

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-0002017

Title:

2017 Weatherization Assistance Program Funding

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: 2017)

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

MDHHS-BCAEO weatherization eligibility utilizes 200 percent of poverty in determining eligibility under section 10 440.22(a). Michigan uses the most recent federal poverty guidelines. In addition, any household that contains a member who has received cash assistance payments during the preceding twelve month-period under Titles IV and XVI of the Social Security Act, Pub.L. No. 88-452, 42 U.S.C. § 2701 et seq. or applicable State or local law, is eligible for WAP Weatherization Assistance Program (WAP) services.

It should be noted that the LIHEAP Weatherization eligibility is 150% of poverty. Federal Poverty Guidelines are updated annually (usually January) upon release from the U.S. Department of Health & Human Services.

Income includes:

1. Money, wages, and salaries before any deductions. This includes wages from assistantships, work-study, and stipends. This includes self-employment income. See Self-Employment Income section below.
2. Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses)
3. Self-Employment Income for each type of self-employment activity or business (see Income Computations: Self-Employment Income and Self-Employment Expenses).
4. Regular payments from Social Security (gross benefits, including any Medicare premium and/or state supplemental payments), railroad retirement, unemployment compensation, strike benefits from union funds, worker's compensation, veteran's payments, public assistance (including Family Independence Program-FIP, Supplemental Security Income-SSI, and State Disability Assistance-SDA), training stipends, alimony, and military family allotments Note: Retroactive lump sum payments for Social Security or Railroad Retirement Benefits should be prorated on a 12-month basis so that only benefits covering the three-month calculation period are included.
5. Private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments
6. Income from individual retirement accounts (IRAs) received during the three-month calculation period, whether as monthly or lump-sum withdrawals NOTE: Lump-sum IRA withdrawals should be prorated on a 12-month basis, and three months of the prorated amount should be included in the calculation.
7. Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings
8. Any lump sum payments received by Native Americans, such as from Casino income or other tribal income

Income excludes:

1. Combat zone pay
2. Capital gains
3. Any assets drawn down as withdrawals from a bank, the sale of property, a house, or a car
4. One time payments from a welfare agency to a family or a person who is in temporary financial difficulty
5. Tax refunds, gifts, loans, lump-sum inheritances, one-time insurance payments, or compensation for injury
6. Non-cash benefits such as the employer paid or union paid portion of health insurance or other employee fringe benefits (including the imputed value of health insurance for domestic partners), food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied non-farm or farm housing, and such federal non-cash

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

benefit programs such as Medicare (Medicare premiums are not excluded), Medicaid, food stamps (including cash received in lieu of food stamps), school lunches, and housing assistance

7. College scholarships and grants
8. Foster care payments, child support and adoption subsidies
9. Income earned by a child age 18 and under and attending school NOTE: "Earnings" do not include program benefits such as Social Security, Supplemental Security Income, etc.; these are included in the total household income.

Income Computations

An applicant's household's ACTUAL INCOME for the preceding three-month period including the date of application is computed in FACSPRO (See CSPM Item 905). For example, an application dated June 7 would have a three-month period of March 8 – June 7. Re-Certification of Application
An applicant must be re-certified when eligibility lapses due to the length of time the applicant was waiting to receive Weatherization services. Re-certification must occur at least every 12 months if work on a unit (energy audit) has not been initiated.

Applicants/households that have "roomers" paying rent: The "roomer" is not considered a member of the "household" and the income of the "roomer" is not counted for income eligibility. However, the rent from the roomer should be included as income. When calculating income, the income from rent payments should be included for the months the rent was received.

Self-Employment Income

Self-employment income must be documented for each type of self-employment activity or business. Business expenses may be deducted from the gross income amount determined for each self-employment activity/business. Documentation of claimed expenses must be included in the client file information.

NOTE: Losses from a single self-employment source of income cannot be applied to any other self-employment income or other household income types. In other words, if self-employment business A realizes a loss of \$10,000, the income from that source is considered zero. The \$10,000 loss cannot be deducted from self-employment business B or other household income.

Self-Employment Expenses

Allowable expenses include all of the following:

- Identifiable expenses of labor, stock, raw material, seed, fertilizer, etc.
- Interest and principal on loans for equipment, real estate or income-producing property
- Insurance premiums on loans for equipment, real estate and other income-producing property.
- Taxes paid on income-producing property.
- Transportation costs while on the job (example: fuel)
- Purchase of capital equipment.
- A child care provider's cost of meals for children. Do not allow costs for the provider's own children.
- Any other identifiable expense of producing self-employment income except those listed below.

The following are not allowable expenses:

- A net loss from a previous period.
- A net loss from another type of self-employment.
- Federal, state, and local income taxes.
- Personal entertainment or other individual business expenses.
- Money set aside for retirement.
- Depreciation on equipment, real estate or other capital investments.

Documentation of Income

Income must be thoroughly documented and uploaded to FACSPRO (See CSPM 612 – Applicant File Documentation). The following items are acceptable documentation:

- Copies of paychecks or pay stubs
- Written statements from employers
- Letters, benefit statements, or other documents from income sources, e.g., DHHS, Social Security, VA

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

- Unemployment Benefit determination letter or online benefits information
- If self-employed, accounting, and other business records showing net income after business expenses.
- W-2 statements and tax forms Note: They will seldom be adequate by themselves, since they usually report a period ending well in advance of the date of application. An exception may be made for the self-employed, since tax records are a convenient source of information about their income. They should be used, however, in conjunction with a self-declaration.
- Other documents the subgrantee has reason to believe will fully verify the annual or annualized income of the applicant

After all other avenues of documenting income eligibility are exhausted, self-declaration is allowable, but evidence of the various attempts at proving eligibility must be contained in the client file, including a notarized statement signed by the potential applicant indicating that no other proof of income is available. If the self-declaration is for zero income for the entire household, then along with the declaration being notarized, approval by MDHHS-BCAEO staff is also required, and a copy of the approval must be in the client file. Requests for approval must be submitted by email to the subgrantee's grant manager. The requests should include the applicant's name, date of birth, the last four digits of the applicant's SSN and an explanation of how the household is paying for their living costs.

All eligibility documentation is updated annually.

Community Service Policy Manual 601- Income Eligibility Guidelines
http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20160131104200

Describe what household Eligibility basis will be used in the Program

Michigan will use 200 percent of poverty in determining eligibility under section 440.22(a). Michigan uses the most recent federal poverty guidelines. MI updates the poverty guidelines when released by U.S. Department of Health & Human Services (usually January of each year).

Automatic Income Eligibility

A household is automatically income eligible if any household member received any of the following payments at any time during the 12-month period preceding the determination of eligibility for weatherization assistance:

- Cash assistance payments under Title IV (FIP) or, XVI of the Social Security Act (SSI)

NOTE: The receipt of these benefits in the previous twelve months must be documented in the case file. Michigan's quarterly SSI payments do not need to be documented, but must be included in the calculation. No dwelling unit, with the exception noted below, may be weatherized without documentation that the dwelling unit is an eligible unit. A standard weatherization application or FACSPRO intake/customer report is used by subgrantees. This application requires that all household income be calculated, per DOE (Department of Energy) requirements. It also requires that income and home ownership is verified by subgrantee staff. Income eligibility is determined using web-based 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 determination date, the household's eligibility must be re-determined.

Priorities are described in Section V.5.

Community Services Policy Manual (CSPM) 600 Series:
http://www.michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20140325124132

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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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

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.

Per 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.

Eligible Dwelling Units

Structures eligible for weatherization include single-family, manufactured housing (mobile homes), and both large (five + units) and small multi-family housing (two to four units). All structures must be stationary and have a specific mailing (street) address. Campers and non-stationary trailers are not eligible. All dwellings to be weatherized must be owner or renter occupied, and occupied by a household:

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

Eligibility Documentation

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, DHS-4283, 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)
- Documentation of landlord contributions (if applicable)
- Utility usage documentation
- MDHHS-BCAEO approval of self-declaration of zero income for the entire household (if applicable)
- Any other documents the subgrantee has reason to believe will fully verify the income of the applicant household.

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.

Shelters/Group Homes/Transitional Living

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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. Prior, written approval by the MDHHS-BCAEO staff is required for the weatherization of any shelter, group home, or transitional facility. The documentation materials included below should be submitted to the MDHHS-BCAEO email for review and approval. Include in the subject line: “*Shelter, Group Home, Transitional Living facility application approval request*”.

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. When documentation of individual resident income eligibility is impractical, operators of eligible facilities must complete the *Weatherization Assistance Program Application for Shelters, Group Homes and Transitional Facilities, DHS-4284*, with the following supporting documentation:

1. A signed statement from the facility operator attesting that the individuals/households residing in the facility are income eligible.
2. A copy of the organization’s income guidelines or a copy of the organization’s mission statement in lieu of individual resident income verification.
3. Documentation that the facility is a non-profit organization.
4. 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 the following documentation:

1. Verification of individual resident’s income eligibility (if applicable)
2. A copy of the DHS-4284, Weatherization Assistance Program Application for Shelters, Group Homes and Transitional Facilities, with the following supporting documentation:
 1. A signed statement from the facility operator attesting that individuals/households residing in the facility are income eligible.
 2. A copy of the organization’s income guidelines or a copy of the organization’s mission statement in lieu of individual resident income verification.
 3. Written statement providing proof of benefit accrual to the low-income tenant(s).
 4. A copy of the written approval by the MDHHS-BCAEO staff for the weatherization of any shelter, group home or transitional facility.

Describe Reweathering compliance

Michigan will follow the requirements of CFR 440
10 CFR Part 440.18 states that a dwelling unit that has been previously weatherized under the Weatherization Assistance Program may receive additional weatherization services if such dwelling unit has been damaged by fire, flood, or act of God and repair of the damage to weatherization materials is not paid for by insurance.

Subgrantees imported previously weatherized homes as far back as 1995 into the statewide database FACSPRO in 2011.

If the Disaster Plan is enacted, MDHHS-BCAEO will seek approval from the DOE Project Officer for permission to proceed and a determination if homes are able to be re-weatherized.

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 under this part. While DOE will continue to require these homes to be reported separately, States may count these homes as completions for the purposes of compliance with the per home expenditure limit in §440.18. Each dwelling unit must receive a new energy audit which takes into account any previous energy conservation improvements to the dwelling.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

A 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 the house has been previously weatherized. If the house has been previously weatherized before 9/30/1994 with DOE funds then it is eligible for re-weatherization, as defined 10 CFR 440. This policy is clarified in item 605 of the CSPM and the house will not be weatherized unless the DOE regulations revise the re-weatherization date. If the house is eligible for re-weatherization, the subgrantee makes a determination whether or not to re-weatherize 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.

In compliance with WPN 12-7 addressing Disaster Planning and Relief, if MI does utilize the Disaster Planning and Relief plan, homes which have been weatherized after 10/1/1994 can be weatherized due to natural disasters. Details of the MI Disaster Plan in CSPM 624.

CSPM 605 for MI Weatherization Policy
http://michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20150127175211

Describe what structures are eligible for weatherization

Structures eligible for weatherization include single family, manufactured housing, and both large and small multifamily housing. All structures must be stationary and have a specific mailing (street) address. Campers and non-stationary trailers are not eligible. All non-traditional type dwelling units will be reviewed by the MDHHS-BCAEO, and if necessary, with the DOE Project officer for approval.

Eligible Dwelling Units

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

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

- 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:

<http://energy.gov/eere/wipo/downloads/michigan-state-historic-preservation-programmatic-agreement>

Multi Unit Buildings:

The subgrantee may weatherize rental dwelling units in a multi-unit building when the property owner has signed a landlord agreement authorizing the weatherization work, accepting conditions protecting the interests of low-income tenants and for those units where the tenant does not pay for energy

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

directly, the property owner agrees to specifically demonstrate that the benefits of the weatherization accrue primarily to the tenant.

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

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

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

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 for the building as a whole, set forth in 10 CFR 440.22, are not met.

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

Beginning in calendar year 2017, HUD will no longer update the online lists (as in previous years), therefore, WAP will no longer use the lists. HUD will qualify multifamily buildings on a case-by-case basis, as requested. Subgrantees wishing to qualify a building should make the request through their BCAEO Grant Manager to beginning the process of qualifying a building through DOE and HUD.

The rule expressly indicates that income qualified public housing, assisted housing, and LHTC properties may be eligible recipients of WAP funds. The rule does not, however, require the State of Michigan or subgrantees to set aside funds for these properties. If a subgrantee has interest in pursuing utilizing WAP funds for these type of Weatherization projects, they will contact their BCAEO Grant Manager to determine a process.

Rehabbed Multi-Unit Buildings

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

1. The households have been determined eligible; and
2. The 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.

Multi-Unit Restrictions

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

Any potential multi unit projects will be presented to the DOE Project Officer for approval.

Building Eligibility Policy can be found in CSPM 600 Series
http://michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20150127172723

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

Describe how Rental Units/Multifamily Buildings will be addressed

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 Grantee 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 Grantee'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 pro-rated share of increased property taxes, increased operating expense, or the pro-rated 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.

DOE has comprised a document regarding Weatherization of Rental Units Frequently Asked Questions. The document can be viewed at:
http://www.waptac.org/data/files/Website_docs/Government/Guidance/2016/WPN-Rental-Units-FAQs-050516.pdf

Multi Unit Rental Units:

Beginning in calendar year 2017, HUD will no longer be updating the lists, therefore, WAP will no longer use them. At that point HUD will qualify multifamily buildings on a case-by-case basis, as requested. Subgrantees wishing to qualify a building should make the request through their MDHHS-BCAEO Grant Manager to begin the process of qualifying a building through DOE and HUD. Note that a public housing, assisted housing, US Department of Agriculture (USDA), or Low-Income Housing Tax Credit (LIHTC) building that does not appear on the list(s) may still qualify for WAP. Income eligibility can be made on an individual basis by local WAP service provider that implements the Program based on information supplied by property owners and the families. The rule expressly indicates that income qualified public housing, assisted housing, and LHTC properties may be eligible recipients of WAP funds. The rule does **not**, however, **require** the State of Michigan or subgrantees to set aside funds for these properties. If a subgrantee has interest in pursuing utilizing WAP funds for these type of Weatherization projects, contact the MDHHS-BCAEO Grant Manager to determine a process.

Documentation Requirements

Table 1:

Documentation Required	If HUD Qualified	If NOT HUD Qualified
Building Owner Permission	Yes	
Income Eligibility Documentation	No (see Note)	Yes
Demographics of Residents	Yes	Yes

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

Accrual of Benefits to Tenants (see Note)	Yes, if applicable	Yes, If applicable
Audit Runs	Yes	Yes
Leverage/Buy-Down Agreements	Yes, if applicable	Yes, if applicable

Note: If tenants are not billed directly for energy costs, subgrantee documents how benefits accrue to residents.

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 his agent.

Income Eligibility

Except in cases when HUD approval has been granted, the subgrantee must collect income information on a unit-by-unit basis to ensure at least 66% (or 50% for identified housing) of the occupants in five or more unit building are eligible for service. For units in a building(s) approved/qualified by HUD, individual household applications are not required. In lieu of this application, completion of the MDHHS-BCAEO Multi-Family Property Intake Form, DHS-4283-M, is required. A client file is not required for these units. A building file must be retained.

All Other Units

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

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 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. Subgrantees must collect the defined demographics reported to MDHHS-BCAEO and to DOE.

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 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

Instances in which 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 multi-unit 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 (10 CFR 440.22(b)(3)(ii));
 - Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;
 - Investment of the energy savings from the weatherization work in specific health and safety improvements with measureable benefits to tenants;
 - Improvements to ventilation and to heat and hot water distribution to improve the comfort of residents;
- and
- Establishment of a shared savings program

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

Subgrantees wishing to use their own policy must submit the draft policy to the Bureau for approval prior

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

to implementation. Draft policy review requests should be emailed to: MDHHS-BCAEO@michigan.gov with a copy to the MDHHS-BCAEO grant manager.

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 consistent with historic temperatures	Yes	No
“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 pre-leveraged SIRs of each individual measure and the pre-leveraged 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 Grantees 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 **non-federal 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.

Regardless of the funding source, 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.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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. Funding sources other than landlord contributions may also be used for buy-downs.

At Grantee 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.

Note: All associated health & 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.

Grantees 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 DOE's intent, however, to participate in projects that do not demonstrate overall cost effectiveness in design and installation.

All Grantees 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 pre-buy down package SIR is below 1.0.

Energy Saving Economics Case 1 – Buy-down Allowed in WAP

Measure	Measure SIR	Cumulative SIR
Infiltration Reduction	1.3	1.3
Lighting Retrofits	7.4	1.7
Ceiling Insulation	2.4	1.9
Replacement Windows (pre-buy-down)	0.8	1.1 (= 1.0)

Energy Saving Economics Case 2 – Buy-down Not Allowed in WAP

Measure	Measure SIR	Cumulative SIR
Infiltration Reduction	1.3	1.3
Lighting Retrofits	7.4	1.7
Ceiling Insulation	2.4	1.9
Replacement Windows (pre-	0.6	0.9 (not = 1.0)

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

buy-down)

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 Grantees will use this SIR calculation allowance of the building to determine the package of measures that a combined SIR of 1.0 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
 - a) A summary of all costs associated with the weatherization of the building, including any or all resources to be used, or
 - b) 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.

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

- (i) The benefits of weatherization assistance in connection with such rental units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;
- (ii) Rents shall not be raised because of the increased value of dwelling units due solely to weatherization assistance provided under this part; and
- (iii) No undue or excessive enhancement shall occur to the value of the dwelling unit.

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

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

A vacant unit may be weatherized in a multi-unit building only where; Not less than 50 percent of the dwelling units in the building are eligible dwelling units for duplexes and four-unit buildings; or not less than 66 percent of the dwelling units in the building are eligible dwelling units for five-unit or more buildings. A vacant unit is considered an ineligible unit in the 66 percent/50 percent calculation, unless the vacant unit(s) is a part of a Federal, State, or local government program for rehabilitation and will be occupied by eligible families within 180 days. A vacant building may be weatherized only if the building is part of a Federal, State, or local government rehabilitation program. The units must be occupied within 180 days with eligible families. A notation will be made in the file regarding the date(s) of occupancy.

All Other Units

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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

Rehabbed Multi-Unit Buildings

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

1. the households have been determined eligible; and
2. the grantee is meeting or exceeding all the goals for elderly, 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 grantee. These units cannot be given a priority just because they are a part of a rehab program.

Multi-Unit DOE Funding

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

- The percentage of low-income eligible units times the total allowable weatherization costs (estimated in the initial audit).
- The number of eligible units multiplied by the maximum average allowable cost per unit.

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

Multi-Unit Restrictions

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

Landlord Contributions

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

CSPM 608, 608.1, 610.1 and 610.2:
http://michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20150127175211

Describe the deferral Process

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

- Standing water, mold, friable asbestos, deteriorated lead-based paint surfaces, or other hazardous materials that cannot be addressed by the weatherization work.
- Evidence of infestations of rodents, insects, and/or other vermin.
- Unvented space heater(s) that may have a harmful effect on the air quality of the home.
- Unsecured pets that may prevent workers from safely completing their work.
- The presence of sewage or animal feces in or around the home.
- Improperly stored chemicals, combustible materials, or other fire hazards that present a danger to the occupants or the workers.
- Maintenance or housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

- Major remodeling is in progress, which limits the proper completion of weatherization measures.
- The home receives HUD funding and at the time of completion, the unit will not meet applicable HUD Lead-Based Paint standards.
- Electrical or plumbing hazards or structural failures that cannot be addressed/completed within Incidental Repair or Health and Safety (H&S) cost limitations.
- Threat(s) of violence or abusive behavior to worker(s) or household member(s) during the weatherization process.
- The illegal presence or use of any controlled substance in the home during the weatherization process. This includes marijuana.
- Occupant has known health conditions that prohibit and/or limit the installation of insulation or other weatherization materials.
- The building or dwelling unit is for sale or in foreclosure.
- Ownership cannot be confirmed due to a legal dispute. Clear title must be established before services can be provided.
- The building or dwelling unit is scheduled for demolition/redevelopment.

Note: 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. 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.

Walk-away (Deferral) Notification Requirements

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

CSPM 609
http://michigan.gov/documents/dhs/CSPM_600_Series_215133_7.pdf?20150127175211

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.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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)

V.2 Selection of Areas to Be Served

All 83 counties are served via contracts between MDHHS-BCAEO contracts with 26 Community Action Agencies (CAAs) to provide Weatherization services throughout the state. Services are based largely on CAAs historical geographical boundaries and past performance. This enables the CAAs to use their existing outreach structure to inform low-income persons about the program and to take applications.

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/bso/> and complied with federal and state procurement policy. No bids were received during the bidding process for Alger County or Marquette County. MDHHS-BCAEO internally assessed the capacity and the accessibility of surrounding Weatherization Operators in the Upper Peninsula to determine if any were able to sustain a larger service area. After reviewing past performance, contractor history, Energy Auditor, and Quality Control inspector at each agency along with distance to the service area, MDHHS-BCAEO determined that Menominee Delta Schoolcraft Community Action Agency would be the best candidate to service Alger and Marquette counties. MDS-CAA has agreed to extend their current service area to include Alger and Marquette counties which ensures full state WAP coverage. Regular ITB procurement for Weatherization Operators in Michigan will be conducted when contracts and extensions have been exhausted or as determined as needed by federal or state government.

The state reserves the right to re-allocate 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. 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 for Service Delivery

Michigan utilizes a priority point system when delivering services to low income homes to meet 10 CFR 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 application date first, after all applicants with one (1) or more points are served. Applicants with tied points will also be served by oldest application 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.

CSPM 611 can be viewed at:

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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

V.4 Climatic Conditions

Michigan has large seasonal temperature changes and a significant north south temperature variance. There are 10 climate divisions established by the National Oceanic and Atmospheric Administration. The number of Heating Degree Days (for a 10 year time span using the most recent available data) for each climate division in Michigan is used to determine the percentage of heating degree days is factored into the funding allocation formula. The heating degree day average was obtained from the Midwest Regional Climate Center data.

The National Energy Audit Tool (NEAT) program is adjusted by area of the state for the heating degree days. When a NEAT audit is completed in the Upper Peninsula, it may call for more insulation than a NEAT audit completed in the southernmost part of the state.

Heating Degree Days by Climate Division (Source: <http://mrcc.isws.illinois.edu/>)

See attachment in SF-424 for a breakout of data by climate division in MI.

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

Technical Weatherization Guides include:

SOM Technical Weatherization Policy Manual

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

Retrofitting Michigan: Weatherization Field Guide

The guide is too large to put on our MDHHS-BCAEO website. Subgrantees access the field guide via our statewide database, along with all other policy. Although a link is available on the website which directs users to the NREL Standard Work Specifications website.

The Standard Work Specifications for Home Energy Upgrades for Single Family, Manufactured Housing, and Multifamily Homes

<http://sws.nrel.gov>

US 10-CFR-600

US 2-CFR-200

US DOE Weatherization Program Notices

www.waptac.org

U.S. DOE Weatherization Memorandums

www.waptac.org

Community Services Policy Manual

http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_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, and via email. When updates are made, the network is notified and all

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

policy is updated online and in the database. MDHHS-BCAEO also provides updates in the BCAEO Update newsletter that is sent to the network.

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 15-4 Section 2. The signature on the contract serves as proof of receipt.

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.

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).

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

LED bulbs

Michigan intends to submit a request for approval to the DOE project officer for approval to use LED bulbs for the PY17 year.

Standards for DWH Replacement

Requires Water Heater Replacement

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

Does Not Require Water Heater Replacement:

Carbon monoxide readings exceed the threshold because:

- Combustion by-products are not venting to the outside properly.
- Blocked chimneys, vents terminating inside the living space, and back-drafting can be identified and remedied without having to replace the existing water heater. The flame is being impinged. The baffle or other parts may have been knocked out of position. These can be adjusted so that the flame is no longer impinged.
- The water heater has the wrong burner nozzle for the fuel type. The nozzle can be replaced with one appropriate for the current fuel type.
- Combustion air and gas pressure settings are out of adjustment. Air and pressure settings are

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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 Measures/Optional Measures General Heat Waste Measures, referred to as Optional Measures turned on by a subgrantee shall not exceed \$250.00. 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. Optional weatherization measures include:

- *Smart thermostat*
- *Faucet aerator*
- *Water heater wrap (insulating blanket)*
- *Water heater pipe insulation (on first six feet of hot water pipe exiting water heater)*
- *Low flow showerheads*
- *Limited weather-stripping and caulking to increase comfort (does not include major air sealing work, which should be guided by blower door testing)
- *Furnace filters*

Programmable Thermostat: Based upon client lifestyle and capacity to understand technical operation instructions a programmable thermostat, the certified weatherization auditor may recommend that a programmable thermostat be installed.

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

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

Energy Auditor Decertification/QC Inspector Suspension

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:

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. Fails or refuses without good cause to exercise reasonable diligence in developing a home inspection report, preparing a report, or communicating a report;
8. Accepts a home inspection assignment when the employment itself is contingent upon the home 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. Performs work or improvement to a residence upon which the Energy Auditor/QC Inspector performed a home inspection within the previous 12 months;

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

- 10. 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.
- 11. Is responsible for citation of repeated (3 or more) findings in consecutive monitoring reports completed by either the grantee, MDHHS-BCAEO or DOE;
- 12. Commits an act or acts of malpractice, gross negligence, or incompetence in the performance of home inspections;
- 13. Practices as a licensed home Energy auditor/QC inspector without a current SOM Energy Auditor/QC Inspector certification;
- 14. 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.

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.

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 MI WAP 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.

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 grantee agency sponsor this request. The decertified Energy Auditor or suspended QC Inspector must attend IREC accredited Energy Auditor or QC Inspector training.

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.

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Single-Family :	Single-Family NEAT software on non-standard homes. Approved by DOE September 8, 2016.
Manufactured Housing :	Mobile Home MHEA software on manufactured homes. Approved by DOE September 8, 2016.
Multi-Family :	Multi-Family (5 + unit or more) TREAT or any DOE-approved multi-family audit. Approved by DOE November 17, 2011. MI does not typically complete many multi-unit housing projects. MI will utilize MulTEA, the DOE approved audit, once it has been completed.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

Comments

MI Energy Audit for single family homes and manufactured homes was approved September 8, 2016. MI will continue to comply with the DOE requirements of energy audit approval, as required, 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 15-4 to complete the unit.

Current MDHHS-BCAEO Technical staff have received the multifamily QCI certification. New employees will be expected to attend training and receive their certification as well.

V.5.3 Final Inspection

Michigan utilizes a separate energy auditor and QCI per WPN15-4 for each Weatherization job. State monitors will perform quality assurance site reviews on at least 5% of all completed units and 10% quality assurance file reviews. As of January 2017, MI 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 from neighboring agencies to assist. State of MI technical weatherization monitors have QCI certifications for single family and multifamily homes. They have also attended INCAA training for the other Home Energy Professional (HEP) categories. MDHHS-BCAEO will contract QCI work as needed.

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.

All subgrantee final inspections are performed by a Quality Control Inspector as outlined in WPN 15-4. 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.

All field guides and standards are distributed to subgrantees and their contractors via the statewide database document center. Additionally, links are available to NREL SWS on our website, although the field guide is too large of a document for our website to hold. Subgrantees are responsible for ensuring that all of their contractors and crews have the field guide and standards.

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 or TWP 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. Policies and specifications are provided to each subgrantee through the TWP manual and the CSPM. An example of the quality control checklist has been uploaded and is available in the SF-424. 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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

monitor, they sign the Quality Control checklist as well.

Michigan does not have an accredited training center, so out of state travel is required for all JTA/HEP training and certifications. MI does have a training contract with INCAA and training is held in MI for JTA/HEP certifications for the network under this contract. Subgrantees are also working together to share energy auditors and QCIs for the Program Year 2017 to ensure compliance, as needed.

MDHHS-BCAEO is partnering with Michigan Rehabilitation Services (MRS) to establish a DOE approved training center in Michigan.

Weatherization technical monitoring is conducted at minimum of once a year. This monitoring includes review of selected units to determine compliance with file documentation, work standard, and quality standards. Audits and 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. Attendance and completion of the MDHHS-BCAEO IAQ (Indoor Air Quality) and LSW (Lead Safe Work Practices) training and testing is required for all MDHHS- BCAEO certified weatherization auditors/inspectors, contractors and crew members as Tier 2 training.

Blower door testing of all homes is conducted during both the audit and inspection of the home by a MDHHS-BCAEO certified weatherization auditor/ QCI or crew person/contractor.

Energy Auditor Decertification/QC Inspector Suspension

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 SOM Weatherization program if the Energy auditor/QC inspector does any one or more of the following:

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. Fails or refuses without good cause to exercise reasonable diligence in developing a home inspection report, preparing a report, or communicating a report;
8. Accepts a home inspection assignment when the employment itself is contingent upon the home 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. Performs work or improvement to a residence upon which the Energy Auditor/QC Inspector performed a home inspection within the previous 12 months;
10. 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.
11. Is responsible for citation of repeated (3 or more) findings in consecutive monitoring reports completed by either the grantee, MDHHS-BCAEO or DOE;
12. Commits an act or acts of malpractice, gross negligence, or incompetence in the performance of home inspections;
13. Practices as a licensed home Energy auditor/QC inspector without a current MDHHS-BCAEO Energy Auditor/QC Inspector certification;
14. Engages in conduct that could result in harm or injury to the public during the course of an audit or inspection.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

V.6 Weatherization Analysis of Effectiveness

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 MI WAP, 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.

On-site Inspections of Weatherized and In-Progress Units

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

Program & Financial Monitoring

Program 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 MDHHS-BCAEO 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 WAP office. MDHHS-BCAEO WAP fiscal staff then reviews the proposed corrective action for the finding and issues a management decision. Additionally, MDHHS-BCAEO WAP fiscal staff reviews the single audits as a part of the fiscal monitoring process.

Productivity

Each subgrantee must maintain a rate of production to ensure that all DOE WAP funds are expended in a timely manner each program year. Productivity is monitored quarterly and quarterly desk reviews are sent to each subgrantee. If by the end of the second quarter, 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, for the Program Year of 2016, MDHHS-BCAEO may reallocate WAP funding from underperforming subgrantees and provide those dollars to subgrantees that are meeting or exceeding performance and the capacity to spend the funding out by

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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 Grantee 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 on-site 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 the approved allocation formula. Subgrantees on a Quality Improvement Plan (QIP) or fail to utilize 90% of their award at closeout will not be eligible to receive carryover funding.

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 done within our statewide database and will allow the ability to track past years findings and training and technical assistance provided to the agency. This was implemented in Program Year 2014.

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. Monitoring reports will identify past monitoring findings in the prior findings section of the report for any previous findings. The monitor will then provide narrative on progress.

MDHHS-BCAEO has recently upgraded the statewide database reporting to allow for annual trend analysis and long term trend analysis to be created for each subgrantee. The report includes narrative and graphs showing the number of homes weatherized by county, by contractor, etc. The number of monitoring observations by contractor, Energy Auditor, QCI, the number of call backs and reasons for each, deferral trends, etc.

Risk Assessments

MDHHS-BCAEO will conduct annual risk assessments (or more if needed) for each subgrantee. The risk assessment is sent annually and will also include the new trend analysis that will become available in the statewide database.

Corrective Action

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, MDHHS-BCAEO may appoint a provider for those areas until another competitive bidding process is scheduled for the WAP.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

The subgrantee may be requested to provide corrective action as part of a Quality Improvement Plan (QIP) to MDHHS-BCAEO for programmatic reports indicating achievement of less than 50% of the quarterly plan at the end of the first quarter of each program year; at less than 70% of the year to date plan at the end of the second quarter of each program year, and at less than 80% of the year to date plan at the end of the third quarter of each program year.

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
- met self-imposed benchmarks (identified in subgrantee production plan)
- financial and program management capacity

When carryover funds are available, funds will be distributed to eligible subgrantees based upon the approved allocation formula. Subgrantees on a Quality Improvement Plan (QIP) or fail to utilize 90% of their award at closeout will not be eligible to receive carryover funding.

Utility Usage Data

MDHHS-BCAEO will work with the Michigan Public Service Commission (MPSC) and Michigan Agency for Energy (MAE), utilities, and the FACSPRO system administrator to facilitate a dialogue between the entities to develop the process for collection of accurate utility usage data on the Michigan homes weatherized. These discussions have begun, and through continued work, 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 be required in 2017.

MDHHS-BCAEO staff continues to work toward an open door policy with the network of subgrantees. After training and monitoring, a customer service survey is sent to the subgrantees to help staff better meet the needs of the network while maintaining compliance with the program. Training needs for the network are identified through quarterly surveys and monitoring recommendations.

V.7 Health and Safety

The Michigan Health & Safety plan is an estimated 15% of program operations budget. Health and Safety (H&S) per unit maximum shall not exceed 50 percent of the total job costs without review and permission from a MDHHS-BCAEO technical monitor. The Health and Safety plan and policy can be found in the TWP and the CSPM 600 Series which have been uploaded under SF-424. The Health and Safety Plan is also attached in SF-424.

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 and,
- Lead Safe Weatherization (LSW).

To ensure that program services concentrate on energy efficient measures, 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, the subgrantee may submit a waiver for approval from technical staff. The subgrantee is responsible for documenting the email approval from the technical staff and including it with the file documentation. 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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

install.

NOTE: DOE funds shall not be used to meet code compliance.

Health & Safety measures do not require an SIR and are not included in the Average Cost per Unit. Health & Safety measures are billed to their own line item.

Subgrantees ask a series of questions during intake and energy audit related to occupant health conditions to capture any pre-existing conditions. Some subgrantees have implemented a pre-assessment visit to homes which allow a trained Weatherization staff to look for common issues for health and safety or deferral.

The DHS-552 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 and observations found during the energy audit. A copy of the form has been uploaded for review.

It should also be noted that Michigan 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 sources available.

ASHRAE compliance is outlined in the TWP and the CSPM (606 and 614) and on the H&S document uploaded in SF-424. MDHHS-BCAEO provides ASHRAE training as a Tier 2 training to the network annually and as needed. MI will utilize ASHRAE 2016

Weatherization H&S training is conducted in an ongoing manner during technical monitoring, inquiries throughout the year, as requested by subgrantees via the quarterly training survey, and as changes are made to the rules and regulations.

OSHA requirements are enforced by the MI OSHA office. MDHHS-BCAEO hosts an annual weatherization conference and the MI OSHA office conducts training at the conference.

Sources:

http://www.michigan.gov/documents/dhs/Technical_Weatherization_Policies_Manual_215832_7.pdf?20130911094855
http://www.michigan.gov/dhs/0,4562,7-124-5455_7199_45583_45584---,00.html

V.8 Program Management

V.8.1 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 health 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). CAA services include programs that address education, emergency services, employment, health, housing, income management, linkages, nutrition, and self-sufficiency. CAAs are the primary subgrantee for the WAP.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

MDHHS-BCAEO staff oversee several contracts with CAAs and provide written policy and procedures for these various program areas. These programs include LIHEAP Weatherization funds, the Community Services Block Grant, and the LIHEAP Crisis Assistance Deliverable Fuel program. MDHHS-BCAEO staff provides 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 monitoring visits to each subgrantee. Monitoring includes programmatic, technical, and financial.

The MDHHS-BCAEO Director, Kris Schoenow, oversees all personnel within the MDHHS-BCAEO. Personnel include grant managers, financial monitors, programmatic monitors, technical weatherization monitors, a CSBG specialist, a weatherization specialist, along with clerical staff.

The MDHHS-BCAEO Organizational Chart has been attached to SF-424.

V.8.2 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 26 subgrantees by the funding formula. Subgrantees receiving less than \$350,000 receive additional 5% administrative dollars.

V.8.3 Monitoring Activities

Attached to the SF-424 are the following:

MDHHS-BCAEO Fiscal Monitoring Tool
MDHHS-BCAEO Programmatic Monitoring Tool
MDHHS-BCAEO Sample Technical Monitoring Tool

MDHHS-BCAEO Sample Technical Annual Monitoring Tool
MDHHS-BCAEO Technical Annual Monitoring Tool
MDHHS-BCAEO Technical Monitoring Plan
MDHHS-BCAEO Programmatic and Financial Monitoring Plan

All monitoring is conducted in accordance with the guidance in WPN (Weatherization Program Notice) 16-4. 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 MDHHS-BCAEO has three technical monitors, two programmatic monitors and two fiscal monitors. Technical monitors, program compliance monitors, and fiscal monitors will monitor the weatherization program. MDHHS-BCAEO monitoring policy requires the offer of an entrance and exit interview with the Executive Director and/ or designated staff after each monitoring visit. For technical monitoring, a weatherization monitoring report, including observations and corrective action requirements, is completed by the technical staff. After agency technical responses have been received, a Quality Assurance letter is composed and includes all outstanding observations and findings. This document is reviewed by supervisory staff and forwarded to the agency's Executive Director with a copy to the weatherization coordinator. (A copy of the program compliance monitoring report is also shared with the Subgrantee Board Chair, if applicable.) MDHHS-BCAEO will issue a report within 30 days after each monitoring visit. A written response to corrective action

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

will be required of subgrantee's within 30 days of receipt of the monitoring report. MDHHS-BCAEO utilizes a monitoring module in the statewide database which expedites monitoring and also provides better tracking for MDHHS-BCAEO staff and for subgrantees. As of July 1, 2015, 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. The combined program compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements. The subgrantee to be monitored is normally, but not always, informed prior to the visit by contacting the Executive Director or his/her designee.

Weatherization technical monitoring will be conducted 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. Additional visits will be conducted for subgrantees that are determined to have significant deficiencies. Additional days may be added to the agency visit if monitoring results a identifying need for additional T&T/A for the agency. Reviews will be completed on-site for at least 5% of the completed units.

Weatherization programmatic compliance and financial monitoring will be conducted with the subgrantee a minimum of once a year. Additional reviews will be conducted for subgrantees that are determined to have significant deficiencies. 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.

The subgrantee to be monitored is normally, but not always, informed prior to monitoring review by contacting the Executive Director or his/her designee. Monitoring reviews are coordinated through agency staff. Tentative monitoring schedules are set early in the program year.

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

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 for each subgrantee, if they exist. 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 policy for 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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

- 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 production 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
- 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

File selection and review will be via FACSPRO and based upon 10% of scheduled production. Site review will be based upon 5% or more if appropriate, of scheduled production and/or one completed site visit per contractor/crew. 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 on what date.
- A system to track grantee and MDHHS-BCAEO monitoring findings and observations by auditor/inspector, contractor, and/or worker to ensure that repeated program deficiencies observed are addressed appropriately and swiftly.

Technical monitor 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 by Personal Activity Reports (PARS) submitted by staff to the MDHHS Federal Reporting office.

Program and financial monitor positions are funded approximately 40% of their salary with DOE Admin funds and 10% with T/TA funding. 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 review using the statewide FACSPRO database. This is a cost effective way of monitoring. MDHHS-BCAEO Weatherization Specialist 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 or monitor overnights at 50 miles or more from the designated work location. This will allow monitoring to be completed in full 8 hour work days rather than 5-6 hour work days with 3-4 hours a day dedicated to commuting. This will allow for more efficient monitoring in a timelier manner.

Grant managers positions are funded with approximately 40% of their salary with DOE Admin funding and 10% T/TA funding. This amount can change yearly depending on funding awarded to the MDHHS-BCAEO from other funding sources. The rest of their salary is compensated with Community Services Block Grant (CSBG) and LIHEAP funding.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

The weatherization program specialist position is funded with approximately 70% DOE admin and 30% DOE T/TA for the monitoring oversight and training.

The MDHHS-BCAEO director position salary is funded by 40% of total salary with DOE admin.

The MDHHS-BCAEO monitoring schedule is available in SF-424.

Community Services Policy Manual 600 Series

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

http://www.michigan.gov/documents/mdhhs/CSPM_1300_Series_503778_7.pdf

V.8.4 Training and Technical Assistance Approach and Activities

WPN 15-4 Section 4: Provide Training to Implement and Maintain Guidelines/Standards MDHHS-BCAEO has created the following comprehensive training plan for PY17 which include both Tier 1 and Tier 2 identified training. This training plan will ensure that all Tier 1 training paid for with WAP T&TA funds must meet requirements of this section. Dates are subject to change based on trainer availability and network need.

Michigan has 46 certified Quality Control inspectors (QCI) in Michigan. Two of those are MDHHS-BCAEO employees. 46/26 subgrantees = 1.76 QCI's per agency.

Subgrantees and their contractors complete retention agreements prior to the subgrantee paying for training for contractors.

MDHHS-BCAEO is currently working with the Michigan Rehabilitation Services (MRS) in a partnership to use their training facility for Weatherization workers. The facility is equipped with Weatherization training demos which would allow MDHHS-BCAEO to provide more efficient training to workers. Additionally, the site would be used when INCAA provides Tier 1 training in Michigan. MDHHS-BCAEO will utilize DOE funds to establish the MRS training center as a DOE approved training center.

Training Plan July-August 2017:

(Tier 1): Quality Control Inspector Training, Energy Auditor Training, Crew Leader, and Retrofit Installer (until MI is accredited for Retrofit) provided in Michigan by INCAA, the MDHHS-BCAEO contracted training center.

Tier 2: INCAA will provide additional training such as CAZ, Furnace logistics, energy savings, ASHRAE, Health & Safety, etc. And any other training identified by the sub grantees and monitors.

October 2017:

MDHHS-BCAEO will hold the annual MI Weatherization conference. MDHHS-BCAEO will have INCAA, the contracted trainers, to provide Tier 1 training which includes a comprehensive, occupation specific training which follows a curriculum aligned with the JTAs and any other Tier 1 training necessary to strengthen the Michigan WAP. Training needs will be identified through the trend analysis created by each technical monitor and quarterly training survey results. Federal and state procurement policy will be followed.

Tier 2 Training: MDHHS-BCAEO will also provide Tier 2 training not only at the annual Weatherization conference, but also throughout the year as needed. Technical monitors will continue to provide quarterly LSW training and IAQ training to the network. They will also provide statewide database training, NEAT/MHEA training, Policy update training and monitoring update training. Technical monitors will utilize trend analysis to identify areas of training an agency may need.

MDHHS-BCAEO will provide SWS, blower door, combustion appliance zone (CAZ), JTAs, ASHRAE 62.2, Health & Safety, FACSPRO, Policy updates, managing weatherization, and any other

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

training identified as needed by the network in quarterly training surveys. MDHHS-BCAEO staff has been coordinating efforts with the Michigan Rehabilitation Services (MRS) to utilize their Weatherization technical training center as a WAP Training Center throughout the year. MDHHS-BCAEO and MRS are working together to establish costs and determine a plan to benefit both MRS WAP trainees and current WAP subgrantee contractors and crews. Additionally, MDHHS-BCAEO staff will provide training such as MDHHS-BCAEO financial, MDHHS-BCAEO policy, fiscal/grant monitoring training, income eligibility training, and any other training that is identified by the network including T&TA through monitoring. MDHHS-BCAEO will also contract with a company to provide customer service/customer interaction based training to strengthen client relations. Federal and state procurement policy will be followed. MDHHS-BCAEO provides training in many formats including online, on-site, teleconference, and webinar.

MDHHS-BCAEO Financial monitors will provide WAP financial training at the annual state Weatherization conference in October, 2017.

All training needs are determined by several methods including but not limited to:

- Review of subgrantee deficiencies
- Subgrantee direct training requests
- Involvement of T/TA subcontractor
- Formal and Informal quarterly training survey needs
- Recommendations resulting from external entities (DOE staff, contractors, auditors, etc.)
- Changes in DOE Requirements.

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&T/A funds for each LWO directly in the amount of \$25,000 to assist with additional training costs to meet certification requirements. Also, 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.

MDHHS-BCAEO requires that all weatherization workers complete LSW and IAQ training within 90 days of hire.

Subgrantees maintain certifications and training for staff in the statewide database, FACSPRO. The subgrantees also maintain contractor files which hold all required certifications. This is monitored by MDHHS-BCAEO monitoring staff annually.

As MDHHS-BCAEO continues to move forward with updates to our Weatherization statewide database which will allow energy savings for each household to be measured and to tell a better story of the success of Weatherization in Michigan. Additionally, the PAC is working on partnerships with energy companies with the intent to collect savings data for each household weatherized.

All contracted training will comply with federal and state procurement guidance and policy.

MDHHS-BCAEO is currently working on establishing a training center in Michigan with Michigan Rehabilitation Services (MRS). This program has an existing Weatherization training center and the MDHHS-BCAEO Weatherization Specialist is collaborating with MRS to share the training center in an effort to make training more available to the network. Additionally, MRS currently has several accreditations for their training facility and is in discussion to work toward and IREC accreditation. MDHHS-BCAEO will continue discussions regarding expenses and funding for a state training center with MRS. Funding is outlined in the budget.

MDHHS-BCAEO is in the process of procuring an online training/testing system. MDHHS-BCAEO will utilize online training and testing initially for LSW, IAQ, and add courses such as Client Education, and Weatherization Management along the way. MDHHS-BCAEO will obtain an online training program using proper and allowable procurement practices and is currently working with the Michigan Department of Technology, Management, and Budget (DTMB) on the online training/testing

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

project.

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:

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:

- Making a list of energy questions and concern
- Making the attic, basement, and crawl space accessible
- Making the perimeter accessible
- Securing pets
- 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 grantee'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.
 - 1) Explain the nature of the work that may be done on the home.
 - 2) If the client is actively participating, agree on three energy action steps for the client to do.
 - 3) If the client is actively participating, the client plan of action should be signed by the client, 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 tab.

Weatherization Work

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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

success. The following minimum steps must be included in the grantee'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. See page 5.
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. See page 6 and 7.
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.

Productivity vs. Energy Savings

MDHHS-BCAEO has implemented changes in the statewide database to determine energy savings by household, subgrantee, and energy auditor for the PY17 year. BCAEO has been working with neighboring states to determine the best method for Michigan.

ASHRAE 62.2 2016

Michigan will create training and implement ASHRAE 2016 July 1, 2017

Grantee/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. 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 MDHHS-Weatherization@michigan.gov mailbox and including the Agency name, certified staff/contractor, type of certification, and date of certification.

V.9 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.

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

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 reweatherization) 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:

- 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 if limited to the current maximum reimbursement Grantee contract.

To the extent that the services are in support of eligible weatherization (or permissible re-weatherization) 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.

Reweatherization 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 Grantees 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

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

(Grant Number: EE0007927, State: MI, Program Year: 2017)

- 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.

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.

DOE F 540.5
(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: 2017

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 served: ALLEGAN County Tentative allocation: \$ 171,912.00 Congressional districts served: CD
 Planned units: 15 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: 1550 Leonard. N.E. Phone: (616) 336-4056
 Grand Rapids, MI 49505-0000 Fax: (616) 336-4193
 Email: rstrickfaden@acset.org
 Counties served: KENT County Tentative allocation: \$ 552,086.00 Congressional districts served: CD
 Planned units: 58 MI-02
 Type of organization: Unit of local government MI-06
 Source of labor: Contractors MI-03

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 served: HOUGHTON County Tentative allocation: \$ 201,021.00 Congressional districts served: CD
 BARAGA County Planned units: 18 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 served: ST. CLAIR County Tentative allocation: \$ 208,431.00 Congressional districts served: CD
 Planned units: 19 MI-10
 Type of organization: Non-profit organization
 Source of labor: Contractors

DOE F 540.5
(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: 2017

Name:	Capital Area Community Services Inc	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:	EATON County CLINTON County INGHAM County SHIAWASSEE County	Tentative allocation:	\$ 555,403.00
		Planned units:	58
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-07 MI-04 MI-08

Name:	Chippewa-Luce-Mackinac Community Action and	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:	CHIPPEWA County LUCE County MACKINAC County	Tentative allocation:	\$ 254,486.00
		Planned units:	23
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

Name:	Community Action Agency of South Central Michigan	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:	ST. JOSEPH County BARRY County BRANCH County CALHOUN County	Tentative allocation:	\$ 410,196.00
		Planned units:	42
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-03 MI-07

Name:	Dickinson-Iron Community Services Agency	Contact:	Mr Don Tramontin
		DUNS:	556499234
Address:	800 Crystal Lake Boulevard 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:	\$ 187,282.00
		Planned units:	17
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

DOE F 540.5
(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: 2017

Name: **EightCAP Inc** Contact: Ms. Stephanie Rockafellow
 DUNS: 020892659
 Address: 904 Oak Drive- Turk Lake Phone: (616) 754-9315
 Greenville, MI 48838-0000 Fax: (616) 225-8761
 Email: stephanier@8cap.org
 Counties served: GRATIOT County Tentative allocation: \$ 636,751.00 Congressional districts served: CD
 IONIA County Planned units: 67 MI-03
 ISABELLA County Type of organization: Non-profit organization MI-04
 MONTCALM County
 MUSKEGON County
 OCEANA County
 Source of labor: Contractors

Name: **FiveCAP Inc** Contact: Ms. Mary Trucks
 DUNS: 047673603
 Address: 302 North Main Street Phone: (231) 689-6688
 P. O. Box 37 Fax: (231) 757-9669
 Scottville, MI 49454-0000 Email: fivecap@fivecap.org
 Counties served: NEWAYGO County Tentative allocation: \$ 442,039.00 Congressional districts served: CD
 MASON County Planned units: 46 MI-02
 MANISTEE County Type of organization: Non-profit organization MI-01
 LAKE County
 Source of labor: Contractors

Name: **Genesee County CAA** Contact: Mr. Dan Newcombe
 DUNS: 099662942
 Address: 601 N. Saginaw St., Ste. 1B Phone: (810) 762-4893
 Flint, MI 48502-0000 Fax: (810) 762-0009
 Email: DNewcombe@co.genesee.mi.us
 Counties served: GENESEE County Tentative allocation: \$ 483,951.00 Congressional districts served: CD
 Planned units: 50 MI-05
 Type of organization: Unit of local government
 Source of labor: Agency

Name: **Gogebic-Ontonagon CAA** Contact: Mr. Paul Janczak
 DUNS: 096826656
 Address: 100 S. Mill St. Phone: (906) 667-0283
 Bessemer, MI 49911-1354 Fax: (906) 663-0356
 Email: janczakp@gocaa.org
 Counties served: GOGEBIC County Tentative allocation: \$ 175,804.00 Congressional districts served: CD
 ONTONAGON County Planned units: 15 MI-01
 Type of organization: Non-profit organization
 Source of labor: Agency and Contractors

**WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION**

State: MI Grant Number: EE0007927 Program Year: 2017

Name:	Human Development Commission	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:	SANILAC County TUSCOLA County LAPEER County HURON County	Tentative allocation:	\$ 382,410.00
		Planned units:	39
		Type of organization:	Non-profit organization
		Source of labor:	Agency and Contractors
		Congressional districts served:	<u>CD</u> MI-05 MI-10

Name:	Kalamazoo County Human Services Department	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:	\$ 307,196.00
		Planned units:	29
		Type of organization:	Unit of local government
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-06

Name:	Macomb County Community Services Agency	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:	\$ 701,583.00
		Planned units:	74
		Type of organization:	Unit of local government
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-10 MI-09

Name:	Menominee-Delta-Schoolcraft Community Action Agency and	Contact:	Ms. Naomi Fletcher
		DUNS:	192300858
Address:	507 First Avenue North Escanaba, MI 49829-3998	Phone:	(906) 786-7080
		Fax:	(906) 786-9423
		Email:	nfletcher@mdscaa.org
Counties served:	SCHOOLCRAFT County DELTA County ALGER County MENOMINEE County MARQUETTE County	Tentative allocation:	\$ 347,648.00
		Planned units:	33
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01

DOE F 540.5
(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: 2017

Name:	Mid Michigan CAA Inc	Contact:	Ms. Sarah Adkins
		DUNS:	069468080
Address:	574 East Washington Road P.O. Box 768 Farwell, MI 48622-0768	Phone:	(989) 386-3805
		Fax:	(989) 386-3277
		Email:	SAdkins@mmcaa.org
Counties served:	OSCEOLA County MIDLAND County MECOSTA County CLARE County BAY County GLADWIN County	Tentative allocation:	\$ 480,918.00
		Planned units:	50
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-04 MI-05

Name:	Monroe County Opportunity Program	Contact:	Ms. Billie Jo Dye
		DUNS:	097226690
Address:	1140 South Telegraph Road Monroe, MI 48161-4006	Phone:	(734) 241-2775
		Fax:	(734) 457-0630
		Email:	billiejodye@gmail.com
Counties served:	HILLSDALE County JACKSON County LENAWEE County MONROE County	Tentative allocation:	\$ 487,294.00
		Planned units:	50
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-07

Name:	Northeast Michigan Community Action Agency	Contact:	Ms. Lisa Bolen
		DUNS:	020905642
Address:	2375 Gordon Road Alpena, MI 49707-0000	Phone:	(989) 329-3664
		Fax:	(989) 471-2700
		Email:	bolenl@nemcsa.org
Counties served:	ALPENA County ARENAC County ALCONA County CHEBOYGAN County CRAWFORD County IOSCO County MONTMORENCY County OGEMAW County OSCODA County OTSEGO County PRESQUE ISLE County	Tentative allocation:	\$ 590,085.00
		Planned units:	62
		Type of organization:	Non-profit organization
		Source of labor:	Contractors
		Congressional districts served:	<u>CD</u> MI-01 MI-05 MI-04

Name:	Northwest Michigan Human Services Agency	Contact:	Mr. Steve Taylor
		DUNS:	060177904
Address:	3963 Three Mile Road Traverse City, MI 49686-9164	Phone:	(231) 346-2136
		Fax:	() -
		Email:	staylor@nmcaa.net

DOE F 540.5
(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: 2017

Counties served: MISSAUKEE County LEELANAU County KALKASKA County GRAND TRAVERSE Coun EMMET County ANTRIM County BENZIE County CHARLEVOIX County WEXFORD County ROSCOMMON County	Tentative allocation: \$ 612,105.00 Planned units: 64 Type of organization: Non-profit organization	Congressional districts served:	<u>CD</u> MI-01
Source of labor: Agency			

Name: Oakland Livingston Human Services Agency Address: P.O. Box 430598 196 East Cesar E. Chevez Pontiac, MI 48343-0598	Tentative allocation: \$ 925,762.00 Planned units: 98 Type of organization: Non-profit organization	Contact: Mr. Gary Warsecke DUNS: 088746458 Phone: (248) 209-2760 Fax: (248) - Email: garyw@olhsa.org	<u>CD</u> MI-11 MI-08 MI-09
Source of labor: Contractors			

Name: Ottawa County CAA Address: 12251 James Street Suite 300 Holland, MI 49424-9661	Tentative allocation: \$ 242,762.00 Planned units: 22 Type of organization: Unit of local government Source of labor: Contractors	Contact: Ms. Michelle Brothers DUNS: 085899011 Phone: (616) 393-5603 Fax: (616) 393-5612 Email: mbrothers@miottawa.org	<u>CD</u> MI-02
--	--	--	--------------------

Name: Saginaw County Community Action Committee Address: 2824 Perkins Saginaw, MI 48601-0000	Tentative allocation: \$ 378,370.00 Planned units: 39 Type of organization: Non-profit organization Source of labor: Agency and Contractors	Contact: Ms. Lillie Williams DUNS: 138775994 Phone: (989) 753-7741 Fax: (989) 753-2439 Email: liwilliams@saginawcac.org	<u>CD</u> MI-04 MI-05
---	--	---	-----------------------------

DOE F 540.5
(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: 2017

<p>Name: Southwest Michigan CAA</p> <p>Address: 185 East Main Street Suite 200 Benton Harbor, MI 49022-0000</p> <p>Counties served: BERRIEN County CASS County VAN BUREN County</p>	<p>Contact: Ms. Sandra Klank DUNS: 002009442 Phone: (269) 925-9077 Fax: (269) 925-9271 Email: sklank@smcaa.com</p> <p>Tentative allocation: \$ 385,098.00 Planned units: 39 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-06</p>
--	--	--

<p>Name: Washtenaw County Human Services</p> <p>Address: 301 W. Michigan Ave. Suite 400 Ypsilanti, MI 48197-0915</p> <p>Counties served: WASHTENAW County</p>	<p>Contact: Mr. Aaron Kraft DUNS: 020111969 Phone: (734) 544-2947 Fax: (734) 544-6731 Email: Krafta@ewashtenaw.org</p> <p>Tentative allocation: \$ 296,835.00 Planned units: 28 Type of organization: Unit of local government Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-12 MI-07</p>
--	---	--

<p>Name: Wayne Metropolitan Community Action Agency</p> <p>Address: 2121 Biddle Suite 102 Wyandotte, MI 48192-0000</p> <p>Counties served: WAYNE County</p>	<p>Contact: Mr. Mike Locke DUNS: 053258109 Phone: (734) 246-2280 Fax: (734) 246-2288 Email: mlocke@waynemetrometro.org</p> <p>Tentative allocation: \$ 2,365,511.00 Planned units: 254 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-11 MI-13 MI-12 MI-14</p>
--	---	--

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 07/01/2017	5. Completion Date 06/30/2018

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Federal	81.042	\$ 0.00		\$ 15,282,760.00		\$ 15,282,760.00
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 15,282,760.00	\$ 0.00	\$ 15,282,760.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTR ATION	(2) SUBGRANTE E ADMINISTR	(3) GRANTEE T&TA	(4) SUBGRANT EE T&TA	
a. Personnel	\$ 417,949.00	\$ 0.00	\$ 277,376.00	\$ 0.00	\$ 695,325.00
b. Benefits	\$ 280,850.00	\$ 0.00	\$ 205,269.00	\$ 0.00	\$ 486,119.00
c. Travel	\$ 13,300.00	\$ 0.00	\$ 129,200.00	\$ 0.00	\$ 142,500.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 10,101.00	\$ 0.00	\$ 30,450.00	\$ 0.00	\$ 40,551.00
f. Contract	\$ 0.00	\$ 871,307.00	\$ 1,058,449.00	\$ 650,000.00	\$ 13,841,388.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 9,000.00	\$ 0.00	\$ 11,500.00	\$ 0.00	\$ 20,500.00
i. Total Direct Charges	\$ 731,200.00	\$ 871,307.00	\$ 1,712,244.00	\$ 650,000.00	\$ 15,226,383.00
j. Indirect	\$ 32,938.00	\$ 0.00	\$ 23,439.00	\$ 0.00	\$ 56,377.00
k. Totals	\$ 764,138.00	\$ 871,307.00	\$ 1,735,683.00	\$ 650,000.00	\$ 15,282,760.00
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 07/01/2017	5. Completion Date 06/30/2018

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 15,282,760.00	\$ 0.00	\$ 15,282,760.00

SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	Grant Program, Function or Activity				Total (5)	
	(1) PROGRAM OPERATION S	(2) HEALTH AND SAFETY	(3) LIABILITY INSURANCE	(4) FINANCIAL AUDITS		
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 695,325.00	
b. Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 486,119.00	
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 142,500.00	
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 40,551.00	
f. Contract	\$ 9,330,703.00	\$ 1,819,941.00	\$ 52,000.00	\$ 26,000.00	\$ 13,841,388.00	
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
h. Other	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 20,500.00	
i. Total Direct Charges	\$ 9,330,703.00	\$ 1,819,941.00	\$ 52,000.00	\$ 26,000.00	\$ 15,226,383.00	
j. Indirect	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 56,377.00	
k. Totals	\$ 9,330,703.00	\$ 1,819,941.00	\$ 52,000.00	\$ 26,000.00	\$ 15,282,760.00	
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 07/01/2017	5. Completion Date 06/30/2018

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 15,282,760.00	\$ 0.00	\$ 15,282,760.00

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				\$ 695,325.00
b. Benefits	\$ 0.00				\$ 486,119.00
c. Travel	\$ 0.00				\$ 142,500.00
d. Equipment	\$ 0.00				\$ 0.00
e. Supplies	\$ 0.00				\$ 40,551.00
f. Contract	\$ 32,988.00				\$ 13,841,388.00
g. Construction	\$ 0.00				\$ 0.00
h. Other	\$ 0.00				\$ 20,500.00
i. Total Direct Charges	\$ 32,988.00				\$ 15,226,383.00
j. Indirect	\$ 0.00				\$ 56,377.00
k. Totals	\$ 32,988.00				\$ 15,282,760.00
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: 07/01/2017 - 06/30/2018

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 (1)	As required in state legislation, the executive director supervises and coordinates: state activities to reduce poverty, implement community social and economic programs, designate community action agencies pursuant to Section 8 of the Act, provide assistance to units of local governments, contract (with public and private non-profit agencies as well as non-profit organizations) for demonstration programs and other services necessary to implement the Act, to serve as an advocate within the executive branch to remove administrative barriers to self-sufficiency services and to seek additional resources for anti-poverty strategies. The Executive Director oversees the Weatherization Assistance Program for Michigan by overseeing state monitoring staff (fiscal, programmatic, technical), grant managers, and support/admin staff within the Bureau. The Executive Director reviews all monitoring reports and sends reports directly to 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 is charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst - Grant Manager 1	Reviews all budgets/plans for compliance with DOE regs, and MDHHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, 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 salary charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Fiscal Analyst 1	Assists with fiscal aspects of monitoring. Provide support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial functions related to the Bureau. 50% of salary charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. 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. 40% of salary is charged to DOE Admin. The rest of salary is charged to CSBG and LIHEAP.
Weatherization Technical Monitor 1 - Vacant	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. 70% to admin and 30% to T/TA
Executive Secretary 10	Provides administrative support to all MDHHS-BCAEO staff, primarily BCAEO Director. 40% of salary is charged to DOE Admin. Remaining salary is charged to LIHEAP and CSBG.
Weatherization Analyst	The Weatherization analyst 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
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 the total salary is charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 2	Reviews all budgets/plans for compliance with DOE regs, and MDHHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, 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 charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 3	Reviews all budgets/plans for compliance with DOE regs, and MDHHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. 50% of total salary charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.

Departmental Analyst- Grant Manager 4	Reviews all budgets/plans for compliance with DOE regs, and MDHHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, MDHHS Community Service Policy Manual upon request and/or upon results of annual monitor report. 50% of salary charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Departmental Analyst- Grant Manager 5	Reviews all budgets/plans for compliance with DOE regs, and MDHHS policy and procedure for all assigned local weatherization operators. Reviews all billings, plan change requests, and production throughout program year. Provides training related to file maintenance, income eligibility, 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 salary charged to DOE. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Fiscal Analyst 2	Assists with fiscal aspects of monitoring. Provide support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial functions related to the Bureau. DOE pays 50% of total salary for each monitor. Of that, 90% is charged to admin and 10% is charged to T/TA. The rest of salary is charged to CSBG and LIHEAP grants.
Weatherization Technical Monitor 2	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 Technical Monitor 3 - Vacant	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.
Rounding Deputy Director	Adding rounding entry to balance fringe page 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/admin staff within the Bureau. The Deputy Director reviews all monitoring reports and sends reports directly to the WAP Directors and Executive Directors. A total of \$17,470 or 20% is charged to DOE Admin costs. The rest is charged to CSBG and LIHEAP grants.

Direct Personnel Compensation:

Position	Salary/Rate	Time	Direct Pay
Bureau Executive Director SAM 17 (1)	\$106,770.00	50.0000 % FT	\$53,385.00
Departmental Analyst - Grant Monitor 1	\$67,746.00	50.0000 % FT	\$33,873.00
Departmental Analyst - Grant Manager 1	\$59,237.00	50.0000 % FT	\$29,618.50

Fiscal Analyst 1	\$58,639.00	50.0000 % FT	\$29,319.50
Department Tech	\$43,310.00	40.0000 % FT	\$17,324.00
Weatherization Technical Monitor 1 - Vacant	\$46,998.00	100.0000 % FT	\$46,998.00
Weatherization Program Specialist 13	\$73,907.00	100.0000 % FT	\$73,907.00
Executive Secretary 10	\$47,142.00	40.0000 % FT	\$18,856.80
Weatherization Analyst	\$63,995.00	100.0000 % FT	\$63,995.00
Departmental Analyst - Grant Monitor 2	\$67,748.00	50.0000 % FT	\$33,874.00
Departmental Analyst- Grant Manager 2	\$67,746.00	50.0000 % FT	\$33,873.00
Departmental Analyst- Grant Manager 3	\$67,748.00	50.0000 % FT	\$33,874.00
Departmental Analyst- Grant Manager 4	\$67,748.00	50.0000 % FT	\$33,874.00
Departmental Analyst- Grant Manager 5	\$67,748.00	50.0000 % FT	\$33,874.00
Fiscal Analyst 2	\$51,592.00	50.0000 % FT	\$25,796.00
Weatherization Technical Monitor 2	\$61,276.00	100.0000 % FT	\$61,276.00
Weatherization Technical Monitor 3 - Vacant	\$54,137.00	100.0000 % FT	\$54,137.00
Rounding	\$0.20	1.0000 hours	\$0.20
Deputy Director	\$87,351.00	20.0000 % FT	\$17,470.20
		Direct Pay Total	\$695,325.20

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.

MDHHS has submitted a Cost Allocation Plan to U.S. Dept of Health & Human Services for approval in 2016 and has since submitted an updated plan outlining all areas of the department since the merger of 2 state departments. Although the fringe have not officially been approved, MDHHS expects approval from U.S. HHS. The timeline for U.S. Dept of HHS approval is not clear, but the process can be lengthy. The Department has a contract with an outside company which created the cost allocation plan for the department. See page 81 and 82 of the Cost Allocation Plan (CAP- Org Unit) attached to SF424 for specific information related to the MDHHS-BCAEO plan which is where WAP is housed.

Fringe Benefits Calculations

Position	Direct Pay	Rate	Benefits
Bureau Executive Director SAM 17 (1)	\$53,385.00	60.7360 %	\$32,423.91
Departmental Analyst - Grant Monitor 1	\$33,873.00	66.1200 %	\$22,396.83
Departmental Analyst - Grant Manager 1	\$29,618.50	64.2000 %	\$19,015.08
Fiscal Analyst 1	\$29,319.50	73.6000 %	\$21,579.15
Department Tech	\$17,324.00	59.1500 %	\$10,247.15
Weatherization Technical Monitor 1 - Vacant	\$46,998.00	72.5600 %	\$34,101.75
Weatherization Program Specialist 13	\$73,907.00	68.9700 %	\$50,973.66
Executive Secretary 10	\$18,856.80	75.5300 %	\$14,242.54
Weatherization Analyst	\$63,995.00	77.3900 %	\$49,525.73
Departmental Analyst - Grant Monitor 2	\$33,874.00	52.3700 %	\$17,739.81
Departmental Analyst- Grant Manager 2	\$33,873.00	68.4200 %	\$23,175.91

Departmental Analyst- Grant Manager 3	\$33,874.00	63.6000 %	\$21,543.86
Departmental Analyst- Grant Manager 4	\$33,874.00	69.8900 %	\$23,674.54
Departmental Analyst- Grant Manager 5	\$33,874.00	69.8900 %	\$23,674.54
Fiscal Analyst 2	\$25,796.00	71.7000 %	\$18,495.73
Weatherization Technical Monitor 2	\$61,276.00	70.8300 %	\$43,401.79
Weatherization Technical Monitor 3 - Vacant	\$54,137.00	80.9300 %	\$43,813.07
Rounding	\$0.20	200.0000 %	\$0.40
Deputy Director	\$17,470.20	92.1200 %	\$16,093.55
		Fringe Benefits Total	\$486,119.00

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>
Fiscal, programmatic, and technical monitoring and T/TA will be conducted at each of the 26 Grantees throughout the year. Some monitoring is conducted onsite and as a desk review when possible. This cost includes travel expenses such as lodging, reimbursement. The additional costs will be supplemented by CSBG and LIHEAP grant dollars. This is the T/TA charge. Below is a breakdown of estimated day/nights traveling. Tech Monitoring In progress: 80 Nights Tech Monitoring Complete: 80 nights Financial Monitoring: 20 nights Programmatic Monitoring: 20 nights 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.	200	\$150.00	\$30,000.00
Michigan will conduct its annual WAP conference October 2017. It is expected that 15 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.	15	\$350.00	\$5,250.00
Programmatic and/or financial monitoring for all 26 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 2 programmatic monitors, 2 financial monitors, and a vacancy. Some Grantee visits may require 2 monitors depending on size of agency and WAP. Programmatic: 15 days for 26 Grantees Financial: 15 days for 26 Grantees Admin- 13 days admin travel for meetings related to WAP	45	\$350.00	\$15,750.00
DOE approved, accredited, HEP training for BCAEO staff working on WAP, as needed. MI does not have an accredited training facility, so out of state travel is necessary.	10	\$1,000.00	\$10,000.00

<p>Programmatic monitors, financial monitors, and technical monitors conduct monitoring at all 26 Weatherization Grantees. Additionally, all monitors often travel outside of the scheduled monitoring to provide T/TA related to WAP. Monitoring travel is combined when possible and some monitoring is done onsite or desk review. This amount estimates the cost of the mileage for these technical monitoring visits and financial and programmatic T/TA visits. Breakout of estimated visits is below Tech staff in progress: 33 trips Tech staff Complete: 33 Trips Financial Monitoring: 17 trips Programmatic Monitoring: 17 Trips 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.</p>	100	\$100.00	\$10,000.00
<p>Cost for BCAEO staff to attend WAP related meetings. WAP PAC Meetings (4 staff), WAP regional meetings with Program Managers (4 staff), Attend State Association Weatherization Meetings and conference (5 staff), WAP Regional Training (7 staff).</p>	20	\$200.00	\$4,000.00
<p>Cost for BCAEO WAP staff to attend National Conferences. ACI Conference - 6 staff- \$2500.00/ea Midwest Energy Conference - 4 staff- \$2500.00/ea NASCSP Annual Conference - 6 staff - \$2500.00/ea NASCSP Mid Winter Conference - 6 staff - \$2500.00/ea Wipfli OMB Training - 5 staff- \$2500.00 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.</p>	27	\$2,500.00	\$67,500.00
			Travel Total \$142,500.00

- 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

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 standards. MI is in the process of becoming accredited to train HEP - Retrofit Installer.

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 Personal Activity Reports (PARS) which allocates time in 15 minute intervals which is used to properly charge costs to the correct funding source. 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
-----------	-----------	--------	------------	-----------------------

- 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	\$28,551.00	BCAEO will continue to ensure that all computer equipment is up to date to ensure optimal performance in the MI WAP while working in the field. (\$10000.00 Admin + \$5500 T/TA). The increase in expected costs for T/TA from previous years is based on software updates needed for new and current staff computers (to ensure proper use of statewide databases, availability to work remotely, and online training system is able to function without error). Additionally, training computers for attendees may need to be updated depending on the needs of the online training/testing system. At this point, the online training program is still in project status with the state Department of Management, Technology, and Budget so details of system needs have not fully been identified at the time of budget submission. Costs also include licensing costs for programs used for training and for administering WAP.
office supplies, training supplies, maintenance	\$12,000.00	day-to-day operations, ordinary cost of program operations (\$4101 Admin + \$2959 T/TA). Historical costs have shown that typically admin costs around \$1500 and T/TA costs equal to about \$2500.00. The increase in the T/TA costs for this program year is a result of estimating the supply/maintenance need at the WAP Training Center site. BCAEO will be holding most Tier 1 trainings at the site and will provide all supplies as needed for the contractors providing training. The increase and reason is a new addition to our budget. This is an estimate and the actual costs will be tracked to determine future costs more accurately.
Materials and Supplies Total	\$40,551.00	

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

Historical costs; prior purchase.
Information uploaded in SF-424

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*
Subgrantee Health & Safety	\$1,819,941.00	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 15% of total program operations for Health and Safety.
Vehicle	\$32,988.00	DOE approves vehicle purchase for Eight CAP.
Financial Audits	\$26,000.00	Single Audit requirement for subgrantees as required per OMB Regulations. 26 subgrantees x \$1000.00.
LWO Training and Technical Assistance	\$650,000.00	\$25,000 for each subgrantee. Funding used to meet WPN 15-4 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.
Liability Insurance	\$52,000.00	Subgrantee Liability Insurance. 26 subgrantees x \$2000.00

Training contracts	\$1,058,449.00	<p>Michigan does not have an IREC accredited training facility. Therefore, in order to assist the network in meeting the WPN 15-4 requirements, MI contracts with INCAA (procured following OMB guidelines) to provide Tier 1 training to our network. Training is provided in Michigan and also at INCAA. Subgrantees have the opportunity to go to any training center based on their need but the contract with MI and INCAA includes pricing for any training Michigan Subgrantee attend. This will include Quality Control Inspector, Energy Auditor, Crew Leader, and Retrofit Installer trainings. Tier 2 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 & 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. Any T/TA that may not be used toward these efforts by the end of the second quarter will be redistributed to the network for program operations to weatherization more homes. MI will keep DOE Project Officer informed and updated. Energy Auditor: 3 trainings, \$9500 Total: \$38,000 Quality control Inspector: 3 trainings, \$9500 Total: \$38,000 Retrofit Installer: 2 trainings, \$9500 Total: \$28,500 Crew Leader: 2 trainings, \$9500 Total: \$28,500 WAP Conference Trainer contracts: 10 sessions at \$1500.00 Total: \$15,000 WAP Financial Training: 2 trainings, \$150.00 Total: \$300.00 ASHRAE 2016 Training: 4 trainings, \$150 Total: \$600.00 Peer to Peer Training Program: 8 trainings, \$250 Total: \$2000.00 WAP Regional Update Meetings: 6 trainings, \$150, Total: \$950.00 WAP Conference site Contract: 1 contract, \$20,000, Total: \$20,000 Weatherization Training Center: \$40,000.00 FACSPRO Statewide Database Updates: \$40,000 Online Training Program Maintenance: \$30,000 MI Utility/LIHEAP/WAP Study: \$25,000 MI Annual Energy Study: \$35,000 WAP Tech Staff CEUs: 3 trainings, \$150 each, Total \$450 Agency Training House Coordinator: 8 field houses, \$75 = \$600 Regional WA8 Training: 6 trainings, \$150 = \$900 All charged to T/TA</p>
Subgrantee Administrative Funds	\$871,307.00	<p>The base amount of admin (5%) is allocated using the funding formula among all subgrantees. Sub grantees that are allocated less than \$350,000 can receive additional admin (up to 5%).</p>
Subgrantee Program Operations Funds	\$9,330,703.00	<p>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.</p>

Contracts and Subgrants Total \$13,841,388.00

*For example, Competitive, Historical, Quote, Catalog

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

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

General Description	Cost	Justification of Need
Public Hearing Posting-Multiple Media Sources	\$3,000.00	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
Telecommunications	\$6,000.00	Costs related to cellular phone service T/TA- \$2500 Admin- \$3500. Also conference calls conducted on a bi-monthly basis as needed with the LWO network. Technical monitors use cell phones only and do not have landlines as they travel often. Costs for staff to work remotely.
Printing	\$2,500.00	Printing for brochures, session descriptions, and handouts for WAP conference and regional trainings. Field guides and policy for subgrantees T/TA: \$2500
Dues and subscriptions	\$7,000.00	NASCSP (\$2500), Energy Efficiency (\$500), GoTo Webinar (\$500), Survey Monkey (\$500), Home Energy Magazine (\$45), Efficiency First Membership (\$300) International Code (as needed), DBA FACSPRO (\$6200) and weatherization publications subscription costs. (\$2500 Admin \$4500 T/TA). Costs for memberships are allocated across funding sources when relevant and applicable.
Program promotion	\$2,000.00	Tied to Wx Day & Public Information Campaign activities - \$2000 T/TA
Other Direct Costs Total	\$20,500.00	

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 conference 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 in support 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 MI DHHS for approval. MI 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 8.45% of total salaries in BCAEO.

Please note for state internal budgeting purposes, the amount has been rounded to the nearest dollar.

Indirect Rates

Total Spending: 7.70%

Total Less T&TA: 9.62%

Total Less T/TA (but including T&TA S&W): 8.45%

Supporting documentation is uploaded in SF424

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:

Indirect Cost Account	Direct Total	Indirect Rate	Total Indirect
Rounding	\$0.46	100.0000 %	\$0.46
Total Direct Wages x 8.45	\$667,178.00	8.4500 %	\$56,376.54
		Indirect Costs Total	\$56,377.00

U.S. Department of Energy
BUDGET INFORMATION REMARKS

Remarks