CSBG and LIHEAP grants.
Departmental Analyst - Grant Monitor 1	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 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst - Grant Manager 1	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. Other salary is paid by CSBG and LIHEAP (when available) 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Fiscal Analyst 1	Assists with fiscal aspects of monitoring. Provides 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. 50% of salary charged to DOE. Of that, 50% of total salary (40% Admin and 20% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.

Department Tech	Provides support to the Bureau director and Bureau staff including Grant Management document processing and monitoring reports for all monitors. Performs grant related administrative duties. 30% of salary is charged to DOE Admin. The rest of salary is charged to CSBG and LIHEAP.
Weatherization Technical Monitor 1	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. 100% of salaries are charged to DOE T/TA.
Weatherization Program Specialist 13	Works with the Policy Advisory Council (PAC) in recommending policy to the MDHHS with respect to the development and implementation of the MI 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. The specialist plans the annual weatherization conference and coordinates training for the network. The specialist reviews WAP monitoring and monitoring reports to ensure follow up and timelines are met. Lead on all special assignments related to WAP. 100% of this position salary is charged to DOE. 10% to admin and 70% to T & TA.
Executive Secretary 10	Provides administrative support to all MDHHS-BCAEO staff, primarily BCAEO Director. 30% of salary is charged to DOE Admin. Remaining salary is charged to LIHEAP and CSBG.
Departmental Analyst - Grant Monitor 2	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 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 2	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. Other salary is paid by CSBG and LIHEAP (when available) 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 3	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. Other salary is paid by CSBG and LIHEAP (when available) 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.

Departmental Analyst- Grant Manager 4	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. Other salary is paid by CSBG and LIHEAP (when available) 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 5	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. Other salary is paid by CSBG and LIHEAP (when available) 50% of total salary (40% Admin and 10% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Fiscal Analyst 2	Assists with fiscal aspects of monitoring. Provides 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. 60% of salary charged to DOE. Of that, 60% of total salary (40% Admin and 20% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Weatherization Technical Quality Assurance Coordinator	Review program compliance, on-site and among assigned local weatherization operators. Provides training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship. This position provides support to the Weatherization Specialist with providing training, scheduling training, monitoring trends in training, documenting training by subgrantee request, training required based on risk assessments or monitoring, and training of those working in the WAP program for subgrantees. Additionally, the analyst provides assistance with reporting, data tracking, trend analysis, and special projects for the MI WAP program. The analyst also works directly with LWOs to assist in training support/coordination. 100% of position is paid with DOE funds. 100% to T/TA.
Weatherization Technical Monitor 3	Review program compliance, on-site and among assigned local weatherization operators. Provides training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship. 100% of salaries are charged to DOE T/TA.

## Deputy Director

The deputy 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. The Deputy Director assists the Executive Director in overseeing the Weatherization Assistance Program for Michigan by managing state programmatic monitoring staff, grant managers, and support staff within the Bureau. The Deputy Director holds an alternate regional representative position on the NASCSP weatherization board. A total of 50% is charged to DOE Admin costs. The rest is charged to CSBG and LIHEAP grants.

## Program Coordinator

Assistance in reviews of budgets/plans for compliance with DOE regulations, and MDHSS policy and procedures for all assigned local weatherization operators. Monitors assigned billings, plan changes requests, and production throughout the program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual report. Other salary is paid by CSBG and LIHEAP (when available), 30% of total salary is charged to DOE. The rest of the salary is charged to CSBG and LIHEAP grants.

## Direct Personnel Compensation:

<b>Position</b>	<b>Salary/Rate</b>	<b>Time</b>	<b>Direct Pay</b>
Bureau Executive Director SAM 17	\$129,064.32	50.0000 % FT	\$64,532.16
Departmental Analyst - Grant Monitor 1	\$73,687.68	50.0000 % FT	\$36,843.84
Departmental Analyst - Grant Manager 1	\$73,687.68	50.0001 % FT	\$36,843.91
Fiscal Analyst 1	\$64,437.12	60.0000 % FT	\$38,662.27
Department Tech	\$53,750.40	30.0000 % FT	\$16,125.12
Weatherization Technical Monitor 1	\$66,654.72	100.0001 % FT	\$66,654.79
Weatherization Program Specialist 13	\$65,112.96	80.0001 % FT	\$52,090.43
Executive Secretary 10	\$56,327.04	30.0001 % FT	\$16,898.17
Departmental Analyst - Grant Monitor 2	\$73,687.68	50.0001 % FT	\$36,843.91
Departmental Analyst- Grant Manager 2	\$73,687.68	50.0001 % FT	\$36,843.91
Departmental Analyst- Grant Manager 3	\$73,687.68	50.0001 % FT	\$36,843.91
Departmental Analyst- Grant Manager 4	\$73,687.68	50.0001 % FT	\$36,843.91
Departmental Analyst- Grant Manager 5	\$68,217.60	50.0001 % FT	\$34,108.87
Fiscal Analyst 2	\$56,115.84	60.0001 % FT	\$33,669.56
Weatherization Technical Quality Assurance Coordinator	\$57,763.20	100.0001 % FT	\$57,763.26
Weatherization Technical Monitor 3	\$48,026.88	100.0001 % FT	\$48,026.93
Deputy Director	\$95,145.60	50.0001 % FT	\$47,572.90
Program Coordinator	\$55,693.44	30.0001 % FT	\$16,708.09
		<b>Direct Pay Total</b>	<b>\$713,875.94</b>

**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.

Attached to SF424 is the Michigan Department of Health and Human Services' (MDHHS) Public Assistance Cost Allocation Plan (PACAP) amendment effective January 1, 2018, with the required certification. Changes are indicated in red font (additions) and strike-out (deletions) for easy identification. MDHHS does not foresee a material change in federal funding with any of these changes. This amendment includes some organizational changes, and the final FY18 Indirect Cost Rate (ICR) proposal for the Population Health Administration, which was formally submitted to CAS on November 21, 2017. As a technical correction, allocation methods referencing head count are now identified as hours, with hours defined as the actual number of hours worked by employees in a particular segment of the department. This change resulted from the implementation of the State's new Enterprise Resource Planning System, SIGMA, on October 1, 2017. Although we did not reflect the change from head count to hours in our first quarter amendment, we ask that this change be made retroactive to the beginning of State Fiscal Year 2018. In addition, at the request of CMS, the RMTS Procedure Manuals for all four time studies have been modified to describe MDHHS' procedures for addressing non-responses.

The fringe benefit rate includes all retirement and insurance costs for each employee. Which includes Social Security + Medicare + retirement + person healthcare Fund + Other employee retirement contributions + Insurance Cost. A fringe benefit rate of .5852 is used to calculate the fringe benefit cost projections for staff members without a pension and a fringe benefit rate of .5232 is used to calculate the fringe benefit cost projections for staff members with a pension.

Sample of staff member Fringe Benefit Calculation:

Position	Total Salary	Salary Breakdown by Admin & T&TA	Fringe Calculaton by Person
Dept Analyst	\$73,687.68	Admin: 40% x 73,687.68 = \$29,475.80 T&TA: 10% x 73,687.68 = \$ 7,368.77	29,475.80 x 58.52% = \$17,248.81 7,368.77 x 58.52% = <u>\$ 4,312.20</u> Fringe Benefit Amount = <b>\$21,561.01</b>
Wx Tech Monitor	\$66,654.72	T&TA: 100% x 66,654.72 = \$ 66,654.72	66,654.72 x 52.32% = <u>\$30,221.71</u> Fringe Benefit Amount =

**\$30,221.71**

Fringe Benefits Calculations

Position	Direct Pay	Rate	Benefits
Bureau Executive Director SAM 17	\$64,532.16	52.3200 %	\$33,763.23
Departmental Analyst - Grant Monitor 1	\$36,843.84	58.5200 %	\$21,561.02
Departmental Analyst - Grant Manager 1	\$36,843.91	58.5200 %	\$21,561.06
Fiscal Analyst 1	\$38,662.27	58.5200 %	\$22,625.16
Department Tech	\$16,125.12	58.5200 %	\$9,436.42
Weatherization Technical Monitor 1	\$66,654.79	52.3200 %	\$34,873.79
Weatherization Program Specialist 13	\$52,090.43	52.3200 %	\$27,253.71
Executive Secretary 10	\$16,898.17	52.3200 %	\$8,841.12
Departmental Analyst - Grant Monitor 2	\$36,843.91	58.5200 %	\$21,561.06
Departmental Analyst- Grant Manager 2	\$36,843.91	58.5200 %	\$21,561.06
Departmental Analyst- Grant Manager 3	\$36,843.91	58.5200 %	\$21,561.06
Departmental Analyst- Grant Manager 4	\$36,843.91	58.5200 %	\$21,561.06
Departmental Analyst- Grant Manager 5	\$34,108.87	58.5200 %	\$19,960.51
Fiscal Analyst 2	\$33,669.56	58.5200 %	\$19,703.43
Weatherization Technical Quality Assurance Coordinator	\$57,763.26	52.3200 %	\$30,221.74

Weatherization Technical Monitor 3	\$48,026.93	52.3200 %	\$25,127.69
Deputy Director	\$47,572.90	58.5200 %	\$27,839.66
Program Coordinator	\$16,708.09	52.3200 %	\$8,741.67
		Fringe Benefits Total	\$397,754.45

### 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>
Cost for BCAEO staff to attend WAP related meetings. WAP PAC Meetings (7 staff), WAP regional meetings with Program Managers (7 staff), Attend State Association Weatherization Meetings and conference (7 staff), WAP Leadership Meetings (7 staff) and WAP Regional Training (7 staff). Approximately 10 to 15 onsite meetings will be held in PY19.	72	\$200.00	\$14,400.00
Cost for BCAEO Staff to provide Weatherization Program Management Training. It is expected that 2 to 3 staff members will provide training throughout the program year at various locations. The most current cohort is the New Weatherization Managers. This group has approximately 14 members and meets every other month for all day training sessions. Next cohort to be established is for Weatherization Managers to have advanced training. Approximately 9 to 12 trainings will be held by 2 to 3 staff members.	22	\$200.00	\$4,400.00
Cost for BCAEO WAP staff to attend National Conferences. HPC Conference - 5 staff- \$3,000.00/ea Midwest Energy Energy Out West Conference – 5 staff \$3,000.00/ea Conference - 4 staff- \$3,000.00/ea NASCSP Annual Conference - 3 staff - \$3,000.00/ea NASCSP Mid-Winter Training - 5 staff- \$3,000.00 Costs may vary and are estimates of overall out of state travel costs for each person. All travel must be approved by department upper management. Not all out of state travel is approved. The State of Michigan has travel regulations that all state employees (BCAEO staff) must adhere to. The travel limits are never more than the allowable federal government travel limits. Costs will be allocated across funding sources, as appropriate.	17	\$3,000.00	\$51,000.00
Michigan will conduct its annual WAP conference October 2019. It is expected that 14 staff will attend. This is the cost of travel (hotel, mileage, meals) for all staff. The State of Michigan has travel reimbursement guidelines that BCAEO must adhere to when in travel status. The guidelines never exceed federal guidelines.	14	\$800.00	\$11,200.00
Michigan will conduct its annual WAP Manger conference July 2019. It is expected that 14 staff will attend. This is the cost of travel (hotel, mileage, meals) for all staff. The State of Michigan has travel reimbursement guidelines that BCAEO must adhere to when in travel status. The guidelines never exceed federal guidelines.	14	\$800.00	\$11,200.00

Monitoring and Meetings: Programmatic, financial, and technical monitoring for all 25 Weatherization Grantees. Monitoring travel is combined with other grant monitoring when possible. Travel costs may vary and is determined by the monitor and approved by supervisor to ensure that charges are accurate. Monitoring is charged to T/TA and to Admin. This entry represents the planned admin portion of the monitoring expenses. Monitors conduct desk reviews for monitoring when possible. Monitors visit an agency more than once if deficiencies are identified upon monitoring or upon review of the annual risk assessment. This amount is an estimate of costs. BCAEO has 7 programmatic monitors, 2 financial monitors, and 3 QCIs. Some Grantee visits may require 2 reviews depending on size of agency and WAP. An average of 7+ days will be spent on travel per agency. Breakout of estimated visits is below: Tech staff in progress: 25 trips (average 3+ days) Tech staff Complete: 25 trips (average 3+ days) Financial Monitoring: 25 trips (average 3+ days) Programmatic Monitoring: 25 Trips (average 3+ days) The state of MI has a state cars available for use for all state agencies. Although cars may not always be available. A charge for the vehicle is determined by the state cost pool and varies depending on size and timeframe of using state car. If a personal car is used for travel, costs of standard and premium mileage vary based on pre authorization from the State of MI. State travel guidelines do not exceed federal guidelines. Monitoring is charged to all active grants as applicable. This amount is charged to T/TA or admin as appropriate and amounts charged may vary but will not exceed approved budget. It should be noted that the State of MI has travel policy that must be adhered so this amount is an estimate based on need of travel and allowable travel costs. The state allowable travel guidelines never exceed allowable federal travel guidelines. Expenses are for T&TA.

185

\$200.00

\$37,000.00

Travel Total                      \$129,200.00

- 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.

DOE expects Grantees to budget adequate funds to allow key staff to participate in national and regional conferences, as well as participate on related planning committees, task forces, and other scheduled and related meetings.

The state of Michigan has travel regulations that must be adhered to by state employees when in travel status. The regulations provide state rates for reimbursement for meals, mileage, and accommodations. These rates never exceed federal travel regulation limits.

BCAEO employees submit travel through the online state travel system, MI HR Self-Service. Details of the travel such as mileage, travel locations, meals, overnight accommodations, tolls, etc. are added individually into the system. Once entered, the employee submits the travel reimbursement request. The request is then reviewed by the Bureau Director and approved then sent to the MDHHS Accounting for review and approval. Receipts for all meals, accommodations, and any other charges must be submitted to the MDHHS Accounting office via email before the final approval for reimbursement is approved.

All travel costs are consistent with the State of Michigan Standard Travel Regulations. These regulations are available at [http://www.michigan.gov/dtmb/0,5552,7-150-9141\\_13132---,00.html](http://www.michigan.gov/dtmb/0,5552,7-150-9141_13132---,00.html)

All cost estimations have been updated to reflect the most recent historical information available pertaining to costs. Costs will be allocated appropriately among multiple funding sources if applicable and correctly allocated to admin or T/TA as applicable.

BCAEO has a number of new staff and expects more travel this year to ensure proper training and enforcement of WAP. BCAEO staff will conduct desk reviews when possible and provide remote training when possible.

Michigan does not have an IREC accredited training facility so out of state travel is required to meet the WPN 15-4 and 19-4 standards. Michigan is working toward the IREC accreditation of MiTEC, the Michigan Training and Education Center.

All travel, salaries, benefits, are supplemented with CSBG funding and LIHEAP funding for BCAEO Grant Managers, Financial Monitors, Programmatic Monitors and Administrative staff. BCAEO uses LDRP coding to track time worked on projects. This is managed by the MDHHS Accounting Office.

**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.

- 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.

- 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
Computer Software Updates/Programs Admin	\$25,000.00	The expected costs are based on technology updates needed for new training center staff and current staff (to ensure proper use of statewide databases, availability to work remotely, and online training system is able to function).

Office supplies, training supplies, maintenance	\$13,538.00	Day-to-day operations, ordinary cost of program operations (\$10,000 Admin + \$3,538 T/TA). Historical costs have shown that typically admin costs around \$1,500 and T/TA costs equal to about \$2,500. We expect additional costs in training this year due to the establishment and IREC accreditation process of the Training Center, more training of pilot classes, additional conference sessions, program management training for new weatherization managers, new field guide implementation, and comprehensive communication plan. BCAEO will be holding most specific trainings in the state and will provide all supplies as needed for the contractors needing training.
Software implmentation and upgrades	\$5,000.00	Complete the online training platform implementation and increased user license fees.
Carryover - Technology for a new or upgrade to the weatherization system WxPro	\$25,000.00	BCAEO is planning steps to identify the best options for improvements in connecting to the cloud based NEAT program. A new system with many improvements for collecting and analyzing information from NEAT is being explored. Funds will be used to pilot options for a new WxPro system. Software and/or vendor has not been selected.
Computer Maintenance LMS System and development of training material	\$10,000.00	We expect additional costs in the Learning Management System for the training center this year due to the IREC accreditation process of the Training Center and training material development for the pilot classes. Annual maintenance fees and licenses for the development tools will be needed to move forward on creating classroom materials and online modules.
Materials and Supplies Total	\$78,538.00	

- 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 pricing has determined the costs for the day to day office supplies used in the Weatherization Assistance Program. Additional office supplies will be for the Weatherization Conferences and regional trainings. The State of Michigan follows OMB rules and regulations. All costs included in the Supplies line item are properly segregated from indirect costs to ensure there are not duplicate charges. All costs proposed are only being used of the WAP program and are allocated when relevant and possible among other funding sources. Technology upgrades and/or new systems will be procured using the State of Michigan contracting rules and regulations.

**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 IV.1).

Name of Proposed Sub	Total Cost	Basis of Cost*
Training and Technical Assistance	\$600,000.00	\$600,000 is distributed using the funding formula Percent for each subgrantee. Funding used to meet WPN 15-4 and WPN 19-4 requirements and assist with training costs to out of state IREC accredited training centers. Dollars also used to attend national conferences that will strengthen the WAP in MI. Subgrantees are instructed to put any unused funds back into Program Operations.

Subgrantee Health & Safety	\$2,519,401.00	To cover energy-related health and safety expenses. MI currently has LIHEAP funds which will be shared with DOE funding on weatherized homes. Any unspent Health & Safety will be used toward Program Operations. MI does not regularly receive LIHEAP WAP funds and often the funding timeframe is different than DOE WAP funds. Based on past history, it is estimated that MI will utilize 20% of total program operations for Health and Safety.
Financial Audits	\$26,000.00	Single Audit requirement for subgrantees as required per OMB Regulations. 25 subgrantees x approximately \$1,040.00.
Training and Technical Assistance Contracts on Energy Efficiency	\$89,639.00	Funding used to meet WPN 15-4 and WPN 19-4 requirements. Dollars also used to receive training and technical assistance to strengthen the WAP in MI. Training and technical assistance on evaluating data to determine the a data collection model for energy efficiency.
Subgrantee Administrative Funds	\$1,109,844.00	The base amount of admin (5%) is allocated using the funding formula among all subgrantees. Subgrantees that are allocated less than \$350,000 can receive additional admin (up to 5%). The subgrantees receiving additional admin are as follows: Baraga-Houghton-Keweenaw CAA, Bluewater CAA, Chippewa-Luce-Mackinac CAA, Community Action of Allegan County, Dickinson-Iron Community Services Agency, Gogebic-Ontonagon CAA, Ottawa County CAA. Support documentation showing new PY19 funds and carry over funds separated for each agency has been uploaded in the SF424.

Michigan Weatherization Training Center - MPH  
Training Center

\$2,800,001.00

MiTEC - Michigan Training and Education Center Bureau of Community Action and Economic Opportunity (BCAEO) will establish a MiTEC that will become accredited by the Interstate Renewable Energy Council (IREC) as an energy efficiency training program. IREC Training Center Accreditation is nationally recognized and provides a wide range of clean energy training programs that can be used to improve the quality and performance of the weatherization assistance program. The following Weatherization Job Task Analyses represent the core curriculum to be offered by the Michigan Weatherization Training Center. Job Task Analysis (JTA): Job Task Analyses establish the foundation upon which strong training and certifications are built. • Retro Fit Installer Technician • Energy Auditor • Crew Leader • Quality Control Inspector BCAEO will establish a high quality Weatherization Training Center with: • Qualified Instructors • High Quality Partnership Facilities up to 4 locations in Michigan • Complete IREC certified curriculum • Year round training opportunities • Certification testing • Props/Tools for the classroom projects and hands-on learning • Demo houses for students to experience learning from the field • Policies and Procedures that meet IREC standards  
Weatherization Training Center's staffing includes the following seven full time affiliate positions and one contractor position. • Training Director • Training Deputy Director • Senior Instructor • 3 Instructors • 1 Client Education Instructor/Coordinator • 2 Program Assistants • 2 to 4 Interns/Student Researchers • Limited Term Contractor Position to assist with the accreditation process. • Training Contract with New Mexico and New York Training Centers to provide comprehensive training until MiTEC becomes accredited The BCAEO Executive Director will supervise the training center staff. The training center staff will participate in all Weatherization Assistance Program's committees, team projects, field guide and audit tool reviews, conferences, webinars, and meetings that will support implementation of the annual U.S. Department of Energy's approved State Plan. Training center staff will either participate in or have knowledge of annual risk assessments, monitoring, corrective action, follow-up activities, policy updates, state plan, and technical assistance that is managed by BCAEO. Information from these activities are the basis for annual curriculum development, course work enhancements, and new classes. The training center staff will be known as and considered as a BCAEO state employee. All computer equipment, email ids, cell phone, and access to systems will be

		provided by the Michigan Department of Health and Human Services. Each staff person will have a State of Michigan title and will represent BCAEO's Weatherization Program. Most training staff members will be very mobile and will complete work assignment in multiple locations including their home work station. In addition, a work space will be available in Lansing for training staff.
Liability Insurance	\$52,000.00	Subgrantee Liability Insurance. 25 subgrantees x \$2,080.00
Subgrantee Program Operations Funds	\$12,628,817.00	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.
Monitoring Contract	\$25,000.00	QCI State Monitoring will include at least 5% of all completed units and 10% file reviews. Flat fee per QCI inspection that will incorporate the 10% file review requirement, as well as the typical costs for the work such as mileage, hotel, meals, salary/wages, etc. Conduct 26+ final QCI inspections on behalf of the State of Michigan. Inspections will be onsite as needed.
Curriculum Development, Data Analysis, and Research	\$75,000.00	Curriculum development will be a primary focus in PY2019. A contract will be setup to assist in the developments of the training center. Both online training courses and classroom coursework will be developed for comprehensive and specific trainings.

Training Contracts	\$76,603.00	<p>Michigan does not currently have an IREC accredited training facility. Therefore, in order to assist the network in meeting the WPN 15-4 and WPN 19-4 requirements until establishment of the training center, MI will contract with an accredited training center and other training center partners (procured following OMB guidelines) to provide Comprehensive training to our network. Training is provided in Michigan and also out of state as needed. Subgrantees have the opportunity to go to any training center based on their need but the contract with MI and INCAA includes training prices for any Michigan's Subgrantees. This will include Quality Control Inspector, Energy Auditor, Crew Leader, and Retrofit Installer trainings. Specific training will include any training identified in the quarterly training survey sent to the network, requests from agencies, T/TA needs identified based on Monitoring findings. These can include CAZ training, WA8, Blower Door Training, SWS training, Client Education/interaction, ASHRAE 62.2 2016, JTA's, and Health &amp; Safety, TWP/CSPM policy updates, FACS Pro (statewide database) training, Quality Control Checklist, IAQ, LSW, Income Eligibility, Monitoring training and any other training identified as needed by the network from the results of the quarterly training survey, purchase online training program, begin process for establishing accreditation process and rental space for training center in MI, staffing- i.e. trainers, certification process. Energy Auditor, Quality control Inspector, Retrofit Installer, Crew Leader, WAP Conference Trainer, WAP Financial Training, ASHRAE 62.2 2016, Peer to Peer Training Program, WAP Regional Update Meetings, WAP Conference, FACSPRO Statewide Database Updates, Online Training Program Maintenance, MI Utility/LIHEAP/WAP Study, WAP Tech Staff CEUs, and Regional WA8 Training. Additional training contracts will be setup with the partners working with the Training Center. The contracts will include the costs to use facilities, classrooms, technology, instructors, labs, and demonstration props. In addition, costs may include equipment, tools, and upgrades to a demo house.</p>
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Contracts and Subgrants Total	\$20,002,305.00
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\*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.

<b>General Description</b>	<b>Cost</b>	<b>Justification of Need</b>
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Resource Library	\$15,000.00	Digital and paper resources for training center including technical manuals, references, code books, and technical subscriptions. This library is required for the IREC Accreditation process.
Dues and subscriptions	\$10,000.00	NASCSP (\$2,500), Energy Efficiency (\$500), GOTO Webinar (\$500), Survey Monkey (\$500), Home Energy Magazine (\$45), Efficiency First Membership (as needed), International Code (As needed), DBA FACSPRO (\$6,200), Software to create mobile apps for policy (as needed) and weatherization publications subscriptions costs. Costs for memberships are allocated across funding sources when relevant and applicable.
Printing	\$5,927.00	Printing for brochures, session descriptions, and handouts for WAP conference and regional training. Field guides and policy for subgrantees. Admin \$5,927
Telecommunications	\$7,653.00	Costs related to cellular phone service Admin - \$7,653. Also conference calls conducted on a bi-monthly basis as needed with the Weatherization Network. Technical monitors and Training Center Staff use cell phones only and do not have landlines as they travel often. Costs for staff to work remotely.
Program promotion	\$2,000.00	Tied to Weatherization Day, Conferences, events, and Public Information Campaign activities. \$2,000 Admin
Public Hearing Posting-Multiple Media Sources	\$2,000.00	Cost of media company to post public hearing announcement in multiple newspapers throughout the state at least 10 days prior to the hearing to meet DOE regulations. 100% Admin
	\$42,580.00	Other Direct Costs Total

- 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 has determined the costs for printing information for the Weatherization Conferences and regional trainings, program promotion, and dues and subscriptions. The cellular phone service company is chosen by the State of Michigan following OMB rules and regulations. All costs included in Other Direct Costs are properly segregated from indirect costs to ensure there are not duplicate charges. All costs proposed are only being used of the WAP program and are allocated when relevant and possible among other funding sources.

#### 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 has been submitted to U.S. DHHS by the State of Michigan DHHS for approval. Michigan DHHS is waiting for response.

The indirect cost rate includes DHHS 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 MDHHS Bureau of Community Action & Economic Opportunity (BCAEO) administers the DOE weatherization grant. The indirect cost rate paid by Weatherization is .7213% for PY19 of total salaries in BCAEO. BCAEO used to have their S&Ws cost allocated. Now, BCAEO staff charges time directly to the grant via time tracking so the only indirect cost is what gets allocated in the cost allocation process. So in order to get the indirect rate simply divide the cost allocation results by the direct charges. And since the program is now time tracking, the indirect cost rate would be reduced dramatically from FY17.

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

Name: Susan Kangas

Phone Number: 5173737787

Indirect costs calculations:

<b>Indirect Cost Account</b>	<b>Direct Total</b>	<b>Indirect Rate</b>	<b>Total Indirect</b>
Total Direct Wages x .7213%	\$713,876.00	0.7214 %	\$5,149.90
		Indirect Costs Total	\$5,149.90