



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE 20-1
ISSUED DATE: December 11, 2019

SUBJECT: PROGRAM YEAR 2020 WEATHERIZATION GRANT APPLICATION

INTENDED AUDIENCE: Weatherization Grantee Managers, Weatherization Subgrantee Managers

INTENDED USE: Content of this document, as well as the two attachments, is intended to provide programmatic information to Weatherization Managers to guide the development of an annual Weatherization Assistance Program (WAP) Grantee Plan to ensure that funds are dispersed to weatherization providers in a timely manner.

The Department of Energy (DOE) issues Weatherization Program Notice (WPN) 20-1 annually to specifically address changes from one Program Year (PY) to the next. These changes are often precipitated by Congressional inquiries, administrative priorities, including new initiatives from other federal agencies, monitoring in the field, and feedback from the network of stakeholders. The annual document, issued as a WPN, serves to highlight and remind Grantees of these issues and provide them with additional resources so they may include the information as appropriate to their specific circumstances in applying for the WAP formula funds.

The attachments to this WPN serve as programmatic, financial, and legal resources with clarifying information on areas of the Application Package that must be incorporated into the Grantee Plan. The WAP Grant Application Package materials and data are submitted through WAP's reporting system, Performance and Accountability for Grants in Energy (PAGE).

This WPN includes the following sections:

- 1.0 Purpose**
- 2.0 Program Priorities and Initiatives**
- 3.0 Funding**
- 4.0 Applications for WAP Annual Formula Grants**
- 5.0 Weatherization Program Notices and Memoranda**
- 6.0 Website Information**

1.0 PURPOSE

To issue grant instructions and management information for the WAP for PY 2020 based on the following documents:

- Attachment 1: Administrative and Legal Requirements Document (ALRD)
- Attachment 2: Application Instructions, to be used by all States, Territories, and Native American Tribes (and locals, if applicable) as supplemental information when applying for direct grants under the Weatherization Assistance Program for Low-Income Persons.

WAP is currently operating under a Continuing Resolution (CR) for Fiscal Year (FY) 2020. For planning purposes, until a final full year FY 2020 budget is passed and signed by the President, Grantees should develop their Grantee Plans using the same funding level as the DOE 2019 Appropriated Funds outlined in WPN 19-2.

While WPN 19-2 allocations will suffice for FY 2020 planning purposes, DOE will adjust the allocations to Grantees based on final FY 2020 appropriations. Therefore, all Grantees are advised to include language in their draft plans and in public hearing notices that clearly explain that final allocations will include adjustments from the planning numbers reflected in WPN 19-2 and the draft Grantee Plan necessary to align with final DOE appropriations for WAP.

Also note, while Grantees may plan to the full 19-2 allocation, DOE will determine the amount of funds that will be available for obligation based on available appropriations.

Once a FY 2020 budget is passed and signed by the President, DOE will issue WPN 20-2, PY 2020 Grantee Allocations. At that time, all Grantees that have approved plans for PY 2020 will then begin a budget modification process, if necessary.

1.1 SCOPE

The provisions of this Guidance apply to Grantees or other entities named in the Notification of Grant Award as the recipient(s) of financial assistance under the DOE WAP.

1.2 LEGAL AUTHORITY

Title IV, Energy Conservation and Production Act (ECPA), as amended, authorizes the Department to administer the WAP (42 U.S.C. § 6861, *et. seq.*). All grant awards made under this Program shall comply with applicable law and regulations including, but not limited to, the WAP regulations contained in the Code of Federal Regulations (CFR) at [10 CFR 440](#) and DOE Financial Assistance Rules at [2 CFR 200](#).

A table has been updated in Section 5.0, which lists active Weatherization Program Notices. This table provides references to relevant Program matters to assist Grantees in the development of their Grantee WAP plans, policies and procedures. This section also includes Memoranda that have been issued by the Program Office updating Grantees on current activities and issues that are of general interest to the network.

2.0 PROGRAM PRIORITIES AND INITIATIVES

From time to time, DOE undertakes initiatives to improve the WAP operations and effectiveness. This Section informs Grantees of these priorities. They are not considered Program policy until provided in a related WPN. The following are currently under consideration by DOE:

2.1 AMERICAN CUSTOMER SATISFACTION INDEX (ACSI)

DOE WAP utilized the ACSI to survey Grantees and Subgrantees of the WAP in 2017. Based on this survey, WAP Grantees were instructed to develop an Action Plan to enhance program management and implement process and quality improvements at the Subgrantee level.

In PY 2019, DOE implemented another ACSI survey with WAP Grantees and Subgrantees to gather constructive feedback on where improvements have been made and identify areas where there are still opportunities for improvement. The intent of the survey is to provide the WAP network with a mechanism for continuous improvement of program management and to deliver maximum benefits to WAP clients. For PY 2020, Grantees are instructed to:

- Continue to implement their Action Plan based on the ACSI 2019 survey and identify their specific actions or initiatives to improve program operations, training, and communications with Subgrantees and quality of work.

See section IV.7 Miscellaneous in the 2020 Application Instructions.

2.2 EXPENDITURES/CARRYOVER

For programming purposes, it is expected Grantees will estimate carryover from the prior year and include that estimate in their Application Plan budget submission.

See Section III.4 Carryover Explanation in the 2020 Application Instructions.

2.3 WAP NATIONAL EVALUATION

DOE released the results of the [National Evaluation of the Weatherization Assistance Program](#) on September 16, 2015, that include a Summary Fact Sheet, Executive Summary and study report. Led by the Oak Ridge National Laboratory, the peer-reviewed evaluation was to conduct detailed analysis of the WAP Program Year 2008 (Retrospective Evaluation). The statistically robust results demonstrate that weatherization provides cost-effective energy savings and health and safety benefits to American families.

At this time, DOE does not have a schedule to conduct another comprehensive evaluation of this size. No action is called for on the part of Grantees on this matter.

2.4 PARTICIPATION IN ADDITIONAL EVALUATIONS/STUDIES

DOE encourages WAP Grantees and Subgrantees to participate in studies related to weatherization programs. Particularly, Grantees are urged to conduct regular program evaluations. While national-level studies allow us to see macro elements, by participating in well-designed state-level or regional-level studies, more clarity can be attained on the impact specific protocols have on the energy savings and other benefits garnered through WAP. Grantees are urged to establish a protocol for Subgrantees to follow when asked to participate in a study. This policy should include what the study is about and ensure that [WPN 10-08 Weatherization Guidance on Maintaining the Privacy of Recipients of Services](#) is followed. If Grantees need assistance in establishing or reviewing these protocols, please contact your respective DOE Project Officer.

See Section V.6 Weatherization Analysis of Effectiveness in the 2020 Application Instructions.

2.5 HEALTH AND SAFETY

Health and safety for both workers and occupants continues to be a top priority for DOE. Over the years, a number of new standards and concerns have been addressed to ensure that weatherization activities do not cause or exacerbate health and safety problems. As new standards and concerns arise, DOE strives to address them accordingly. DOE released a revised version of the WAP Health and Safety Program Notice, [WPN 17-7](#) on August 9, 2017. Grantees should review this document and provide the necessary training and technical assistance to Subgrantees to fully implement the requirements outlined in the guidance. Grantees are urged to consult with Subgrantees in developing the implementation plan.

See section V.7 Health & Safety in the 2020 Application Instructions.

2.6 MULTIFAMILY RETROFIT TOOLS AND WORKFORCE RESOURCES

DOE continues to support the development of multifamily tools to advance the WAP's ability to address this building type. DOE developed and maintains the Standard Work Specifications (SWS) for multifamily home energy upgrades to ensure that energy efficiency upgrades are effective, durable, and safe. The Multifamily Job Task Analyses (JTAs) define the knowledge, skills, and abilities (KSAs) that multifamily practitioners use to perform jobs effectively and safely. The JTAs provide a foundation for developing high-quality training and credentialing programs.

The Multifamily Tool for Energy Audits (MulTEA) produces an investment grade energy audit to provide auditors with an improved energy simulation and weatherization measure selection tool for multifamily buildings. The tool calibrates building energy use using historical weather data that prevailed during that utility billing period.

See Section V.5 Type of Weatherization Work to be Done in the 2020 Application Instructions.

2.7 QUALITY WORK PLAN IMPLEMENTATION

DOE continues working with Grantees and Subgrantees to ensure that independent, third-party quality control inspections are conducted on every weatherized home and results are shared with relevant parties. These inspections must be conducted by certified Quality Control Inspectors (QCI). DOE has provided two options to meet this requirement in [WPN 15-4](#). DOE also permits Grantees to develop alternative approaches by working with their DOE Project Officer (PO).

Grantees are responsible for ensuring that Grantee technical monitors are QCI-certified, and that Subgrantee staff fulfilling this role possess the active QCI-certification.

Grantee, Subgrantee and Contractor staff who repeatedly fail to perform to Program expectations must be disqualified from performing work in the future. Grantees must establish protocols to remove poor performers in their network.

In addition to trained and certified QCIs, Grantees must ensure their respective Training Plans include a provision to provide Comprehensive training for all Retrofit Installer/Technicians, Crew Leaders, and Energy Auditors on some regular basis. Per [WPN 15-4](#) and as clarified in [Memorandums 034](#) and [036](#), “Beginning in Program Year 2014, Grantee training plans must include routine, Comprehensive Training for all WAP workers that is aligned with the Job Task Analysis (JTA) for the position in which the worker is employed. The Grantee must determine what constitutes “regular” training, e.g., once every 3 years, every 5 years, or within a certain time after being hired into the network, for each job category.”

WAP [Memo 048](#) was issued to notify the WAP network of upcoming changes to the content of the SWS, however, compliance with the the current version of the SWS and the Grantee’s approved installation standards is mandatory for all DOE WAP projects.

See Section V.8.4 Training and Technical Assistance (T&TA) in the 2020 Application Instructions.

2.8 NATIONAL ENVIRONMENTAL POLICY ACT INFORMATION (NEPA)

Effective with WPN 20-1, DOE determined certain activities are categorically excluded from further NEPA review, absent extraordinary circumstances, cumulative impacts, or connected actions that may lead to significant impacts on the environment, or any inconsistency with “integral elements” (as contained in [10 CFR Part 1021](#), Appendix B) as they relate to a particular project. Recipients should review the NEPA determination specific to PY 2020 in their award documents for the list of activities that have been categorically excluded from further NEPA review.

2.9 HISTORIC PRESERVATION

DOE must comply with the requirements of Section 106 of the National Historic Preservation Act (NHPA) prior to authorizing the use of Federal funds. Section 106 applies to historic properties that are listed in or eligible for listing in the National Register of Historic Places. Recipients shall adhere to the restrictions of their DOE executed Programmatic Agreement (PA). All DOE executed PAs are available on the Weatherization and Intergovernmental Programs website: <https://www.energy.gov/eere/wipo/historic-preservation-executed-programmatic-agreements>. DOE has addressed historic preservation requirements in the NEPA determination. Recipients should review the NEPA determination specific to PY 2020 in their award documents for the list of activities that have been categorically excluded from further NEPA review.

3.0 FUNDING

WAP funding listed in the application and requiring DOE approval prior to expenditure may derive from several sources:

- Appropriated Weatherization Funding
- Low-Income Home Energy Assistance Program (LIHEAP) funds designated for expenditure under DOE regulations
- Leveraged Resources designated for expenditure under DOE regulations (e.g., utility funds, state trust funds, other)
- Petroleum Violation Escrow (PVE) Funds
 - Warner and EXXON oil overcharge funds
 - Stripper Well and other oil overcharge funds (including Texaco) which are subject to Stripper Well settlement rules
- Program Income

See Section III Budget in the 2020 Application Instructions.

3.1 FY 2020 APPROPRIATED WEATHERIZATION FUNDING

As referenced, Grantees should create PY 2020 plans using WPN 19-2 funding amounts while the government is under a CR. Once a budget is passed and the President signs, DOE will issue WPN 20-2 providing the final allocations of Weatherization funds appropriated this year.

3.1.1 ADJUSTED AVERAGE COST PER DWELLING UNIT (ACPU)

The ACPU expenditure of financial assistance provided under WAP for labor, weatherization materials, and related matters cannot exceed \$6,500, as adjusted (see, [10 CFR §440.18](#)(a) and (c)). The adjusted annual average for PY 2020 is determined by using the percentage increase in the Consumer Price Index (CPI) (all items, United States city average) for FY 2019 or 3 percent, whichever is less. The percentage increase in the CPI for the previous 12-month period (September 2018 – September 2019) was 1.7%. Therefore, the adjusted average expenditure limit for PY 2020 is **\$7,669. This average includes units computed in a multifamily building of 5 units or greater.**

In accordance with [10 CFR Part 440.18](#)(b) and (c), the expenditure of financial assistance provided under WAP for labor, weatherization materials, and related matters for a renewable energy system, shall not exceed an average of \$3,000 per dwelling unit, as adjusted. The percentage increase in the CPI for the previous 12-month period (September 2018 – September 2019) was 1.7%. Therefore, the PY 2020 adjusted average for renewable energy measures is **\$3,762 for renewable energy system measures with a Savings to Investment Ratio (SIR) greater than 1.**

Note: The adjusted average for renewable energy measures is not a separate average, but part of the overall adjusted average expenditure limit of \$7,669. Currently Appendix A allows for use of solar (thermal) water heating systems. Some states have been granted approval for installation of solar photovoltaics when they have submitted it as part of their Grantee Plan, received approval from the DOE Contracting Officer (CO), and amended their 5-year DOE-approved energy audit process.

3.1.2 LIMITATIONS ON CERTAIN BUDGET CATEGORIES

Certain budget categories have limitations set by law, regulation, or Program policy and identify the percentage of grant funding that is allowed to be used for specific purposes other than Program Operations. Please review III. Budget of the Application Instructions for additional information.

3.2 LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

[LIHEAP](#) was first established in 1981 and is funded annually through federal appropriations to the Department of Health and Human Services (HHS). The mission of LIHEAP is to minimize the energy burden on low-income families. As such, if the Grantee elects, a percentage of the LIHEAP assistance funds received by the state from HHS may be transferred to the WAP and used for the purpose of weatherizing homes. Grantees have the option of administering the LIHEAP funds separately from the DOE award or including these resources in the DOE budget. The budget section of the grant application instructions provides a chart outlining some considerations for the Grantee in making this decision. Further questions or points of clarification should be directed to your DOE PO.

See Section V Master File in the 2020 Application Instructions.

3.3 LEVERAGED RESOURCES

Leveraged funds included in the budget of the DOE award must meet all WAP rules, regulations and guidelines. Grantees should carefully consider the advantages and challenges related to including leveraged funds in the DOE award. Landlord contributions are not considered leveraged resources. Grantees who require further clarification or guidance on leveraged resources should contact their DOE PO.

See Section III.1 SF424-A Budget Preparation in the 2020 Application Instructions.

3.4 PETROLEUM VIOLATION ESCROW (PVE) FUNDS

WAP can be funded by a number of sources, including PVE funds. PVE funds can be divided into two general categories based on the source of the funds. The first category of PVE funds is comprised of those funds appropriated by Congress, or treated as if appropriated (generically referred to as Exxon funds, and includes funds provided under the Warner Act). The second category of PVE funds is comprised of those funds that were not appropriated (generically referred to as Stripper Well Settlement funds, and includes Diamond Shamrock funds).

- PVE funds are subject to applicable requirements of the funding source.
- PVE funds included in a Grantee Plan are subject to the same Grantee Plan approval, Program oversight, and reporting requirements as the annually appropriated funds; and are subject to the **same** statutory and regulatory constraints as annually appropriated funds.
- Generally, if Exxon funds are used for weatherization projects, they must be included in the Grantee Plan. **Exxon funds cannot be used for administrative expenses.**
- A Grantee may elect to use Stripper Well funds for projects either separate from or included within the WAP. Stripper Well Settlement funds are not subject to WAP rules, oversight, or reporting requirements if used for activities separate from WAP. However, DOE urges Grantees to include Stripper Well funds in the Grantee Plan for informational purposes only.
- There is no requirement that Exxon or Stripper Well Settlement funds be expended during a particular period of time. A Grantee is permitted to reallocate these funds from one eligible program to another provided that their Plan has been amended and is reviewed by DOE. If PVE funds designated for expenditure in the prior program year are not expended, the amount of funding that may be used for administrative expenses in the following program year must be adjusted accordingly.
- No more than 5 percent of the combined total of Exxon and Stripper Well Settlement funds budgeted in a Grantee Plan may be used for Training and Technical Assistance (T&TA). Up to an additional 5 percent of these funds may be used for evaluation of a Grantee's WAP and for innovative efforts to leverage program funds, provided these activities are approved by the DOE PO.

See Section III.1 SF424-A Budget Preparation in the 2020 Application Instructions.

3.5 PROGRAM INCOME

Program income is defined in [2 CFR 200.80](#) and subject to the specific requirements provided in [2 CFR 200.307](#). DOE considers program income as funds earned by Grantees and/or Subgrantees from non-Federal sources when performing DOE WAP activities. The income from these activities must be used for additional weatherization activities in accordance with DOE rules. It must be treated as an addition to program funds and is subject to the same rules as appropriated funds. Property owner (i.e. landlord) contributions and leveraged resources (i.e., or Grantee funds) are NOT considered to be "program income" for the purposes of the WAP. Grantees requiring further clarification on program income, as it applies to their specific program, should contact their DOE PO.

See section III.1 SF424-A Budget Preparation in the 2020 Application Instructions.

3.6 ALLOWABLE COSTS

As a reminder Grantees should be outlining information in their budget categories consistently, in alignment with DOE guidance and application instructions, and particularly as concerns the costs allowable for weatherizing each dwelling. In addition, Grantees should recognize their ability to use their T&TA funds in combination with those of other states where possible to enable economies of scale on those activities that may be of similar value/approach among a group of states.

- 3.6.1 ACPU:** Field audits of Subgrantee fiscal operations identified inconsistencies in the way ACPU calculations are performed. It is imperative that the Grantee define what costs are allowable in each Budget Category and how the Subgrantee should account for these costs when determining the ACPU. Consistent application of allowable cost by category ensures greater reliability in the ACPU calculation.

DOE has included detail for this calculation and cost categories within the Application Package (III.2 Budget Categories – Section B) and is requesting that Grantees closely monitor the way Subgrantees define costs within a Budget Category and ensure consistency in defining allowable costs within Budget Categories. This is necessary to better understand how Subgrantees are managing their WAP grants and controlling expenditures.

- 3.6.2 T&TA:** Congress limits the amount of T&TA available to DOE which limits the number of projects that can be funded. Grantees are encouraged to collaborate with their peers to pool their T&TA funds to perform projects or activities which were historically funded through the DOE T&TA set-aside. More information on allowable activities can be found in the Application Package (III.2 Budget Categories – Section B) and any additional questions can be directed to your DOE PO.

4.0 APPLICATIONS FOR WAP ANNUAL FORMULA GRANTS

To increase public involvement and obtain timely suggestions in developing their Application, DOE strongly urges Grantees to hold a minimum of two meetings: a meeting at the beginning of the planning process, as well as, the formal and required public hearing on the completed Plan. DOE may request additional information to what is expressly identified by the Program rule on a case-by-case basis when warranted. In addition, DOE urges Grantees to regularly consult with Subgrantees to improve the Program and the Annual Plan.

See Section IV.1 Annual File in the 2020 Application Instructions.

4.1 MULTI-YEAR GRANT AWARDS

All Grantees need to make an effort to effectively utilize the entire DOE allocation in the year it is awarded. DOE will review recent reporting results to assess proposed carryover funding from previous years when applications are submitted. Funding can be reallocated from a Grantee that is not meeting production and spending targets.

The existing grant awards were scheduled for completion at the end of PY 2019. These awards will be extended for one year. This results in a four year grant cycle with a project period end date scheduled in 2020. At that time, DOE will issue new awards contingent on the availability of funding.

It is expected that Grantees will estimate carryover from the prior year and include it in the current Plan submission. Grantees must minimize carryover to the fullest extent possible and provide sufficient justification, or risk losing the option to select the budget category where carryover funds are reallocated.

See Section III. Budget in the 2020 Application Instructions.

4.2 INTERGOVERNMENTAL REVIEW

In the development, submission, and review of grant applications, the provisions of Executive Order 12372 (Intergovernmental Review of Federal Programs) and the DOE Implementing Order ([10 CFR 1005](#)) remain unchanged.

See Section I.1 Introduction in the 2020 Application Instructions.

4.3 APPLICATION PACKAGE

The application process is fully electronic and applications must be submitted on the PAGE website at <https://www.page.energy.gov/default.aspx>. The PAGE system contains all Federal forms required for the application. Please follow instructions in the ALRD, WPNs, and the Application Instructions attached to this Program Notice (Attachment 2).

4.4 APPLICATION REFINEMENTS THIS YEAR

DOE updated the Application Instructions for PY 2020, but did not make changes to the PAGE application system this year. All sections of the application in PAGE must be completed in their entirety. In PY 2019, DOE made enhancements to Section V.5.1 Technical Guides and Materials and Section V.5.2 Energy Audit Procedures to have PAGE populate the energy audit and field guide approval dates (by building type) based on the most recent approval date from DOE. In addition, DOE also updated Section V.8.4 Training and Technical Assistance Approach and Activities to have the Grantee identify the breakdown (by percentage) of comprehensive and specific trainings they are planning for the PY, as well as, the breakdown of T&TA training budget (by percentage) for Auditor/QCI trainings, crew/installer trainings and management/financial trainings. This information assists DOE to better understand how the WAP Grantees are allocating their T&TA funds across the required training categories.

For PY 2020, DOE is pleased to announce the new WAP Communications Portal for the WAP Network. This online tool is located in the PAGE homepage menu and provides a simple interface to the network to either:

- Search the database for topics and answers
- Submit specific questions about the Program directly to DOE.

Once a question is submitted, the system will send an email when your question is answered and posted to the Portal.

4.5 REPORTING REQUIREMENTS

The reporting requirements are set forth in the Federal Assistance Reporting Checklist, DOE F 4600.2, attached to the award agreement.

WPN	Title	Funding	Grant Application	Procurement	Monitoring	Clients	Multifamily	Material Procurement	Rental Requirements	Energy Audit Criteria	Health and Safety	Renewable Energy Systems	Disaster Relief	Eligibility Levels	Defining Income	Priority Service	Fuel Switching	Incidental Repairs	Reweathering	Vehicle Purchases	Policy Advisory Council	Electric Baseload	Administrative Costs	Historic Preservation	Eligible Dwelling Units
17-4	Multifamily Housing – Procedure for Certifying Income-Eligible HUD Assisted Buildings						x							x											
17-5	Closeout Procedures for Grants Under the Weatherization Assistance Program		x																						
17-6	Property Acquired Under the Weatherization Assistance Program Including Vehicle and Equipment Purchases																			x					
17-7	Weatherization Health and Safety Guidance										x														
19-1	Grant Guidance		x		x											x			x		x		x		
19-2	Grantee Allocations	x	x																						
19-3	Poverty Income Guidelines and Definition of Income													x	x	x									
19-4	Revised Energy Audit Approval Procedures, Related Audit, and Material Approvals			x						x		x					x						x		
19-5	Incidental Repair Measure Guidance										x							x							
19-6	DOE Guidance for Completing Recipients' Annual Historic Preservation Report																							x	
20-1	Grant Guidance		x		x											x			x		x		x		

Weatherization Program Notices can be accessed via the following link
<https://www.energy.gov/eere/wipo/weatherization-program-guidance>.

Program Memorandums that are Currently Active

- [WAP Memorandum 002: Reminder of Client Priority - High Energy Burden](#)
- [WAP Memorandum 008: Quality Management Plan Draft Grantee KSAs](#)
 - [Attachment 1: Grantee-Level WAP Specific \(Technical Elements\)](#)
 - [Attachment 2: Grantee-Level Weatherization Assistance Program \(WAP\) Specific](#)
 - [Attachment 3: Grantee-Level Non-Weatherization Assistance Program \(WAP\) Specific/Financial](#)
- [WAP Memorandum 009: Availability of Testing Result Reports for the Quality Control Inspector Written Exam](#)
- [WAP Memorandum 010: Quality Management Plan - Record Keeping and Reporting](#)
- [WAP Memorandum 015: Weatherization Financial Toolkit 2 CFR 200 Regulation and Procurement Policies](#)
- [WAP Memorandum 020: Clarification on DOE Evaluation Studies vs. Independent Studies](#)
- [WAP Memorandum 022: Allowable Use of Training Funds for Network Conferences](#)
- [WAP Memorandum 024: The Use of Solar PV in the WAP](#)
- [WAP Memorandum 032: Update to Field Guide Expiration Reminder for WAP Grantees – New Variance Request Form](#)
- [WAP Memorandum 033: Program Year Changes for WAP Grantees with October 1 as Current Start Date](#)
- [WAP Memorandum 034: Clarification of WPN 15-4; Definitions of Comprehensive Training](#)
- [WAP Memorandum 035: Weatherization Leveraging](#)
- [WAP Memorandum 036: Energy Auditor and Quality Control Inspector Certification Scheme Updates](#)
- [WAP Memorandum 038: Solution Summits Results](#)
- [WAP Memorandum 039: Update to Field Guide Expiration Reminder for WAP Grantees – New Variance Request Samples](#)
- [WAP Memorandum 041: Weatherization Assistance Program GovDelivery Distribution List](#)
- [WAP Memorandum 046: American Customer Satisfaction Index \(ACSI\)](#)
- [WAP Memorandum 047: WAP PY18 Average Cost Per Unit Correction](#)
- [WAP Memorandum 048: Updated Maintenance Process to the Standard Work Specifications](#)
- [WAP Memorandum 050: Crew Lead and Retrofit Installer/Technician Job Task Analysis and Certification Updates, and Badges Toolkit](#)
- [WAP Memorandum 051: ACSI Grantee Survey Results](#)
- [WAP Memorandum 052: American Customer Satisfaction Index \(ACSI\) Subgrantee Survey](#)
- [WAP Memorandum 053: Program Year 2020 Weatherization Assistance Program Draft Grant Application Documents and Guidelines](#)
- [WAP Memorandum 054: American Customer Satisfaction Index \(ACSI\) – Subgrantee Survey](#)
- [WAP Memorandum 055: Program Year 2020 Weatherization Assistance Program Grant Extensions](#)
- [WAP Memorandum 056: Allowable Use of Training Funds for the National Community Action Partnership's 2020 Management and Leadership Training Conference](#)
- [WAP Memorandum 057: Allowable Use of Training Fund for the 2020 NASCSP Winter Conference](#)

Weatherization Program Memorandums can be accessed via the following link
<https://www.energy.gov/eere/wipo/weatherization-program-guidance>.

6.0 WEBSITE INFORMATION

To assist the Network in obtaining the most up-to-date information related to governing documents, Program information, communication information, client eligibility, and technical and management resources, please reference the following websites:

Energy Efficiency and Renewable Energy (EERE)

DOE posts all official documents developed by DOE to the EERE [WAP](#) website. This includes, but is not limited to:

- About the Weatherization Program, The Whole House Weatherization Approach
- WAP Regulations and Legislation, Weatherization Program Notices and Memoranda, Appendix A, and the Allocation Formula
- National Evaluation, Briefing Book, Fact Sheets, Additional Resources
- DOE Contacts, Program Partners, Additional Resources
- Where to Apply for Assistance, Client Eligibility Requirements, Additional Resources
- Technical and Management Resources, Grantee Managers Toolkit, National Curriculum, Procurement Toolkit, Guidelines for Home Energy Professionals, Energy Audits, Training Resources

CONCLUSION: DOE is doing its best to gather feedback from Grantees and Subgrantees to make the Program more efficient and effective. Key to this is interaction between all levels of the Program: DOE, Grantees, and Subgrantees. Everyone involved in this Program makes a commitment to providing high quality service to the most vulnerable families in our communities. “Weatherization Works” is more than a slogan; it is the result of the collective effort of a national network committed to service. Thank you for being a part of this effort.



AnnaMaria Garcia
Director
Weatherization and Intergovernmental Programs Office
Energy Efficiency and Renewable Energy

Attachment 1: Administrative and Legal Requirements Document (ALRD)

Attachment 2: Application Instructions (December 2019)

U.S. Department of Energy

Weatherization Assistance Program for
Low-Income Persons

APPLICATION INSTRUCTIONS

U.S. Department of Energy
Weatherization and Intergovernmental Program Office
1000 Independence Avenue, SW, EE-5W
Washington, DC 20585

December 2019

Table of Contents

Reference Page

List of Acronyms

Federal Rules and Regulations

I. OVERVIEW

I.1 Introduction

II. APPLICATION FOR FEDERAL ASSISTANCE - STANDARD FORM 424

III. BUDGET

III.1 SF 424A Budget Preparation

III.2 Budget Categories - Section B

III.3 Budget Justification

III.4 Carryover Explanation

III.5 Reprogramming Training and Technical Assistance Funds

IV. ANNUAL FILE

IV.1 Subgrantees

IV.2 Production Schedule

IV.3 Energy Savings

IV.4 DOE-Funded Leveraging Activities

IV.5 Policy Advisory Council

IV.6 Hearings and Transcripts

IV.7 Miscellaneous

V. MASTER FILE

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

V.1.2 Approach to Determining Building Eligibility

V.1.3 Definition of Children

V.1.4 Approach with Tribal Organizations

V.2 Selection of Areas to be Served

V.3 Priorities

V.4 Climatic Conditions

V.5 Type of Weatherization Work to be Done

V.5.1 Technical Guides and Materials

V.5.2 Energy Audit Procedures

V.5.3 Final Inspection

V.6 Weatherization Analysis of Effectiveness

V.7 Health & Safety

V.8 Program Management

V.8.1 Overview and Organization

V.8.2 Administrative Expenditure Limits

V.8.3 Monitoring Activities

V.8.4 Training & Technical Assistance

V.9 Energy Crisis & Disaster Response Plan

Reference Page

Enabling Legislation

Federal Regulations

- [Weatherization Assistance Program for Low Income Persons - 10 CFR 440](#)
- [Financial Assistance Rule - 2 CFR 200](#)
- [DOE Implementing Order - 10 CFR 1005](#)
- [Code of Federal Regulations \(CFR\)](#)
- [Federal Assistance Reporting Checklist - DOE F 4600.2 Economic Opportunity Act of 1964; Pub. L. No. 88-452, 42 U.S.C. § 2701 et seq](#)
- [Executive Order 12372 - Intergovernmental Review of Federal Programs](#)
- [2 CFR 200 Subpart E – Cost Principles](#)
- [2 CFR 200 Subpart F – Audit Requirements](#)
- [10 CFR Part 1021 – National Environmental Policy Act Implementing Procedures](#)
- Federal Register - [Multifamily 50% threshold - 65 Fed. Reg. 77210, Dec. 8, 2000, Preamble](#)
- [Department of the Interior and Related Agencies Appropriations Bill. 1985 – House Report 98-886](#)
- [Federal Register Notice, 45 Fed. Reg. 13028, 13031, Feb. 27, 1980](#)
- [Social Security Act, Pub.L. No. 88-452, 42 U.S.C. Ch. 7](#)
- [State Energy Efficiency Program Improvement Act of 1990 \(SEEPIA\) Public Law 101-440](#)

Program Guidance

- [Weatherization Program Notices](#) and [Appendix A](#)

Application Forms

- Administrative and Legal Requirements Document (ALRD)
- Performance and Accountability for Grants in Energy ([PAGE](#))
 - Standard Form 424 (SF-424) – Instructions
 - Standard Form 424, 424A – Budget Information
 - Standard Form LLL (SF-LLL) Disclosure of Lobbying Activities (if applicable)
 - Quarterly Reporting:
 - Federal Financial Status Report Standard Form 425
 - Performance Report
 - Annual Reporting:
 - Training & Technical Assistance Activities
 - Monitoring Activities
 - Leveraging Updates
 - Historic Preservation Report

Additional Resources

- [A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government](#)
- [ASHRAE 62.2 "Ventilation and Acceptable Indoor Air Quality in Residential Low Rise Buildings" Standard, current version](#)
- [Historic Preservation - Executed Programmatic Agreements](#)

List of Acronyms

ACPU – Average Cost per Dwelling Unit
ASAP – Automated Standard Application for Payment System
CAA – Community Action Agency
CFR – Code of Federal Regulations
CO – DOE Contracting Officer
DOE – U.S. Department of Energy
FAO – Financial Assistance Office
GAO – General Accounting Office
GMS – DOE Grants Management Specialist
H&S – Health & Safety
HHS – U.S. Department of Health and Human Services
IRM – Incidental Repair Measure
LIHEAP – Low Income Home Energy Assistance Program
NEPA – National Environmental Policy Act
MF – Multifamily
OMB – Office of Management and Budget
PAC – Policy Advisory Council
PAGE – Performance and Accountability for Grants in Energy
PO – DOE Project Officer
POI – Pollution Occurrence Insurance
PVE – Petroleum Violation Escrow
PY – Program Year
QPR – Quarterly Performance Reports
QCI – Quality Control Inspector
SEEPIA – State Energy Efficiency Program Improvement Act of 1990
SIR – Savings-to-Investment Ratio
SWS – Standard Work Specifications
T&TA – Training and Technical Assistance
WAP – Weatherization Program – Weatherization Assistance Program for Low-Income Persons
WPN – Weatherization Program Notice

Federal Rules and Regulations

Department of Energy (DOE) Financial Assistance Rules

The Financial Assistance Rules found at [2 CFR 200](#) establish uniform policies and procedures for the award and administration of DOE grants and subgrants. To assist Grantees, DOE commissioned the development of the “[Weatherization Assistance Program Financial Management Tool Kit](#)”, last updated in January 2016, as a universal training curriculum for teaching Weatherization Assistance Program (WAP) professionals how to comply with the financial regulations governing the WAP. The curriculum provides a detailed explanation of budgetary systems, including a comprehensive overview of financial management systems, protocols, regulations, and procedures for the WAP. The tool kit will assist Grantees in providing effective financial management training to the WAP network. This is a *tool*, so Grantees are reminded that if questions arise, refer to [2 CFR 200](#).

Cost Principles

Allowability of costs shall be determined in accordance with the cost principles applicable to the entity incurring the costs. Thus, allowability of costs incurred by State, local or federally- recognized Indian tribal governments, and non-profits, is determined in accordance with the provisions of [2 CFR 200 Subpart E, “Cost Principles.”](#)

Basic Guidelines for Costs

- Costs are allowable if they are necessary and reasonable, not prohibited under state or local laws, conform to laws and regulations, given consistent treatment, comply with generally accepted accounting principles, and are not included as a cost under other Federal programs.
- Allocations of costs must be in proportion to the benefits received, cannot be shifted to overcome deficiencies in other programs, and must be supported by a cost allocation plan.
- Applicable credits shall be used to reduce expenditures applicable to a given grant.
- The total cost of a grant program includes the allowable direct and allowable indirect costs less applicable credits referenced above.

Indirect Costs

All indirect costs must be negotiated with the cognizant Federal agency. The cognizant Federal agency is responsible for negotiating and approving indirect cost rates on behalf of all Federal agencies that award grants and contracts to an organization.

Cost Allocation Plan

Information regarding State/Local-Wide Central Service Cost Allocation Plans are found in [2 CFR 200.416](#) and [2 CFR 200 Appendix V](#). Guidelines and illustrations of central service cost allocation plans are also provided in a brochure published by the Department of Health and Human Services (HHS) entitled “[A Guide for State and Local Government Agencies: Cost Principles and Procedures for Establishing Cost Allocation Plans and Indirect Cost Rates for Grants and Contracts with the Federal Government.](#)”

Allowability of Selected Items of Cost

In examining selected items of cost, [2 CFR 200 Subpart E, “Cost Principles”](#) and in particular, [2 CFR 200.420](#) to 200.475, provide principles to be applied in establishing the allowability of certain items of cost. These principles apply whether a cost is treated as direct or indirect. Failure to mention a particular item of cost is not intended to imply that it is unallowable; rather, determination as to allowability in each case should be based on the treatment or principles provided for similar or related items of cost.

Financial Audits

Grantees must comply with the requirements of [2 CFR 200 Subpart F - Audit Requirements](#).

The 2 CFR 200 Subpart F audit threshold is \$750,000 of annual Federal award expenditures. All non-Federal entities that expend \$750,000 or more in a year in Federal award funds shall have a single or program-specific audit conducted for that year in accordance with the provisions of 2 CFR 200. The \$750,000 Federal funds threshold includes funds from all Federal agencies. For purposes of the single-audit, Petroleum Violation Escrow (PVE) funds are not treated as Federal or appropriated funds. Subgrantees that spend less than \$750,000 are no longer required to have a single audit. The circular prohibits pass through entities (Grantees) from charging Federal awards the costs of single audits for such Subgrantees. Grantees may not budget for audits of Subgrantees receiving less than \$750,000 of Federal funds. Pass through entities (Grantees) are held responsible for Federal awards administered by their Subgrantees and will need to review their overall Subgrantees monitoring process to determine if they need additional monitoring procedures to ensure Subgrantee compliance.

Entities that expend less than \$750,000 a year in Federal awards are exempt from Federal audit requirements for that year except as noted in 2 CFR 200 Subpart F, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO). Grantees that expend more than \$50 million a year in Federal awards will be assigned a cognizant agency. Grantees that expend \$50 million or less will be assigned an oversight agency. Both cognizant and oversight agencies will be reassigned every 5 years (per [2 CFR 200.513](#) detailed requirements) and will be the Federal agency that provides the predominance of Federal funding in the reassignment year.

I. OVERVIEW

I.1 Introduction

The Application Package is to be used by all States, Territories, and Indian tribes (and local organizations, if applicable) when applying for direct grants under the WAP for Low-Income Persons, administered by DOE's Weatherization and Intergovernmental Program. Grantees must comply with applicable law including regulations contained in [10 CFR 440](#), [2 CFR 200](#), and other procedures applicable to these regulations as DOE may, from time to time, prescribe for the administration of financial assistance. Any potential discrepancies between information contained in this document and DOE regulations shall be resolved in favor of DOE regulations.

In the development, submission, and review of grant applications, the provisions of Executive Order 12372 (Intergovernmental Review of Federal Programs) and the DOE Implementing Order ([10 CFR 1005](#)) remain unchanged. As Grantees begin to formulate their Grantee Plan (Plan), DOE strongly urges Grantees to hold two meetings to increase public involvement and obtain timely suggestions in developing their Application: one at the beginning of the planning process, as well as the public hearing required by DOE ([10 CFR 440.16\(a\)](#)) on the completed Plan. DOE encourages states to hold regular meetings with Subgrantees and stakeholders, and with their Policy Advisory Council (PAC).

Applications **must be** submitted through the **Performance and Accountability for Grants in Energy (PAGE)** online system to be considered for an award. If you have questions regarding the Application Package in PAGE, please refer to the Help Menu or contact the PAGE hotline at PAGE-Hotline@ee.doe.gov or 1-866-492-4546.

The Application includes both mandatory and optional sections (see Table 1: Application Package Documentation for a complete list on page 9). Mandatory sections must be completed in their entirety. Complete data and information will expedite review and award. The Grantee must notify the DOE Project Officer (PO) upon submission of the State Plan Application in PAGE. If sufficient progress to negotiate the final Grantee Plan Application is not being made, DOE reserves the right to put a hold on the funds the Recipient can draw down under the Automated Standard Application for Payments (ASAP) System. DOE does not guarantee or assume any obligation to reimburse costs incurred in the performance of the agreement if the award is not approved.

Applicants are required to attach all supporting documents (as PDF files) to the SF-424 Application in PAGE using the naming conventions seen in Table 1, including documentation specified in the Annual and Master Files.

SF-LLL Disclosure of Lobbying Activities

Grantees must not use any federally appropriated funds for lobbying activities. If funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, Member of Congress, officer or employee of Congress, or employee of a Member of Congress in connection with the grant/cooperative agreement, the Grantee must complete and submit "[Standard Form - LLL, Disclosure Form to Report Lobbying](#)".

Applicants should not include tables or spreadsheets within the Annual and Master Files or in the comments section of the SF-424A Budget. All documents submitted must be in PDF.

Table 1: State Plan Application Documentation		
Name of Document	Format	Suggested File Name
Mandatory Sections		
SF-424 Application for Federal Assistance	PAGE	N/A
SF 424A - Budget Information for Non-Construction Programs	PAGE	N/A
Budget Justification	PAGE	N/A
Annual File	PAGE	N/A
Master File	PAGE	N/A
Required Attachments to the Application Package in PAGE (SF-424)		
Carryover Explanation (if applicable)	PDF	Carryover Explanation
Health and Safety Plan (if not already included in the Master File)	PDF	Health and Safety Plan
Training & Technical Assistance (T&TA) Plan (if not already included in the Master File)	PDF	T&TA Plan
Quality Control Inspection/ Technical Monitoring Form	PDF	QCI_TMF
Public Hearing Transcript(s)	PDF	Public Hearing Transcript
Public Hearing Notice(s) Demonstrating Minimum 10 Days' Notice	PDF	Public Hearing Notice(s)
PAC Activity Documentation	PDF	PAC Activity Documentation
Indirect Rate Agreement (if applicable)	PDF	Indirect Rate Agreement
Explanation of Indirect Costs (if applicable)	PDF	Indirect Cost Explanation
Cost Allocation Plan (if applicable)	PDF	Cost Allocation Plan
2 CFR 200 Subpart F, Single Audit	PDF (or provide a link in the narrative comment section of the budget)	Single Audit
SF-LLL Disclosure of Lobbying Activities (if applicable)	PDF	SF-LLL
Other Optional Attachments, as applicable		
WAP Organizational Charts(s)	PDF	WAP Org Charts
Corrective Action/Removal Procedures	PDF	Corrective Action Removal Procedures
Administrative/Fiscal Monitoring Instrument	PDF	Administrative Fiscal Monitoring Instrument

DOE reserves the right to request additional or clarifying information.

II. APPLICATION FOR FEDERAL ASSISTANCE - STANDARD FORM 424

A completed Standard Form 424 (SF-424), with signature, is required from each non-federal entity applying for Federal funding under DOE's WAP. Please note that SF-424 is required when applying for new or continuation funding allocations (Federal and non-Federal) or when modifying the performance period start/end dates of the grant. The SF-424 is not required for budget modifications that do not change the overall budget. When starting to complete the SF-424 form in PAGE for Program Year (PY) 2020, please select "Continuation" under Field 2 - Type of Application (Figure 1).

1. Type of Submission:	2. Type of Application:	*If Revision select appropriate letter: *Other (specify):
<input type="checkbox"/> Preapplication	<input type="checkbox"/> New	
<input checked="" type="checkbox"/> Application	<input checked="" type="checkbox"/> Continuation	
<input type="checkbox"/> Changed/Corrected Application	<input type="checkbox"/> Revision	

Figure 1: Standard Form (SF-424) Type of Application

For the rest of the SF-424 fields, please refer to following guidance:

- Field 3 – Date Received: Enter in the date.
- Field 4 – Applicant Identifier: Please leave blank.
- Field 5a – Fed Entity Identifier will remain blank.
- Field 5b – Federal Award Identifier will be prepopulated with the assigned grant number.
- Field 6 and 7 are for state use only.
- Field 8a - f – Applicant Information: Please make sure you enter in accurate information, especially the employer tax identification number and DUNS number.
- Field 9 – Type of Applicant: Select the correct applicant type to identify your organization.
- Field 10 – Name of Federal Agency: Department of Energy
- Field 11 – Catalog of Federal Domestic Assistance Number: 81.042 – Weatherization Assistance for Low-Income Persons
- Field 12 – Funding Opportunity Number
- Field 13 – Competition Identification Number (not applicable)
- Field 14 – Areas Affected by Project (cities, counties, states, etc.): Identify and describe the areas will be served.
- Field 15 – Descriptive Title of Applicant's Project: Provide a short overview of the scope of the work.
- Field 16 – Congressional Districts of:
 - A) Applicant: Identify the congressional district.
 - B) Program/Project: Identify the state and then the congressional district or statewide coverage.
- Field 17 – Proposed Project: Please remember to update the period of performance dates and they follow your start date (April 1 or July 1).
- Field 18 – Estimated Funding (\$): PAGE will pre-populate this from the budget section.
- Field 19 – Is Application Subject to Review By State Under Executive Order 12372 Process?: Select the answer that is applicable.
- Field 20 – Is the Applicant Delinquent On Any Federal Debt?: If the answer is yes, then provide explanation in an attachment.

Only new funding allocations for the current year, and other current funding sources (if applicable), should be identified in Field 18 – Estimated Funding. **Do not include any carryover funds in Field 18 or elsewhere within the SF-424 Application. Carryover funds may not be transferred from other awards.** Complete instructions for the SF 424 are available at:

<https://www.grants.gov/web/grants/forms/sf-424-family.html>

The list of certifications and assurances for Field 21 can be found at:

<https://energy.gov/sites/prod/files/CERTSASSURANCESSF424.pdf>.

DOE requires Grantees to check the “**I AGREE” box in Field 21 in PAGE (Figure 2) to comply with the certifications and assurances. Grantees are *not required* to submit hard copies of documents.

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

** I AGREE

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

Figure 2: Standard Form (SF-424) Agreement on Certifications and Assurances

INSTRUCTIONS TO ATTACH FILES:

All supporting documentation should be added as attachments to the SF-424. To attach a document, go to the attachments section at the bottom of the SF-424 and click on the **Browse** button (Figure 3). Find the file you want to upload and click the **Open** button. Click the **Upload** button to attach the file to the application. When you have completed the upload process, click **Save**.

#	File Name	Date Created	Action
No records to display.			
			<input type="button" value="Browse..."/>
<input type="button" value="Upload"/>			

Figure 3: Standard Form (SF-424) Attachments

III. BUDGET

Two budget forms, the Standard Form 424A (SF-424A) and the Budget Justification, work with one another to provide DOE a clear understanding of how the Grantee is proposing the use of funds following the DOE rules and regulations. Figure 4 depicts the relationship between the sections of the SF-424A and how that information flows into the Budget Justification.

SF-424A Sections:

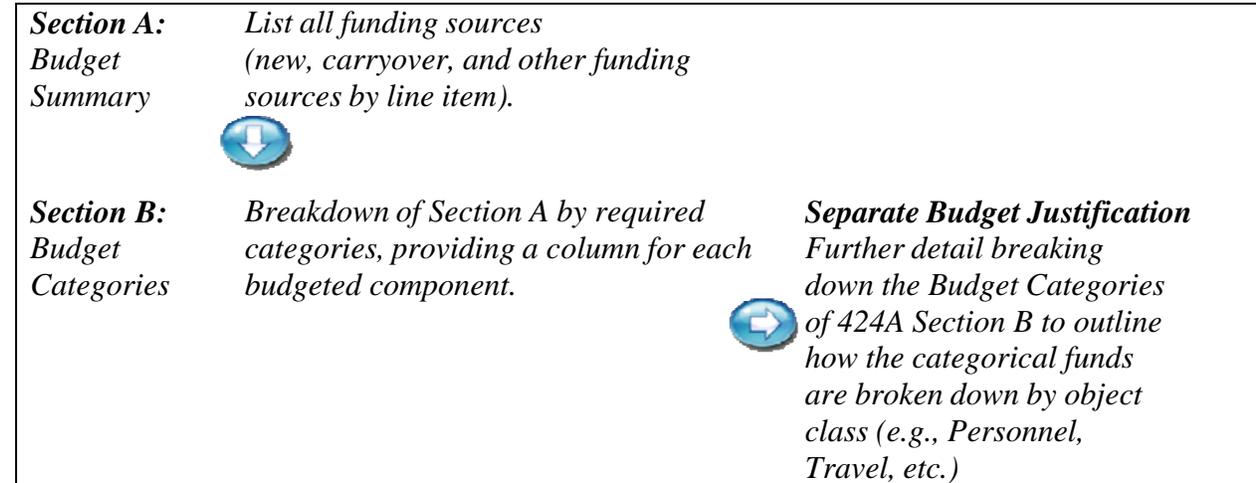


Figure 4: Relationship between SF-424 and Budget Justification

DOE encourages Grantees to fully utilize the DOE funding in the PY it is awarded to maximize the opportunity of achieving the Weatherization mission.

New funds: Any funds being added to the award in an annual budget period are new funds, whether DOE or non-DOE.

Carryover: Any funds in the award that are not expended by the end of the budget period are carryover funds. Grantees shall reasonably project unexpended balances by Budget Category (matching the total sum carryover from all previous years) and provide reasoning for why the funds are unlikely to be used by the end of the PY. Grantees planning to carryover unused funds from any Budget Category (e.g., training and technical assistance funds) from one PY to another must return these monies to the program operations budget category and use them to weatherize additional homes unless the Grantee can justify to the DOE PO the necessity to carryover these funds into the new PY and that they retain the original budget categorization.

Funds from prior grants are not permitted to be carried over into a new award. Those funds must be expended according to the rules of the original grant program. Grantees shall anticipate de-obligation of any/all remaining unspent funds.

Following the first year of a grant award, Grantees with carryover (non-expended funds) shall provide one document with the following information as an attachment to the SF-424 Application in PAGE:

- Break out of cost categories for total carryover for all prior years and current active year (should equal total carryover amount in the proposed budget for the new PY).
- Break out of cost categories for total carryover amount in the proposed budget for the new PY.
- Reason for the carryover amount and justification for the re-allocated carryover amount.

Table 2: Carryover Example

Grantee Name, Grant Number, Current Program Year, Proposed Program Year

BUDGET COLUMN HEADING	TOTAL PRIOR YEAR & CURRENT ACTIVE YEAR CARRYOVER (Identify the Cost Categories you are moving the funds from)	PROPOSED BUDGET CARRYOVER (Identify the Cost Categories that you are moving the funds to in the proposed budget for the new program year)
Grantee Administration	\$20,000	\$20,000
Subgrantee Administration	\$9,500	\$7,000
Grantee T&TA	\$14,000	\$0
Subgrantee T&TA	\$11,000	\$0
Program Operations	\$35,000	\$64,000
Health & Safety	\$10,000	\$9,000
Financial Audits	\$500	\$0
Liability Insurance	\$0	\$0
Totals	\$100,000	\$100,000

Reason for carryover amount: The \$20,000 state database upgrade budgeted under Grantee Administration was delayed for several months and will be completed in the next PY. Subgrantee Administration results from a local agency manager leaving. All T&TA goals were met with fewer resources than budgeted. Production at two local agencies was affected by job changes, thus leaving \$35,000 unspent in Program Operations and \$10,000 in Health & Safety.

Justification for carryover amount: The Grantee requests \$20,000 in Grantee Administration to complete database upgrade as previously proposed. \$7,000 returned to Subgrantee Administration to complete the remaining work. \$25,000 in T&TA and \$500 from Financial Audits carryover moved to Program Operations to complete more homes. Based on the Grantee expenditure limit identified in Weatherization Program Notice (WPN) 17-7, the proposed Health & Safety amount was adjusted to reflect the proposed remaining Program Operations funding.

III.1 SF-424A Budget Preparation

The SF-424A Budget identifies (1) the total amount of new funding allocations, (2) other funding sources for the current budget period, and (3) any carryover from previous years, when applicable. Dollar amounts on the SF-424A should be **in whole dollars** only.

The proposed budget costs are estimated values and **invoicing must be calculated from actual costs incurred for each of the cost categories**. Federal payments to a Grantee's "contingency reserve" are unallowable. Other contingency costs may be allowable with certain restrictions; see [2 CFR 200.433 "Contingency Provisions"](#). The Grantee may request funds under any of the Object Class Categories as long as the item and amount are necessary to perform the proposed work and meet all the criteria necessary to fit the definition of allowable costs under the applicable federal cost principles.

IMPORTANT: Items identified as direct costs to the project may not be duplicative of costs included in the indirect pool that are the basis of any indirect rate applied for this project.

SF-424A - Section A: Budget Summary

In PAGE, add each funding source that will be utilized during the current PY to the SF-424A. Funding Sources can be classified as Federal, Applicant, Local, Other, Program Income, State, PVE, or 3rd Party Contributions. New funding should be identified under "New/Revised Budget." Each funding source should be listed as a separate line item.

- Grantee should include, as a separate line item, any leveraged funds to be used in combination with DOE funds, and will follow all DOE rules, regulations and guidelines. Most commonly, Grantees add non-DOE resources into the award budget to access additional administrative funds and complete additional homes following the DOE process and procedures.
- **Leveraged funds that run parallel or outside the DOE award (not included in the DOE budget) have greater flexibility.**
- Leveraged funds can come from several sources:
 - Weatherization Funding appropriated by the State
 - Low Income Home Energy Assistance Program (LIHEAP)
 - Leveraged Resources from utilities, universal service funds, etc.
 - PVE Funds
 - Program Income

Table 3: There are advantages and challenges associated with including leveraged funds within WAP Grantee Plan in both the SF-424 Application and SF-424A Budget. Grantees should keep the following considerations in mind when determining whether or not to include leveraged funds in the WAP Plan.

Table 3: Leveraged Funds		
	Advantages	Challenges
Leveraged Funds Included in Budget	By including leveraged funds amount in the budget, those funds are calculated into administration percentages and T&TA allocations, giving the Grantee and Subgrantees additional funds to administer the leveraged resources and train staff. (If the leveraged funds include an administrative component, there is likely no need for this approach.)	Must follow all DOE rules, regulations and guidelines and any measures installed using these leveraged funds must be justified by the audit/priority list, follow DOE approved procedures, and must be included in the average cost calculation. As such, the Grantee cannot use the leveraged funds for any measures or activities not justified by the audit or included in Appendix A.
Leveraged Funds Not Included in Budget	The leveraged funds do not have to follow all DOE rules. Instead, these funds can be used in parallel to the DOE Program and funds can be allocated for other activities not necessarily justified by the audit or included in Appendix A (e.g., house repairs beyond the allowable incidental repairs, replacing stand-alone freezers, health and safety activities that if not accomplished might result in a deferral, etc.). A percentage of the WAP grant can be used to attract leveraged funds even though the leveraged funds are not included in the DOE Program budget.	No additional DOE funds above the allowable administrative fund percentage can be used to administer leveraged funds or be allocated for T&TA if the leveraged funds are not included in the DOE budget. Any additional administrative funds must be part of the leveraged funding budget.

III.2 Budget Categories – Section B

SF-424A - Section B: Budget Categories

The budget columns are organized by mandatory and optional categories. The **mandatory** categories are:

- Grantee Administration
- Subgrantee Administration
- Grantee T&TA
- Subgrantee T&TA
- Program Operations

The **optional** budget categories are:

- Vehicles and Equipment
- Liability Insurance
- Leveraging
- Health & Safety
- Financial Audit
- Energy Crisis
- Special Projects I-V

The ‘Total’ of Section A must equal the total of all columns in Section B.

Object class budget categories include Personnel, Fringe Benefits, Travel, Equipment, Supplies, Contractual, Other, and Indirect costs. Construction is not applicable to WAP.

For Object class budget categories that relate solely to Subgrantee expenditures, the total estimated cost should be reflected in the Contractual category.

A detailed justification and explanation for Grantee administration must be included, in accordance with [10 CFR 440.12\(b\)\(3\)](#). All amounts categorized as 'Other' must be supported with a detailed listing of items and costs.

The following supplemental instructions provide definitions and examples of the required budget categories. The column and page notations in parentheses following each budget category refer to Section B of Standard Form 424A.

Grantees should take note that, in developing the budget, they are required to stay within the various budget category thresholds each year. While it may happen from time to time that a specific cost category may “over run” in a particular year, these over runs should be the exception, not the rule. Grantees should not approach the budget with the expectation that they will catch up in the cost categories, particularly those with regulatory or programmatic limits, at the end of the project period.

Administrative Categories

[10 CFR 440.18\(e\)](#) requires that “Not more than 10 percent of any grant made to a State may be used by the grantee and Subgrantees for administrative purposes in carrying out duties under this part, except that not more than 5 percent may be used by the State for such purposes, and not less than 5 percent must be made available to Subgrantees by States. A State may provide in its annual plan for recipients of grants of less than \$350,000 to use up to an additional 5 percent of such grants for administration if the State has determined that such recipient requires such additional amount to implement effectively the administrative requirements established by DOE pursuant to this part.”

Grantees must take care to only use the new PY total allocation funds in determining the administrative allowances, as any carryover funds have already had administrative costs allocated. Unexpended funds in administrative category accounts may be carried over from the previous budget period within the award, provided there is sufficient support and justification for their continued use. Grantees can also choose to include any administrative carryover funding into the Program Operations category and/or provide a portion of their Grantee administrative funds to Subgrantees.

In practice, the allowable administrative budget calculation would proceed as follows:

1. Multiply the **new PY total allocation x 5 percent (or less)** to determine Grantee Administrative budget total.
2. Multiply the **new PY total allocation x 5 percent** to determine Subgrantee Administrative budget total.
3. *(Optional by the Grantee)* Add an additional 5 percent for Subgrantees with **total new PY allocations less than \$350,000** to get the new PY Administrative amounts.
4. Then, Grantees can carryover (add) previously budgeted but unused Admin amounts, “provided there is sufficient support and justification for their continued use.”
 - The WAP legislation and regulations do not define the Administrative cost categories. Any expenditure, allowed by the Office of Management and Budget (OMB) cost principles, or by a Grantee or Subgrantee may be charged as Administrative cost. However, certain costs in this Program that are excluded from other categories can only be administrative.
Grantee Administration and Subgrantee Administration are considered to be unique to each organization. The organization must define its administrative costs consistent with the generally-accepted accounting practices and procedures within the organization.
 - Indirect costs can be included in Grantee Administration and will be considered an allowable cost provided there is a federally approved indirect rate(s) or cost allocation plan. The indirect cost rate used may be approved by a federal department or agency other than DOE. See [2 CFR 200.414 Indirect \(F&A\) costs](#) for more information. The rate/amount allowable does not invalidate the program budget category limits.

DOE has identified instances where certain administrative functions should be charged to the Program Operations category because of the nature of the expense (e.g., client intake, recordkeeping, salary/fringe for Program Managers and coordinators, telephone costs, etc.). DOE encourages Grantees to allow their Subgrantees to use this flexibility where it is appropriate. The Grantee must establish uniform guidance to identify which funds may or may not be charged as Administrative costs and/or Program Operations costs.

Grantee Administration

- The total charged to Administration can be **no more than 5 percent of total new PY funds awarded**. Cost allocation between this category and Grantee T&TA must be in accordance with [2 CFR 200](#) and [10 CFR 440.23 “Oversight, training, and technical assistance.”](#)

Subgrantee Administration

- Subgrantee Administration must be at least 5 percent of the total new funds awarded.
- Grantees may allow Subgrantees **who receive less than \$350,000 of new DOE appropriated funds**, to use **up to an additional 5 percent** of their subgrants for administration. This additional funding can be approved only to implement the administrative requirements of the Program.
 - Grantees shall develop criteria to be used to determine when eligible Subgrantees may use **up to an additional 5 percent** of their subgrants for administrative purposes.

The total effect of the additional 5 percent of administration costs may result in the State exceeding the 10 percent administrative cost category for the award.

Tribes do not have the same limitation as States and Territories and are eligible for both the Grantee and Subgrantee portion of Administrative funds.

Grantee T&TA and Subgrantee T&TA

- The maximum amount available for Grantee and Subgrantee T&TA is included with the annual allocation program notice from DOE.
- Allowable expenditures include:
 - Costs incurred in the T&TA for any Grantee or Subgrantee (including monitoring and QCI training).
 - Providing information concerning conservation practices to occupants of eligible dwelling units (client education).
 - Evaluation of Program outcomes.
 - Participation, travel, logistics of training activities and events.
- Grantee purchases of vehicles or equipment, which are directly related to specific T&TA activities, such as monitoring, etc.
 - T&TA funds shall not be used to purchase vehicles or equipment for Subgrantees to perform Weatherization services. The cost of these vehicles or equipment to support the Program must be charged to the Vehicle/Equipment or Program Operations categories.

Program Operations

Per [10 CFR 440.18](#), costs incurred for Program Operations are generally defined as the direct costs necessary to effect the weatherization of an eligible dwelling unit but not included in the material costs. While some of these categories could be charged as allowable administrative or T&TA costs – depending on the nature of the expense – they are almost always part of the average cost per dwelling unit (ACPU) calculation. Where there are costs that could be charged to other Budget Categories, it is the determination of the Grantee which category should be used. DOE expects that the Grantee will require consistency among its Subgrantees when identifying a cost category other than Program Operations for these specific charges. Many of these costs cannot be directly related to a specific dwelling unit – for example, vehicle and equipment maintenance or purchases of tools and equipment. These costs are amortized over the number of dwelling units completed during the contract period. For example, the cost of a blower door (\$4,500) could be amortized over the 150 homes completed during a contract period, resulting in a \$30 increase in the ACPU for the homes completed in that time frame.

Program Operations costs may include but are not limited to the following:

- Materials listed in Appendix A or DOE-approved energy audit protocol.
- Materials purchased for incidental repairs as defined in [10 CFR 440](#).
- Materials purchased for health and safety improvements.

NOTE: While health and safety costs are allowable under the Program Operations category, DOE recommends Grantees include a separate Health and Safety category in the budget.

- Transportation of weatherization materials, tools, equipment, and work crews to a storage site and to the site of weatherization work.
- Maintenance, operation, and insurance of vehicles used to transport weatherization materials.
- Maintenance of tools and equipment.
- Purchase or annual lease of tools, equipment, and vehicles.

NOTE: All vehicle purchases must receive prior DOE approval; any equipment \$5,000 or more must also receive prior DOE approval. Neither Grantees nor Subgrantees may pre-pay leases that exceed the end of the grant period.

- The required fees related to building permits from local governments are allowable under this category.
- Employment of personnel directly related to the operation of the Program.
 - This category is defined for general consistency purposes such as weatherization coordinators' salary and fringe benefits spent in actual supervision of labor, client intake, recordkeeping, etc.
 - Storage of weatherization materials, tools, equipment, and weatherization vehicles.
 - Space rental. As with vehicles and equipment, neither Grantees nor Subgrantees may pre-pay leases that exceed the end of the grant period.
 - Utility costs at storage only, (e.g., heat, lights, and water).
 - Retrofitting storage facility.

NOTE: Weatherization is a non-construction program therefore no construction of buildings or acquisition of real estate can be charged to this grant.

Improvements to a property that are **not in direct relation** to carrying out Weatherization-specific tasks **are not allowable** under this grant (e.g., paving a parking lot of the storage area is not considered allowable; however retrofitting a storage facility with appropriate shelving to accommodate supplies is allowable).

Grantees should consult with their respective PO and/or DOE Grants

Management Specialist to clarify any areas of Grantee question or concern.

- Labor category expenditures are limited to those defined in [10 CFR 440.19](#).
 - Payments to employ labor or engage contractors including:
 - Payments to subcontractors;
 - Salaries and fringe benefits of crew members; and
 - Salaries and fringe benefits of crew leaders.
 - This category also includes auditors/assessors, quality control inspectors (QCI), field supervisors who are not installing materials, and warehouse personnel, such as inventory clerks, who are engaged in handling materials.
 - Because T&TA funds are limited, Grantees and Subgrantees may charge the cost of training to the T&TA category and the employee's time for participation in the event under the labor category. Costs associated with training contractors that work within the Weatherization Program may also be charged to T&TA.
- Other Optional Categories
 - Special Project(s) (*Column in PAGE but Grantees can designate a specific purpose.*)
 - Energy Crisis
 - Disaster Relief
 - Energy Audits
 - Low Cost/No Cost – The cost of low-cost/no-cost materials is not to be included in the ACPU (labor to install the low-cost/no-cost materials is not an allowable cost). Details of any proposed low-cost/no-cost program component must be outlined in the plan following guidelines in [10 CFR 440.20](#).

Health and Safety – Optional Category (Highly Recommended)

- Indicate the amount of Federal funds to be used to mitigate energy-related health and safety hazards, which are necessary to the installation of weatherization materials in accordance with [10 CFR 440.16\(h\)](#) and [440.18\(d\)\(15\)](#). The Health and Safety cost category should include materials and labor, but not training related to the implementation of health and safety measures. Please refer to [WPN 17-7](#) for allowable costs associated with health and safety.
- Grantees must set Health and Safety expenditure limits for their Subgrantees, providing justification by explaining the basis for setting these limits and providing related historical experience (frequency and cost). It is possible these limits may vary depending upon conditions found in different geographical areas. Limits must be expressed as a percentage of the ACPU. For example, if the ACPU is \$5,000, 10 percent would equal an average of \$500 per dwelling unit for health and safety. These funds are to be expended by Subgrantees in direct weatherization activities that mitigate health and safety concerns.

- Health and Safety Percentage, and Plan Template
 - Up to 15 percent of Program Operations (based on Health and Safety cost category divided by the Program Operations cost category) can be used for mitigating health and safety concerns directly related to the weatherization of a building. DOE considers this percentage reasonable and PO can approve this percentage if sufficiently explained in the Health and Safety Plan.
 - Should a Grantee request to have more than 15 percent of Program Operations used for health and safety purposes, DOE will conduct a secondary level of review and may request additional information to justify the higher percentage.
 - DOE has provided (as an attachment to [WPN 17-7](#)) a template that Grantees may use for developing its Health and Safety Plan. Use of the template is optional; however, the information requested in the template is not. If a Grantee chooses not to use the template, then the same information requested in the template must still be included in the Grantee's Health and Safety Plan. Most Grantees have opted to use the template to ensure that none of the requested information is omitted, as this will delay approval of the Grantee's annual application.
- The regulations do not mandate a separate Health and Safety budget cost category, but if the Grantee chooses to do so, expenditures are excluded from the ACPU calculation. This separate category also allows these costs to be isolated from energy efficiency costs in program evaluations. If Grantees choose not to have a separate health and safety budget category, health and safety costs must be included in the calculation of the ACPU and cost-justified through the energy audit. DOE recommends that Grantees establish a separate health and safety budget cost category.
- Reference to current Health and Safety Guidance is located in Section 2.5 of WPN 20-1.

Vehicles and Equipment \$5,000 or more – *Optional Category*

- In 2001, DOE created the optional Vehicles and Equipment budget category, so Grantees had a mechanism to allow Subgrantee amortization of vehicle and equipment costs over multiple years. This can be particularly useful to small Subgrantees that do not have alternative funding sources and are unable to balance their production and ACPU requirements when absorbing the vehicle or equipment costs over a single year. *Alternatively, vehicles and equipment may be expensed as a component of the Program Operations budget category.*
- If the Vehicle and Equipment category is proposed in the budget, the Grantee must manage and report when costs were expensed as well as how costs are amortized in the Quarterly Performance Reports (QPR).
- If vehicles and equipment will not be purchased by the end of the PY, DOE encourages Grantees to have provisions in the Subgrantee awards to allow the use of the funding to complete additional homes and minimize unexpended balances.

Liability Insurance – Optional Category (Recommended)

- All Grantees and Subgrantees must be covered by liability insurance. Liability insurance refers to the general contractor, or other policies that provide protection in case of personal injury or property damage resulting from the weatherization services. Liability insurance can be charged to the liability line item in the budget, which was created to ensure that such costs would not have to be charged to the administrative cost category (see [preamble to the Federal Register Notice, 45 Fed. Reg. 13028, 13031, Feb. 27, 1980](#)). DOE recommends Grantees use this option.
- If the Grantee provides no allowance for the cost as a separate Budget Category in the Grantee State Plan, the cost of liability insurance is part of the ACPU. If the Grantee has a set-aside for Liability Insurance in their Grantee Plan, the Subgrantees can purchase policies and not include the expense as part of their ACPU. This provision was established to cover general agency liability insurance and does not include any vehicle related insurance.
- Liability insurance policies generally do not provide for many health and safety measures, especially lead in the form of lead-based paint and other hazardous conditions that might be caused or exacerbated by weatherization activities. Grantees and/or Subgrantees may purchase Pollution Occurrence Insurance (POI) as a part of, or an addendum to, general liability insurance and the costs may be included in the liability insurance line item. If Grantees or Subgrantees do not obtain POI coverage and damage occurs or there is disturbance to any other environmental pollutants, the cost of remediation, clean up, relocation, medical expenses, or any other resulting costs may not be charged to DOE Weatherization and must be covered by another funding source.

Leveraging – Optional Category

- DOE Program regulations ([10 CFR 440.14\(c\)\(6\)\(xiv\)](#)) permit Grantees to take a percentage of their grant to undertake leveraging activities which may provide additional funding or other resources to supplement Weatherization or be used to run a parallel Program (regardless of who initiates the action). Leveraging activities include paying for agency staff or hiring consultant staff to explore and develop partnerships with utility companies and other entities that will generate non-Federal resources for Weatherization. Allowable activities include:
 - Holding leveraging meetings, preparing technical materials/briefs, or facilitating voluntary match funds from a non-Federal source.
- The leveraging column can consist of one or more leveraging activity.
 - Up to 15 percent of the annual Federal formula allocation (including PVE funds used under the Weatherization Program) can be used for attracting leverage resources. DOE considers this percentage reasonable for leveraging activities that are in accordance with [10 CFR 440.14\(c\)\(6\)\(xiv\)](#). POs can approve this percentage and related purpose with appropriate explanation of activities to be conducted.
 - Should a Grantee request to have more than 15 percent of their grant used for leveraging purposes, DOE will conduct a secondary level of review and will request additional information on the anticipated return on investment to justify the higher percentage.

If the Grantee chooses to add leveraged funds to the budget, the following information must be identified for each participating third party or Subgrantee: (1) the name of the organization; (2) the proposed dollar amount to be provided; (3) the amount as a percentage of the total project cost; and (4) the proposed leverage item (cash, services, or property).

Financial Audit – Optional Category (Recommended)

Program financial audits are required annually by [10 CFR 440.23\(d\)](#) and are allowable as either an Administrative expense or as a separate Budget Category in the Grantee Plan. In the past, the cost of these audits was charged to the already over-burdened administrative cost category and sometimes resulted in less than adequate financial audits. Grantees are encouraged to provide relief through the creation of a Financial Audit Budget Category, thus allowing these charges to be covered when Subgrantees meet the threshold contained in [2 CFR 200 Subpart F – Audit Requirements](#). If weatherization is one of several programs within an agency being audited, only the fair-share proportion of the overall financial audit costs should be charged to the DOE award.

NOTE: [2 CFR 200 Subpart F-Audit Requirements](#) (State and local governments and non-profits) and [2 CFR 910 Subpart F](#) (for-profit entities), should be consulted for thresholds, etc. and additional questions should be directed to the Contracting Officer (CO).

III.3 Budget Justification

DOE POs commonly focus on the information in the Budget Categories (columns) of Section B of the Budget SF-424A in relation to the scope of work proposed in the Annual and Master File. The Financial Assistance Office (FAO) staff at DOE responsible for reviewing and approving the budget commonly focuses on whether the Grantee has included sufficient detail and support for the information for the Object Class categories (rows) in Section B of the budget. Clicking on the Section B row labels in PAGE (Personnel, Fringe Benefits, Travel, etc.) accesses the budget justification detail.

An updated budget justification is required with each new budget proposed. Please note that the total amount of funding for each Object Class category (e.g., Personnel) in the budget justification screens needs to equal the total for that corresponding object class category in Section B of the SF-424A budget and the budget categories shall have whole dollar values in each cell. To address feedback received from Grantees, DOE enhanced the PAGE system to provide an “Auto Calculate” option that will adjust the multipliers for each entry to achieve whole dollar values for Personnel, Fringe and Indirect Costs categories.

When a Grantee proposes using non-DOE resources not included in the budget to meet a DOE WAP requirement (e.g., personnel costs for a required function, travel to a national DOE meeting), then the Grantee must include a note acknowledging commitment to the DOE requirement within the corresponding Object Class Category of the Budget Justification. If comments cannot be entered in the Budget Justification, then enter the information in Section B of the SF-424A Budget is acceptable. Grantees must provide their best and current estimate of each budget category at the time of submittal.

Personnel

Grantees shall review and adjust staffing, description of responsibilities, salaries, hours or percentage proposed over the next budget period to assure sufficient and appropriate stewardship of the DOE funds. The listed costs are solely for employees of the Grantee.

Applicants must identify positions to be supported and any key personnel, identified by title. All other personnel must be identified either by title or a group category. State the amount of time (e.g., hours or percent of time) to be expended, the composite base pay rate, total direct personnel compensation and identify the rate basis (e.g., actual salary, labor distribution report, technical estimate, state civil service rates, etc.). Identify the number of employees (on a Full Time Equivalent) that will be employed in each position or group category. Explain when staff time does not add up to 100 percent and indicate when other funding will pay for time spent on DOE work.

Fringe Benefits

A federally-approved fringe benefit rate agreement, or a proposed rate supported and agreed upon by DOE for estimating purposes, is required if reimbursement for fringe benefits is requested. If a fringe benefit rate has been negotiated with, or approved by, a federal government agency, a copy of the latest rate agreement must be included with this application. If there is not a current, federally-approved rate agreement negotiated and available, provide a copy of the rate proposal and an explanation why there is not an existing federally-approved rate agreement with the application. If DOE determines it will be the Grantee's cognizant agency for a fringe rate agreement, the rate agreement will be finalized during award negotiations. Calculate the fringe rate and enter the total amount in Section B, line 6.b. ("Fringe Benefits") of form SF-424A.

IMPORTANT: If Grantees propose a fringe rate, they must provide a complete explanation and the full calculations used to derive the total fringe costs. If the total fringe costs are a cumulative amount of more than one calculation or rate application, the explanation and 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). The rates and how they are applied should not be averaged to get one fringe rate.

Travel

DOE expects Grantees to budget adequate funds to allow key staff to participate in national and regional conferences, as well as participation on related planning committees, task forces, and other scheduled and related meetings. These meetings are considered high priorities, but DOE is aware that many Grantees have travel restrictions due to budgetary constraints or government policies that may prevent attendance at these important events. Funds for Grantee and Subgrantee travel are provided as part of the Weatherization grant award and proper usage of these funds will be closely monitored by DOE to ensure compliance within the travel budgets included in the Grantees' Annual Plans. Additional travel may also be budgeted for in-state meetings, administrative, financial and technical monitoring of Subgrantees, etc. Please provide the number of travelers, estimated cost per traveler, duration of trip, and total cost per trip.

Proposed travel needs to clearly identify proposed activities and reflect sufficient resources. DOE recognizes that many events and activities may require more than one person from each state to cover the amount of new information being disseminated (e.g., a conference may have multiple tracks) and/or have sufficient expertise (e.g., a single staff person may not have the skills to adequately monitor technical functions and the administrative/financial elements).

Grantees should cite appropriate law, regulation or policy governing Grantee travel and, if an appropriate Grantee web link indicates per diems and process, indicate that in the narrative description.

Equipment

This category only covers equipment purchases at the Grantee level, not Subgrantee/vendor level. Vehicles and equipment means tangible, nonexpendable, personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A Grantee may use its own definition of vehicles and equipment provided that such definition would at least include all equipment defined above.

All proposed equipment should be identified, providing a basis of cost such as vendor quotes, catalog prices, prior invoices, etc., and briefly justifying its need. Also indicate whether the equipment is proposed to be used on other projects or is 100 percent dedicated to the DOE project.

Materials and Supplies

Supplies are generally defined as an item with an acquisition cost of less than \$5,000 and in many, but not all situations, supplies have a useful life expectancy of less than one year. Supplies are generally consumed during the project performance. Further definitions can be found in [2 CFR 200.94](#).

Proposed supplies should be identified. Cost of the supplies should be supported by vendor quotes, catalog prices, prior invoices, etc. Justification for the supplies to meet objectives of the grant should also be provided. Note that supply costs identified as direct costs in the budget may not be duplicative of supply costs included in the indirect rate applied for this project.

Grantees who propose the same copier and same server each year create a perception that these items are placeholders as opposed to what the program truly needs and expects to acquire in the upcoming budget period. Therefore, if a Grantee has a rotating IT replacement type policy, provide supporting documentation as an attachment to the SF-424 Application and/or provide a web link to support the basis.

- *For Grantees with Subgrantees:* These are materials and supplies purchased for use by the Grantee at the Grantee level, and Grantees should make certain to update annually, based on program needs.
- *For direct service provider Grantees (tribes and some territories):* This category will be different based on how the provider procures materials. Grantees that are direct service providers should consult with their DOE PO to determine appropriate cost category.

Contractual

The Grantee must provide and justify all costs related to Subgrantees and vendors (including contractors, and consultants).

- **Subgrantees:** This is a single line item that refers to and is consistent with the Subgrantee Allocation table in Section IV.1 of the Annual File.
- **Vendors (includes contractors and consultants):** The Grantee must identify each training center, training contractor, other program delivery contracted services such as database development and management along with the proposed budget amount. Justification of vendor costs (in any amount) should include the purpose for the products or services and support for the estimated costs that is considered sufficient for DOE evaluation.

If a vendor has not been selected, the vendor should be listed as To Be Determined (TBD). Please indicate if it is a single-year contract/purchase order, a continuation, an option year of a multiple year procurement effort or otherwise.

Other Direct Costs

Other direct costs include cost items required for the project which **do not** fit clearly into other categories and are **not** included in the indirect pool for which the indirect rate is being applied to this project. This category commonly covers rent, utilities, phones, postage, subscriptions, etc. that are weatherization-specific direct charges to the award and that would not be appropriately categorized in other object class categories above. Include a justification for the cost such as vendor quotes, prior purchases of similar or like items, published price list, etc.

Grantees must include two specific statements as a part of the justification for all Other Direct Cost items:

- All costs included in Other Direct Costs are properly excluded from indirect costs to ensure there are not duplicate charges.
- All costs proposed are only being used in support of the WAP program.

Indirect Costs

Indirect costs are costs incurred for a common purpose, benefiting more than one program, and not readily allocable among individual programs based on their proportionate shares of benefits derived. An indirect rate agreement approved by another federal entity, or rate proposal supported and agreed to by DOE for estimating purposes, is required if reimbursement of indirect benefits is requested. If there is a federally approved indirect rate agreement, a copy must be provided with this application. If there is no current federally-approved indirect rate agreement or if the federally-approved indirect rate agreement has been changed or updated, a rate proposal and an explanation why there is not a federally-approved rate agreement must be included with the application. If DOE determines it will be the Grantee's cognizant agency for an indirect rate agreement, the rate agreement will be finalized during award negotiations. Calculate, in whole dollars, the indirect rate dollars using the approved rate and enter the total in the Section B., line 6.j. (Indirect Charges) of form SF-424A.

IMPORTANT: Provide a complete explanation and the full calculations used to derive the total indirect costs. If the total indirect costs are a cumulative amount of more than one calculation or rate application, the explanation and 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). The rates and how they are applied should not be averaged to get one indirect cost percentage.

III.4 Carryover Explanation

Other than the first year of a new award, the Grantee shall include an explanation of any estimated carryover amount by the budget categories (broken down by Grantee Administration, Grantee T&TA, Subgrantee Administration, Program Operations, Health and Safety, etc.) in which the funds are currently budgeted. The carryover explanation shall be provided in a separate spreadsheet or other document attached to the SF-424 Application in PAGE. See Table 2: Carryover Example for reference.

III.5 Reprogramming Training and Technical Assistance Funds

In the event that Grantees have carefully reviewed T&TA needs and wish to transfer funds to Program Operations, Grantees should refer to [WPN 10-10, Reprogramming Training and Technical Assistance Funds](#), for guidance. Grantees should be aware that once T&TA funds are re-programmed into the Program Operations budget category they cannot be re-programmed back into T&TA funds at a later date. For additional information on the process needed to request reprogramming funds, please contact your respective DOE PO.

IV. ANNUAL FILE

IV.1 Subgrantees

The Grantee must identify all Subgrantees that will carry out the Program. Up-to-date information required includes: name, address, DUNS number, contact person, type of organization (e.g., local action agency, non-profit, tribal organization, or unit of local government), tentative allocation, number of dwelling units (minimum one unit) expected to be weatherized during the PY, the sources of labor, and the congressional district(s) and counties served. [WPN 11-14, Updated Subgrantee Selection Guidance](#), should be referenced for additional information.

Selection of Subgrantees

[42 USC § 6864\(b\)\(4\)](#) establishes the criteria for the selection of Subgrantees, requiring as follows:

(4) selected on the basis of public comment received during a public hearing conducted pursuant to section 415(b)(1) [42 USC § 6865(b)(1)], and other appropriate findings, community action agencies or other public or nonprofit entities to undertake the weatherization activities authorized by this title: Provided, Such selection shall be based on the agency's experience and performance in weatherization or housing renovation activities, experience in assisting low-income persons in the area to be served, and the capacity to undertake a timely and effective weatherization program: Provided further, That in making such selection preference shall be given to any community action agency or other public or nonprofit entity which has, or is currently administering, an effective program under this title or under title II of the Economic Opportunity Act of 1964.

The program regulations, specifically [10 CFR 440.15](#), mirrors the statutory provision:

(a) The Grantee shall ensure that:

- (1) Each Subgrantee is a Community Action Agency (CAA) or other public or nonprofit entity;
- (2) Each Subgrantee is selected on the basis of public comment received during a public hearing conducted pursuant to § [440.14\(a\)](#) and other appropriate findings regarding:
 - (i) The Subgrantee's experience and performance in weatherization or housing renovation activities;
 - (ii) The Subgrantee's experience in assisting low-income persons in the area to be served; and
 - (iii) The Subgrantee's capacity to undertake a timely and effective weatherization program.
- (3) In selecting a Subgrantee, preference is given to any CAA or other public or nonprofit entity which has, or is currently administering, an effective program under this part or under title II of the Economic Opportunity Act of 1964, with program effectiveness evaluated by consideration of factors including, but not necessarily limited to, the following:
 - (i) The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
 - (ii) The quality of work performed by the Subgrantee;
 - (iii) The number, qualifications, and experience of the staff members of the Subgrantee; and
 - (iv) The ability of the Subgrantee to secure volunteers, training participants, public service employment workers, and other Federal or State training programs.

Should the Grantee determine it will conduct a competitive process in PY 2021, it must include that plan in its PY 2020 Application. See § V.8.

Grantees are reminded that Subgrantees and any subcontracting agencies **must check the Excluded Parties Listing (EPLS) for their subawards in the [System for Awards Management \(SAM\)](#)**. The **EPLS** includes information regarding entities debarred, suspended, proposed for debarment, excluded or disqualified under the non-procurement common rule, or otherwise declared ineligible from receiving Federal contracts, certain subcontracts, and certain Federal assistance and benefits. Please refer to the Administrative and Legal Requirements Document (ALRD), Registration/Submission Requirements, item 1 for additional information. No awards will be made by DOE to Grantees with applications that include organizations on the EPLS.

IV.2 Production Schedule

This section must include the total number of dwelling units proposed to be weatherized under the program rule with grant funds during the budget period for which assistance is to be awarded and with the tentative allocation to the Grantee. A completed production schedule will satisfy this requirement. The form to be used for specifying the production schedule is included as part of the Annual File in PAGE.

Grantees need to determine an ACPU that correlates with their actual production reporting. The production schedule has space to calculate the ACPU for program operations, per [10 CFR 440.14\(c\)\(6\)\(viii\)](#).

IV.3 Energy Savings

Applicants shall provide an estimate of the amount of energy to be conserved, pursuant to [10 CFR 440.14\(c\)\(4\)](#). Grantees must indicate the methodology used to determine the energy savings. No explanation is necessary when using the DOE Algorithm and therefore, nothing should be entered in the narrative box (leave the narrative box blank). The only time information should be in the narrative box is when the Grantee is explaining a method other than the DOE energy saving algorithm.

- DOE Algorithm
- Other (describe as outlined below) **DOE Algorithm**

For Grantees that have not developed a methodology for computing energy savings, applicants can use the following formula:

Table 4: DOE Algorithm		
DOE Program	Amount	Line
Total DOE State Weatherization Allocation		(a)
Total Cost associated with Administration, T&TA, Financial and Energy Audits or 15 percent of allocation		(b)
Subtract the amount entered in line (b) from line (a), for a total Federal (DOE) funds available to weatherize homes		(c)
State Average Cost per Unit or National WAP Program Year Average Cost per Unit		(d)
Divide the amount entered on line (c) by the amount entered on line (d), for Total Estimated Homes to be Weatherized		(e)
Multiply (e) by 29.3 MBTU* for Total Annual Estimated Energy Savings resulting from DOE appropriated funds		(f)
All Funding Sources		
Total funds (e.g., DOE WAP, State, Leveraged, LIHEAP, and other non-Federal sources of funds) used by the Grantee to weatherize homes		(g)
Total cost associated with the administration of Weatherization funds or 15% of total funds available to weatherize homes		(h)
Subtract the amount entered in line (h) from line (g), for total funds available to weatherize homes		(i)
State Average Cost per Unit or National WAP Program Year Average Cost per Unit		(j)
Divide the amount entered on line (i) by the amount entered on line (j), for Total Estimated Homes to be		(k)
Multiply (k) by 29.3 MBTU* for Total Annual Estimated Energy Savings resulting from all funding sources		(l)

The most recently published evaluation of the WAP, specifically the report, “[Weatherization Works: Summary of Findings from the Retrospective Evaluation of the U.S. Department of Energy’s Weatherization Assistance Program](#)”, estimates annual savings of **29.3 MBtu** (million British thermal units) per year for natural gas heated homes. The savings estimate includes site-built single-family weatherized homes nationwide. This value is representative of the total energy savings expected from weatherization for an average house: from the fuel used for space heating fuel (natural gas, propane, fuel oil, and electricity), which may include water heating, and the source value of the electricity savings for the house (from space heating, space cooling, water heating, lighting, refrigerators, etc.)

Using Other Weatherization Savings Methodologies:

The estimate and the methodology used to project energy savings shall be clearly explained including the information sources for energy savings per unit. Applicants shall also quantify how much energy was saved in the preceding PY and compare it to the estimate given last year.

DOE continues to encourage Grantees to proceed with statewide Grantee evaluations. Grantees undertaking such an evaluation are requested to coordinate their plans with DOE so the information may be shared to gain maximum results. Technical assistance is available to Grantees through DOE to help with the design and analysis plans for Grantee evaluation studies. DOE published the report, [“Estimating the National Effects of the U.S. Department of Energy’s Weatherization Assistance Program with State-Level Data: A Meta-Evaluation Using Studies from 1993 to 2005.”](#) The individual evaluations conducted by the Grantees were critical to this effort. Also, DOE completed a non-energy benefits study.

IV.4 DOE-Funded Leveraging Activities

The State Energy Efficiency Program Improvement Act of 1990 (SEEPIA) encouraged weatherization to consider an optional activity that may be undertaken within the award. In 2018, DOE released [WAP Memorandum 035: Weatherization Leveraging](#) to update and clarify information contained in [Weatherization Program Notice \(WPN\) 16-5, Weatherization Assistance Program Multifamily Weatherization](#), effective date May 5, 2016, and how leveraged funds and buy-down funds are treated in operating a local program.

Leveraging Partnership Development and Management: [10 CFR 440.14\(c\)\(6\)\(xiv\)](#) requires that Grantees provide the amount of Federal funds to be budgeted and an explanation of how they will be used to leverage increased amounts of weatherization assistance to low-income clients. Leveraging means the obtaining by a state of additional program-targeted non-Federal cash or in-kind contributions as a result of the Weatherization Program-funded activities. Up to 15 percent of the annual formula DOE allocation may be proposed for leveraging and the application will still be eligible for the typical DOE review. Applicants requesting a percentage *higher* than 15 percent will undergo secondary review. Grantees may be required to provide more justification and documentation to satisfy the more in-depth review process. When the proposed costs are anything more than incidental and beyond the capacity of the Grantee Administration category to cover within its 5 percent budget limitation, then a new budget category (column) is created in the budget and those costs need to be tracked separately.

Grantees shall provide an explanation of how these funds will be used to obtain non-Federal resources, how funds leveraged will be used to support the DOE Weatherization Program, the leveraging effect of those funds, and the rationale for the amount of funds being used.

When using DOE funds, those funds must be used to obtain non-Federal resources to increase the number of low-income homes weatherized, and/or increase the scope or type of services provided to low-income homes. Grantees are encouraged to generate at least one non-Federal leveraging dollar for every DOE dollar expended. Grantees shall provide annual reports to DOE describing training, technical assistance, monitoring, and leveraging activities that have occurred in the previous year.

DOE realizes generating new leveraging resources is not always immediately successful. The Grantee, as well as the DOE PO, should review past performance and determine after some reasonable period if the lost opportunity of weatherizing additional homes with the DOE funds outweighs the continued budgeting and spending towards unsuccessful leveraging efforts.

Leveraging Funds Implementation: In some limited cases, a Grantee may want to consider including the actual leveraging funds as part of the DOE grant to access additional Grantee administration resources. Although allowable, most Grantees carefully weigh the additional responsibilities, reporting, constraints and DOE oversight and prefer to operate the leveraged funds as an activity outside the DOE grant budget.

DOE is aware that reporting may be difficult where multiple sources of funds as a result of leveraging are used to weatherize a unit, or a complicated leveraging agreement has been reached with non-Federal partners. To assist Grantees and Subgrantees in determining what a DOE weatherized unit is, DOE offers the following definition.

A DOE Weatherized unit is: A dwelling on which a DOE-approved energy audit or priority list has been applied and weatherization work has been completed. As funds allow, the measures installed on this unit and paid for with DOE funds have a Savings-to-Investment Ratio (SIR) of 1.0 or greater, but also may include any necessary energy-related health and safety measures.

The use of DOE funds on this unit may include, but are not limited to auditing, testing, measure installation, inspection, use of DOE equipment and/or vehicles, or if DOE provides the training and/or administrative funds. Therefore, a dwelling unit that meets both the definition of a DOE weatherized unit and has **DOE funds used directly on it must be counted as a DOE completed unit.**

IV.5 Policy Advisory Council

A Policy Advisory Council (PAC) shall be established in accordance with [10 CFR 440.17](#). The regulations reflect DOE's intentions to offer Grantees some flexibility in the area of the PAC. In order to change the PAC to an existing Grantee council or commission, not affiliated with the WAP, the Grantee must explain to DOE why the current WAP PAC is either non-existent or is not functioning as outlined in [10 CFR 440.17](#) of the Program regulations. DOE does not intend, nor does it mean to imply, that the Grantee has the discretionary authority to eliminate and replace the PAC without due process or cause.

Any Grantee who desires to substitute an existing Grantee council or commission for a PAC, must address this issue as a part of the public hearing held regarding the annual Grantee Plan. The DOE PO will make the final determination regarding this request as a part of the review of the application and Grantee Plan.

Also, the requirement remains that any person(s) employed in any Grantee Weatherization Program can be a member of an existing commission or council, but must abstain in reviewing and approving the activities associated with the DOE WAP. This requirement to abstain only pertains to Grantee-level PAC members, not Subgrantee-level PAC members.

Provide the following details in the form in PAGE (or in a PDF attachment) when completing the PAC section:

- Name of each person on the PAC
- Complete up-to-date contact information for each PAC member
- Name and the type of organization they represent (interests such as low-income, elderly, persons with disabilities, Native Americans, utilities, etc.)
- Minutes from required PAC meetings related to the development of and comment on the Grantee Plan.

IV.6 Hearings and Transcripts

DOE reminds Grantees that pursuant to [10 CFR 440.14\(a\)](#) before submitting an application to DOE, a Grantee must provide **a minimum of 10 days' notice** of a hearing to inform prospective Subgrantees of how they may obtain a copy of the proposed Grantee Plan and must conduct one or more public hearings to receive comments (verbal or written) on the proposed plan.

Historically, the notice has appeared in print publications. Given recent innovations in technology, Grantees may use a Grantee-approved alternative electronic public notification process that is used by other Federally-funded Grantee programs, provided it is also approved by the DOE PO in advance.

As part of the Hearings and Transcripts submission, the Grantee must identify how the notice was provided to the prospective Subgrantees and public (e.g., a list of publications, publisher's affidavit when available, and/or copy of the notice(s) may be attached to the SF-424 Application in PAGE), including proof of evidence of a minimum of 10 days' notice and availability of the draft Grantee Plan. DOE POs will review the notice to ensure Grantee compliance in notifying the public of where/how to obtain copies of the Plan. Most Grantees, States, and Territories have laws governing the conduct of public hearings. If applicable, those laws and requirements must be followed as well.

DOE strongly encourages the notice to include a summary or highlights of the proposed changes from the previous year's Plan. The summary should also include any changes being proposed in geographical services (e.g., how the Grantee may serve the entire state but on a rotating basis), consolidation or rebidding of network providers, credentialing or training requirements, etc. Providing this information in advance will improve communication between the Grantee and Subgrantees and other interested parties and minimize disputes that may arise at the hearing. Whenever possible, DOE would like to be informed in advance of significant proposed program changes or issues of a contentious nature that will be addressed at the hearing. DOE continues to encourage states to have a continual dialogue with Subgrantees either through regular meetings or PAC meetings that are open to Subgrantees. This will permit states to better develop program improvements that will enhance program delivery and outcomes.

Grantees are required to provide an official transcript of the public hearing. Additionally, DOE considers the submission of a recording of the public hearing as a best practice, particularly if the hearing is anticipated to propose significant program changes or be contentious. Grantees are not required to use a court reporter. A transcript can be made from the recording of the hearing. If this approach is used, please submit the recording as well as the transcript.

The Grantee shall attach an official transcript from the hearing and the link to the recording to the SF-424 Application in PAGE. The DOE PO will review the minutes of the public hearing(s) on the annual Grantee Plan to determine that all issues are properly addressed by the Grantee prior to approval of the final Grantee plan. If an official transcript is under development, Grantee should attach notes to the SF-424 application in PAGE to inform DOE of any issues raised and how the Grantee will address these issues. The official transcript should then be forwarded to the DOE PO upon completion.

Grantees should be aware that if significant program changes are made after the initial public hearing(s), an additional hearing may be required. **DOE encourages the inclusion of a redistribution provision in the Plan to enable the Grantee to actively manage the grant and move funds as necessary to fully expend the monies during the budget period.** Vetting this redistribution provision during the initial public hearing may negate the necessity of performing subsequent hearings as long as the prescribed process, for the redistribution of funding in the DOE approved plan, is followed.

IV.7 Miscellaneous

This section is available for Grantees to use as appropriate for any activities that are not routinely administered as part of the WAP or in the case there is no other section of the annual file specifically noted to describe the activities.

For the PY 2020 Application, the following elements must be included within the Miscellaneous Section:

2019 American Customer Satisfaction Index (ACSI) Survey Action Plan

Grantees must include an overview of their ACSI Action Plan (based from the 2019 survey) that details their specific actions or initiatives to improve program operations, training, technical assistance and communications with Subgrantees, and quality of work. As an alternative, the Grantee can submit their ACSI Action Plan as an attachment to the SF-424 and include a note within Section IV.7 to alert the DOE PO.

Recipient Business Officer and Recipient Principal Investigator

Please identify the name, email address, and phone number for the “Recipient Business Officer” and “Recipient Principal Investigator”, as defined below.

These personnel are the official Recipient points of contact that will be identified in the Assistance Agreement, which is the authorizing award document issued by the Contracting Officer. If the designated Recipient Business Officer or Recipient Principal Investigator changes during the project period of performance, it is incumbent upon the Grantee to notify the DOE Grants Management Specialist and DOE PO assigned to your award.

“**Recipient Business Officer**” is the representative authorized to act on behalf of the Grantee to negotiate the award. All DOE official correspondence related to the award will be addressed to the Recipient Business Officer.

“**Recipient Principal Investigator**” is the technical representative authorized to act on behalf of the Grantee as project manager for the award. The Recipient Principal Investigator is the prime point of contact for the DOE PO during the project period of performance and will receive a copy of all DOE official correspondence related to the award.

V. MASTER FILE

V.1 Eligibility

Every dwelling weatherized must meet both the client eligibility *and* the building eligibility requirements.

V.1.1 Approach to Determining Client Eligibility

The definition of "low income" that the state has chosen for use statewide to determine eligibility under [10 CFR 440.22\(a\)](#) must be stated per [§440.14\(c\)\(6\)\(xii\)](#). Applicants should briefly describe their procedures, in accordance with [§440.16\(a\)](#), to ensure that no dwelling unit is weatherized without documentation that the unit is an eligible dwelling unit (providing a copy of the link to a Policy and Procedures Manual may satisfy this requirement).

Income Verification

In determining what eligibility level will be used in its program, the Grantee must verify eligibility for weatherization assistance under this part. Per [10 CFR 440.22 Eligible dwelling units](#), the dwelling unit is eligible for assistance if it is occupied by a family unit:

- Whose income is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of OMB, except that the Secretary may establish a higher level if the Secretary, after consulting with the Secretary of Agriculture and the Secretary of Health and Human Services, determines that such a higher level is necessary to carry out the purposes of this part and is consistent with the eligibility criteria established for the weatherization program under Section 222(a)(12) of the Economic Opportunity Act of 1964; Pub. L. No. 88-452, 42 U.S.C. § 2701 *et seq*;
 - DOE distributes *Poverty Income Guidelines and Definition of Income* to Grantees. This document includes a revised definition of income for use by Grantees and Subgrantees in their programs. The revisions in this document include defining income, cash receipts, exclusions, proving eligibility, child support, annualizing income, and re-certification.
 - Grantees and Subgrantees are reminded that applicants applying for weatherization must have their eligibility documentation updated at least annually (Grantees and Subgrantees must also comply with section V3 below).
- Which 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; or
- If a Grantee elects, is eligible for assistance under the Low Income Home Energy Assistance Act of 1981, provided that the income eligibility level is at least 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget. If the Grantee uses LIHEAP intake and the income eligibility is less than 200% of poverty, then the Grantee must have some other mechanism in place to accept and process WAP applications for those that either 1) do not qualify for LIHEAP, but are still at or below 200% of poverty, or 2) for those that choose not to apply for LIHEAP, but still want WAP services.

Income limits chosen may not be arbitrarily lowered by Grantee for parts of the Grantee service territory. The specific criteria above must be used; follow it carefully when stating the criteria in the Master File. The Master File must clearly state that application eligibility expires 12 months from certification date if work on dwelling unit (energy audit) has not been initiated.

Qualified Aliens Eligibility for Benefits

Grantee must submit any policies or procedures in place to ensure DOE weatherization services shall only be provided to eligible populations.

Grantees are directed to review <https://www.acf.hhs.gov/ocs/resource/liheap-im-hhs-guidance-on-the-use-of-social-security-numbers-ssns-and-citizenship-status-verification>.

V.1.2 Approach to Determining Building Eligibility**Procedures to determine that units weatherized have eligibility documentation (V.1.2 Box 1)**

Grantee should describe what dwelling structures are eligible for weatherization and then the procedures how each dwelling (and corresponding units) are determined to be eligible based on:

- Owner documentation
- Income documentation for renters
- Multifamily (MF) eligibility and rental units descriptions should be covered under the Rental section.

Reweathering Compliance (V.1.2 Box 2)

Grantees and Subgrantees may weatherize homes previously weatherized from September 30, 1994, and earlier, per [10 CFR 6865\(c\)\(2\)](#). This provision gives Grantees the flexibility to revisit those homes weatherized prior to 1994 that may not have received the full complement of Weatherization services, including the use of an advanced energy audit or addressing health and safety concerns. This section must include the specific process for tracking homes previously weatherized since September 30, 1994, to ensure that these units are not re-weatherized with DOE funds.

DOE issued [WPN 12-7](#) to address Disaster Planning and Relief, which provides a framework for re-weatherization of homes on or after October 1, 1994, or later due to natural disasters. Please refer to [WPN 12-7](#) and follow appropriate procedures if the Grantee wishes to serve homes located in disaster areas.

NOTE: The term “Reweathering” applies only to those units which fall into the timeframe indicated above and described under [10 CFR §440.18\(e\)\(2\)\(iii\)](#).

Eligible Structures for Weatherization (V.1.2 Box 3)

Grantees should exercise caution in dealing with non-traditional dwelling units such as shelters, apartments over businesses, etc. to ensure they meet Program regulations on whether the unit is, in fact, eligible. Weatherizing these types of units should be discussed with, and if necessary, approved by, the DOE PO prior to weatherization.

The weatherization of non-stationary campers and trailers that do not have a mailing address associated with the eligible applicants is not allowed. The use of a post office box for a non-stationary campers or trailers does not meet this requirement.

Please use the [State Historic Preservation Office \(SHPO\) Programmatic Agreement \(PA\) information](#). Alternatively, States without SHPO agreements should include the agreement that has been created with the State.

Rental Units/MF Buildings (V.1.2 Box 4)

Applicants shall include an explanation for how they will ensure that the benefits of weatherization to occupants of rental units are protected in accordance with §[440.22\(b\)\(3\)](#) in this section. Applicants should satisfy this requirement by developing and submitting rental plans or procedures that address protection of renters' rights as specified in §[440.22\(b\)\(3\)](#) and §[440.22\(c\)-\(e\)](#).

Whether single-family or MF, the Grantee's procedures for rental unit or rental units shall ensure that:

- Written permission of the building owner or his/her agent before commencing work.
- Benefits of the services accrue primarily to the low-income tenants residing in such units.
- For a reasonable period of time after completion, the household will not be subjected to rent increases (unless those increases are demonstrably related to other matters other than the weatherization work performed).
 - There are adequate procedures whereby the Grantee can receive tenant complaints and owners can appeal, should rental increases occur.
- No undue or excessive enhancement shall occur to the value of the dwelling unit.

Grantees should include in this section how the conditions above are being enforced by their Subgrantee network.

To secure the federal investment and to address issues of eviction from and sale of property, per [10 CFR 440.22\(c\)](#), Grantees may seek landlord agreement or placement of a lien (or other contractual restrictions) upon the property being weatherized.

In the case of MF buildings, additional elements of the procedure should include:

- Requirement of financial participation, when feasible, from owners of such buildings, and
- Explanation of Grantee plan for weatherization of MF buildings with 50% income eligible units.

Certain buildings containing rental units may comply with the income eligibility requirements when 50 percent of those dwelling units are eligible dwelling units rather than the established 66 percent identified in the regulation. ([10 CFR §440.22\(b\)\(2\)](#)). The buildings that are subject to the 50 percent threshold are duplexes, four-unit buildings, and certain eligible types of large MF buildings. In the final rule published on December 8, 2000, DOE provided guidance on what types of large MF buildings may be subject to the 50 percent threshold. ([65 Fed. Reg. 77210, Dec. 8, 2000.](#))

DOE has determined that “certain eligible types of large MF buildings” are those buildings for which an investment of DOE funds would result in a significant energy-efficiency improvement because of the upgrades to equipment, energy systems, common space, or the building shell. (Id. at 77215) By providing this flexibility, Subgrantees are better able to select the most cost-effective investments and enhance their partnership efforts in attracting leveraged funds and/or landlord contributions. This flexibility does not apply to any other type of MF unit. Questions on whether a building meets the criteria should be directed to the DOE PO.

The definition of “significant energy improvement” is based on specific criteria for the building in question. This must be assessed using existing conditions to determine the threshold to achieve significant energy improvements. Grantees should consult with their DOE PO if there are questions related to this threshold.

NOTE: Grantee and Subgrantee agencies should exercise caution when utilizing flexibility in this area. The key is the investment of DOE funds coupled with leveraged resources, which result in significant energy savings. Absent this investment, lowering the eligibility to 50% may lead to disallowed costs. Subgrantees who are uncertain on a given MF project should seek approval by the DOE PO through their State Weatherization Program Manager.

On May 5, 2016, DOE issued [WPN 16-5](#) Multifamily Weatherization and [WPN 16-6](#) Weatherization of Rental Units. Grantees should refer to those program notices for up-to-date guidance.

Deferral/Referral (V.1.2 Box 5)

While clients may meet the eligibility requirements, it is important for Grantees to have clear and concise directions for the Subgrantees when a building should be deferred because the building is not a good candidate for weatherization. Provide a copy of these requirements. Examples may include:

- Condition of the structure (building integrity/inability to practically or effectively weatherize).
- The area is slated to be redeveloped (highway development, economic development, flood area).
- Health and safety reasons for deferring services.
- Specifics on how clients are notified of deferral. DOE strongly encourages Grantees to have a comprehensive deferral/referral plan that covers all potential issues (health and safety, behavioral, safety, other items). DOE also encourages Grantees to provide guidance time limits in place before requalifying clients for the program becomes necessary.
- Template for tracking deferral/referrals.

DOE will develop a report on the current state of deferrals in WAP due to various types of deficiencies, to be completed mid-FY 2020. This year, DOE will also conduct an examination of the reasons homes are deferred and actions taken to address deficiencies.

V.1.3 Definition of Children

The definition of "children," chosen by the Grantee and consistent with [10 CFR 440.3](#), that the state has chosen shall be provided as required by [10 CFR 440.14\(c\)\(6\)\(xiii\)](#). The selection of age in the plan becomes the basis used for reporting. Grantees are reminded that there should be consistency with regard to age qualification.

V.1.4 Approach to Tribal Organizations

Applicants shall include a statement, in accordance with [10 CFR 440.16\(f\)](#), that low-income members of an Indian tribe will receive benefits equivalent to the assistance provided to other low-income persons within the state unless the applicant has made the recommendation provided in [10 CFR 440.12\(b\)\(5\)](#). In such a case, the applicant shall provide a recommendation that a tribal organization be treated as a local applicant eligible to submit an application pursuant to [10 CFR 440.13\(b\)](#).

V.2 Selection of Areas to be Served

Applicants shall provide, per [10 CFR 440.14\(c\)\(6\)\(ii\)](#), an explanation of the method used to select each area to be served by a weatherization project.

V.3 Priorities

Grantees shall clearly describe procedures for any priorities given to certain portions of the eligible population in receiving weatherization assistance. Specifically, as required by [10 CFR 440.16\(b\)](#), Grantees must define the criteria used by it and Subgrantees to prioritize clients for weatherization service. Grantees must develop criteria to ensure that the following applicant priority categories are addressed. Grantees have flexibility to determine how to prioritize these areas:

- High residential energy users,
- Households with a high-energy burden,
- Elderly persons,
- Persons with disabilities, and
- Families with children.

The categories listed are the **only** allowable priorities for the DOE WAP. Grantees are also expected to describe how applicants are drawn from a waiting list if they choose, given that all applicants are required to re-verify for the program annually and thus the applications are no older than one year. The first consideration must be by priority category. Grantees then may choose to use oldest application certification date for positioning applicants within the same allowable priority category. The timing of service to an applicant that is in a priority category may be set so services can be coordinated with another funding source.

Consideration of “high residential energy users” and “households with a high energy burden” (as defined in [10 CFR 440.3](#)) may be in combination with other priority categories of elderly, persons with disabilities, or families with children. The consideration of “high residential energy users” and “households with a high-energy burden” allows Grantees and Subgrantees to be better able to partner with utilities and other programs to leverage additional resources into their programs. If a Grantee elects to use either of these categories, these must be submitted in the QPR, including how they define high energy burden or high energy user (e.g., utility data, algorithm, etc.).

Housing type is not a recognized priority under the regulations and use of housing type as a priority may be contrary to the requirement for high residential energy users to be considered as a priority in evaluating service delivery ranking of eligible households. Grantees and Subgrantees may not discriminate due to the type of home where the low-income family lives. All other issues related to eligibility still apply.

V.4 Climatic Conditions

Per [10 CFR 440.14](#), applicants must describe the climatic conditions within the state, including a map or table showing the heating degree days and cooling degree days (if cooling measures are considered) in each area served by a weatherization project. Climate data in units other than heating and cooling degree days may be provided if desired. Sources of climate data are to be listed. A brief explanation shall be given of how climatic variances within the state affect the weatherization of eligible units (e.g., site-specific client files used in computerized energy audits).

V.5 Type of Weatherization Work to be Done

V.5.1 Technical Guides and Materials

All technical guides (for all single-family, mobile homes, and MF buildings, as applicable) and materials must meet the specifications, objectives and desired outcomes outlined in the Standard Work Specifications (SWS) for Home Energy Upgrades (refer to [WPN 15-4, Section 1](#), for additional details). These documents shall include field guides, and may include program updates, procedures manuals, standards documents, etc.

- Grantees will provide an electronic link to, an electronic copy of, or post an electronic copy in their PAGE Document Library of their current, DOE approved field guides and/or standards for single-family, mobile homes, and MF buildings, as applicable. The field guide approval date in PAGE is entered and maintained by the DOE PO.
- Grantees must provide DOE with documentation confirming that these materials have been received by all Subgrantee agencies and direct-hire contractors. Grantees are encouraged to provide an electronic link to, or electronic copy of, any other relevant program guidance materials that are provided to Subgrantees by the Grantee.

Provide a statement that all Subgrantee agreements and vendor contracts, will **contain language which clearly documents the SWS specifications for work quality outlined in [WPN 15-4, Section 2](#)**. Grantee must include a statement declaring all work is being performed in accordance to the DOE-approved energy audit procedures and [10 CFR 440 Appendix A](#). All materials that are approved for use that are not included in Appendix A must be listed in this section. **Grantees must provide language to be included in Subgrantee contracts that outlines the expectations for work quality and instructs the Subgrantee to include these expectations in any contracts entered into with contractors and vendors.**

- Grantees must ensure that all Weatherization activities not included in the list of Categorical Exclusion activities in Section 2.8 of WPN 20-1 require an [Environmental Questionnaire](#) (EQ)-1 submission for review (per NEPA requirements in [10 CFR Part 1021](#)).

V.5.2 Energy Audit Procedures

In accordance with [10 CFR 440.21\(i\)](#), all Grantees must resubmit their audit procedures (and priority list(s), if applicable) to DOE for approval every five years. If the Grantee audit procedures (and priority lists(s)) are not in compliance with this requirement, a corrective action plan must be submitted with this grant application. [WPN 19-4](#) requires that Grantees submit energy audit approval requests at least 6 months in advance of the expiration date. Grantees must allow time for the development/approval process and field training for updated procedures so the revised procedures are implemented prior to the five-year expiration date. At minimum, the Grantee must provide a statement in the Grantee Plan indicating commitment to comply with this requirement. DOE specifically requires energy audit procedures to be separately developed and approved for use on single-family dwelling housing type and manufactured home housing type. Detailed guidance is provided in [WPN 19-4](#), Revised Energy Audit Procedures and Other Audit Related Issues.

Single Family

The date of last approval for both the energy audit process and priority list(s), if applicable, including H&S protocols is maintained by the DOE PO. **If re-approval is required within this PY, Grantee should identify in the comment box what steps it is taking to obtain re-approval including milestones and a timeline, and the estimated date of submission.**

Manufactured Housing

The date of the last approval for both the audit tool and priority list(s), if applicable is maintained by the DOE PO. **If re-approval is within this PY, Grantee should identify in the comment box what steps it is taking to obtain re-approval including milestones and a timeline, and the estimated date of submission.**

Multifamily (MF)

Where MF dwelling units represent more than 20 percent of a Grantee's reported completed units, DOE requires the Grantee to submit MF audit procedures. The MF audit process approval date is maintained by the DOE PO. For Grantees that fall below the 20 percent threshold and do not have a DOE-approved audit and procedures for MF buildings, a Grantee must take two actions:

- Describe in the Grantee Plan the approach that will be taken to ensure that the eligible occupants of MF dwellings receive appropriate, cost-effective weatherization services.
- At the time a MF project is considered, the Grantee must submit to the DOE PO the necessary material to approve the MF project prior to commencing weatherizing the building (e.g., engineering assessment, audit input/output). The DOE PO will review and approve the project(s) on a case-by-case basis in the absence of a MF energy audit.

These approvals are categorized into two types of MF projects, Small MF (5-24 units, individually heated/cooled & ventilated) and Large MF (25+ units, or any central mechanical systems). If the Grantee does not have a MF protocol approved, please estimate in the comment box what percentage of the units the Grantee weatherizes are MF, describe what approach the Grantee will take to ensure this housing stock is served, and provide a statement to verify the Grantee understanding of process to be followed to have projects approved on a case-by-case basis.

V.5.3 Final Inspection

Grantees shall describe their procedures to ensure that no dwelling unit is reported to DOE as completed until all weatherization measures have been installed and the Subgrantee, or its authorized representative, has performed the final quality control inspection/technical monitoring. This includes any mechanical work performed and certified that the 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](#).

Grantees must ensure that all Subgrantee final inspections for completions are performed by certified QCI as outlined in [WPN 15-4](#) and as stated in the DOE approved written Grantee Quality Control Inspection Policy.

- Grantees will provide a copy of relevant policies and procedures that will govern the quality control inspection process in accordance with [WPN 15-4, Section 3](#) and outline disciplinary actions for inadequate inspection practices. This should include a description of how the inspector is related to the work being done on the home (i.e. did they also audit the home or are they an independent third-party?) as well as the percentage of homes that will be included in the Grantee monitoring process.
- Grantees will provide copies of the inspection forms that will be used by Grantee monitors to ensure that work is completed in accordance with the work quality requirements outlined in [WPN 15-4, Section 1](#).

V.6 Weatherization Analysis of Effectiveness

An analysis must be provided by the Grantee, per [10 CFR 440.14\(c\)\(6\)\(i\)](#), of the existence and effectiveness of any weatherization project being carried out by the Subgrantee(s). This analysis may include analyses that are done on an annual basis but may also include special analyses that are conducted based on current events. Describe Grantee plans for analysis of effectiveness activities during this PY and beyond. Examples of activities DOE is interested in include the following:

- How the effectiveness of Subgrantee weatherization is assessed?
- How the comparisons are used in the development of T&TA activities and priorities?
- How the training needs are being assessed?
- How the Grantee is incorporating monitoring feedback?
- What the Grantee is doing to be on a path of continuous improvement?
- How the Grantee is tracking Subgrantee performance reviews?
- If a Subgrantee has failed final inspections, how are things improving?
- If a Subgrantee has management findings or concerns cited as a result of Grantee monitoring or audit proceedings, how are things improving?
- What are the management mechanisms being put in place this year to affect improvement?
- Are there technical and financial systems that have been reviewed?
- What has the Grantee done in the area of market analysis to ensure particular measures are being costed accurately?

V.7 Health and Safety (H&S)

The [final rule](#), published March 4, 1993, revised the purpose and scope of the WAP to improve the health and safety of low-income persons served by the Program, especially those that are particularly vulnerable such as the elderly, persons with disabilities, and children. Health and safety appears in three sections of the regulations [10 CFR 440.16](#), [440.18](#) and [440.21](#). The Health and Safety Plan may be a separate attachment to the SF-424 in PAGE.

DOE highly recommends in developing the Plan, Grantees use the Health and Safety template located on the DOE Energy Efficiency and Renewable Energy (EERE) [website](#), which is updated periodically. It may be difficult to address all required elements in the H&S Plan without following the template. In addition to addressing all elements contained in [Weatherization Program Notice 17-7 Table of Issues](#), Grantees should make specific note of any items that are being removed (or conditionally removed) from the Health and Safety category and instead, meet the definition of Incidental Repair Measures (IRM) in [WPN 19-5](#) and will be charged as IRMs.

Grantee H&S Plan will also include any other Health and Safety related policies or procedures including:

- Intake procedures (e.g., capturing pre-existing occupant health conditions).
- Deferral policies due to Health and Safety reasons (e.g., client notification, list of measures, appeal process, how Grantee refers client to other sources).
- An expression of the H&S cost limit as a percent of the ACPU.
- Details on training plans for H&S issues including continued training on ASHRAE 62.2-2016.

V.8 Program Management

V.8.1 Overview and Organization

Applicants shall provide a brief description of the Grantee organization that operates the Weatherization Program. The description shall illustrate how weatherization activities are structured within the organization, the organization of the Weatherization office (program managers, monitors, admin, etc.), and show the relationship of the weatherization organization to other units of the state government (e.g., whether or not the agency operating the WAP is also responsible for the State Energy Program, LIHEAP, other housing programs, etc.).

If an Applicant intends to conduct a competitive process to select Subgrantees in the following PY, it must describe (1) the activities it intends to undertake during this PY to develop the competitive solicitation, (2) the criteria that will be used to determine whether or not a current Subgrantee is providing effective service; and, (3) a timeline for the competitive selection process. The Applicant shall provide a copy of any Request for Proposal or similar document to DOE for review prior to release.

If applicable, applicants may also reference in this section any manuals that are relevant to the Weatherization Assistance Program operations in this section.

V.8.2 Administrative Expenditure Limits

Under [10 CFR 440.18\(e\)](#) for administrative purposes -- no more than 5 percent of the new PY allocation may be used by the state, and not less than 5 percent must be made available to Subgrantees. However, a state may provide up to an additional 5 percent to Subgrantees receiving grants of less than \$350,000 of the new total PY allocation funds. In other words, a state may make available up to 10 percent to certain, qualified Subgrantees. In these special cases, a total of up to 15 percent of the grant would be allowable for administrative purposes. Should the state elect this option, applicants must describe the procedures used by the Grantee for approval to provide additional administrative funds to qualified Subgrantees as specified in [10 CFR 440.18\(d\)](#). Grantees must take care to only use the **new PY total allocation funds** in determining the administrative allowances, as any carryover funds have already had administrative costs allocated. For additional guidance on the administrative allowances, please refer to the Administrative Categories in section III.2.

V.8.3 Monitoring Activities

Grantees shall follow [WPN 16-4](#) in filling out the monitoring section. This section must be specific to the current PY monitoring activities.

- Indicate the staff dedicated to the monitoring effort and identify whether they are technical or administrative monitors. Include credentials of monitors (e.g., certifications).
- Grantees must indicate if these staff members are paid for out of the Grantee administration or T&TA budget category (if T&TA, include the percentage of funds directed toward this effort).
- Grantees must ensure that all Subgrantee final inspections, as well as Grantee technical monitoring, are performed by certified QCI as outlined in [WPN 15-4, Section 3](#) and as stated in the DOE Grantee Quality Control Inspection Policy.
- Grantees must ensure that weatherization activities, including but not limited to: energy audits, energy conservation measures, incidental repair measures and health and safety measures are only performed by properly trained Retrofit Installer/Technicians, Crew Leaders, and Energy Auditors that have received Comprehensive Training (not necessarily certification) that is aligned with DOE's Job Task Analysis (JTAs) for the position in which the weatherization worker is employed.
- **Grantees must describe and provide their monitoring schedule in detail indicating not only frequency of visits, but also a tentative schedule on when these visits may occur in the current PY.**
 - The plan for Grantee administrative/fiscal monitoring must include an annual monitoring of each Subgrantee, describe what the monitoring entails, the potential Subgrantee monitoring schedule, and a resolution strategy if issues are identified.
 - The plan for Grantee technical monitoring of each Subgrantee will indicate the frequency/number of units to be monitored, whether units in progress are monitored, the specifics of the monitoring activity (file review/in unit/etc.), and identify a resolution strategy if issues are identified and units have already been reported as completed.
 - Grantees must provide the procedures followed in addressing Subgrantee corrective actions and the process Grantees follow for the discipline and/or removal of a Subgrantee from the Program.

V.8.4 Training and Technical Assistance (T&TA)

Applicants shall indicate the methods used to provide T&TA to Subgrantees, and the methods employed to ensure quality of work and adequate financial management control at the Subgrantee level. While the overall approach to training, technical assistance, and monitoring may be constant, budgets and activities may change from year to year. For this reason, this section must contain a description of the activities to be undertaken during the PY with funds budgeted for training, technical assistance, and monitoring on SF-424A under either T&TA or Administrative cost categories.

T&TA Activities

T&TA activities are intended to maintain or increase the efficiency, quality and effectiveness of the Weatherization Program at all levels. DOE recommends taking advantage using the WAP T&TA Planning & Reporting template to assist in capturing all of the key information required for the T&TA plan and annual reporting. Such activities must be designed to maximize energy savings, minimize production costs, improve program management and crew/contractor “quality of work,” and/or reduce the potential for waste, fraud, abuse and mismanagement. The Subgrantees should be the primary recipients of T&TA activities, although Grantee requirements for monitoring, training support and providing assistance must also be maintained.

T&TA funds may also be used to train contractors at the Subgrantee level participating in the Program. In making the determination to pay for contractors’ training, Grantees and Subgrantees should secure a retention agreement in exchange for the training. The retention agreement should require that contractors will work in the Program for a specific amount of time that equates to the value of the costs associated with the T&TA provided.

Examples of contractor/agency retention agreements can be found on EERE’s website under [WPN 10-1](#) or can be obtained from the DOE PO by request.

In addition, DOE requires Grantees to identify their plans for their overall trainings (comprehensive & specific trainings as a percentage) as well as the planned breakdown of T&TA training budget across job types. Each section should add up to 100 percent.

V.8.4 Training and Technical Assistance Approach and Activities

[View the full text...](#)

Possible uses of TTA funds to comply with new requirements and to sustain best practice: Training will be provided in best practice associated with any of the following, especially when a deficiency is noted. Sometimes, this can be agency specific or could be statewide for all agencies: 1. Energy Efficiency (EE): Attic airsealing; attic insulation; wall insulation; floor/crawl airsealing and ins...

Percent of overall trainings ?

Comprehensive Trainings:

Specific Trainings:

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:

Percent of budget allocated to Crew/Installer trainings:

Percent of budget allocated to Management/Financial trainings:

Grantees must ensure that all training paid for with WAP T&TA funds meet the requirements of [WPN 15-4, Section 4](#): Training to Implement and Maintain Guidelines and Standards.

- Grantees must provide a training plan that provides an analysis of training needs within the Grantee’s program and a description of how the Grantee will ensure that all individuals trained with WAP funds will receive regular, comprehensive training in accordance with [WPN 15-4](#).
- In addition to trained and certified QCI, Grantees must ensure their respective PY 2020 Training Plans include a provision to provide Comprehensive training for all Retrofit Installer/Technicians, Crew Leaders, and Energy Auditors. Per WPN 15-4 and as clarified in [Memorandum 034](#), “Beginning in Program Year 2014, Grantee training plans must include routine, Comprehensive Training for all WAP workers that is aligned with DOE’s JTA for the position in which the worker is employed. The Grantee must determine what constitutes “regular” training, e.g., once every 3 years, every 5 years, or within a certain time after being hired into the network, for each job category.”
- Please note: this plan can span multiple program years and it is the Grantee’s decision as to which categories of workers will be trained and the frequency of that training.

Grantees must describe the proposed training plan and milestones necessary to ensure the training plan is on pace to be accomplished. At a minimum, the plan must also address the following elements:

- How does the Grantee training plan reflect feedback from DOE PO monitoring visits, internal state audits, Grantee field monitoring visits, QA review visits, IG reports, etc.;
- How is the Grantee maintaining workforce credentials; how are credentials tracked and how is training being planned and targeted to ensure maintenance of these credentials;
- What training the Grantee provides for Subgrantee staff, whether attendance is mandatory, and the ramifications for non-compliance;
- A statement that staff may not function unsupervised until training and certification requirements are met;
- How the Grantee plan reflects industry-wide initiatives and future program requirements (e.g., certifications, health and safety implementation, etc.);
- How the Grantees partner with the statewide home performance industry on training issues, if applicable;
- How the Grantee evaluates and compares the effectiveness and the energy savings achieved by its Subgrantees in comparable structures and how these comparisons are used in the development of T&TA activities and priorities;
- An assessment of the Grantee and the anticipated T&TA activities necessary to ensure Grantee effectiveness in administering and implementing the grant;
- What training activities are planned to execute the Grantee Health and Safety Plan; and,
- How the Grantee approaches client education.

V.9 Energy Crisis and Disaster Response Plan

Applicants are encouraged to include energy crisis and disaster plans that have been developed within their State. By including this in the Grantee Plan process, Grantees are able to free up resources and respond more quickly in the event of an energy crisis or disaster.

Grantee should review [WPN 12-7](#) to clearly understand that DOE does not waive regulations and the Grantee must demonstrate within this plan an understanding of the limitations and flexibilities available to the Grantee and Subgrantee network in the use of Weatherization resources. Grantee should also indicate how an energy crisis or natural disaster plan is triggered (e.g., federal declaration).

**ADMINISTRATIVE AND LEGAL REQUIREMENTS DOCUMENT
(ALRD)**



**U.S. Department of Energy
Office of Energy Efficiency and Renewable Energy**

Issue Date: December 2019

Weatherization Assistance Program (WAP)

Program Year (PY) 2020 Formula Grants

WAP-ALRD-2020

CFDA Number: 81.042 Weatherization Assistance for Low-Income Persons

WAP Program Year Ending

March 31, 2020

June 30, 2020

Application Due Date

February 10, 2020

May 1, 2020

The complete application package will be due no later than 12:00 noon Local Time of each Grantee on the due dates above, in accordance with each Grantee's PY. To ensure timely processing of awards, Grantees must submit complete Applications by the above deadlines.

REGISTRATION/SUBMISSION REQUIREMENTS

Registration Requirements: Allow at least 21 days to complete registrations.

If you have not registered, there are several one-time actions you must complete in order to receive an award under this ALRD:

1. Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number at <http://fedgov.dnb.com/webform>. Subawardees at all tiers must obtain DUNS numbers and provide the DUNS to the prime awardee before the subaward can be issued. For questions, email govt@dnb.com.
2. Register in the System for Award Management (SAM) at <https://sam.gov/>. Applicants who are not registered with SAM should allow several days to complete this requirement. It is suggested that the process be started as soon as possible. **Prime awardees must update their SAM registration annually.** Please ensure that the organizational name in SAM matches what is listed in the Annual File. Also, prime awardees and subrecipients must check the excluded parties listing for their subawards. For questions, call 866-606-8220 or 334-206-7828.
3. Register in FedConnect to receive and acknowledge your award at <https://www.fedconnect.net/>. See the Quick Start Guide at https://www.fedconnect.net/FedConnect/Marketing/Documents/FedConnect_Ready_Set_Go.pdf.

Acknowledgement of award documents by the Grantee's authorized representative through FedConnect, constitutes the Grantee's acceptance of the terms and conditions of the award and constitutes the Grantee's electronic signature.

For additional questions, email support@fedconnect.net or call 1-800-899-6665.

IMPORTANT: The electronically signed Assistance Agreement and attached award documents in FedConnect is the formal authorization and approval from the Contracting Officer (CO). Grantees may not rely on the Performance and Accountability for Grants in Energy (PAGE) as the formal authorization and approval. Award documents in the initial award and any modifications to the award must be reviewed and acknowledged by the Grantee in FedConnect.

4. Obtain an account for **PAGE** at <https://www.page.energy.gov/default.aspx> in order to submit your WAP application. For questions regarding PAGE, refer to the Help Menu in PAGE or contact the PAGE hotline at PAGE-Hotline@ee.doe.gov or 1-866-492-4546.

Table of Contents

<u>Number</u>	<u>Subject</u>	<u>Page</u>
	PART I AUTHORITY	4
	PART II AWARD INFORMATION	4
A.	TYPE OF AWARD INSTRUMENT	4
B.	ESTIMATED FUNDING	4
C.	PERIOD OF PERFORMANCE	4
	PART III ELIGIBILITY INFORMATION	5
A.	ELIGIBLE APPLICANTS	5
B.	COST MATCHING	5
	PART IV APPLICATION AND SUBMISSION INFORMATION	5
A.	CONTENT AND FORM OF APPLICATION	5
	PART V AWARD ADMINISTRATION INFORMATION	5
A.	AWARD DOCUMENTS	5
B.	FUNDING RESTRICTIONS	6
C.	REPORTING	6
D.	ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS	6
	PART VI QUESTIONS/AGENCY CONTACTS	7
A.	QUESTIONS	7
B.	AGENCY CONTACT	7
	PART VII OTHER INFORMATION	7
A.	INTERGOVERNMENTAL REVIEW	7
B.	GOVERNMENT RIGHT TO REJECT OR NEGOTIATE	8
C.	COMMITMENT OF PUBLIC FUNDS	8
D.	LOBBYING RESTRICTIONS	8
E.	MODIFICATIONS	8
F.	PROPRIETARY APPLICATION INFORMATION	8
G.	PROTECTED PERSONALLY IDENTIFIABLE INFORMATION	10
	PART VIII REFERENCE MATERIAL	11
A.	REFERENCE MATERIAL	11

PART I AUTHORITY

Title IV of the Energy Conservation and Production Act (EPCA), as amended, authorizes the U.S Department of Energy (DOE) to administer the Low-Income Weatherization Assistance Program (WAP). All grant awards made under this program shall comply with applicable laws and regulations, including but not limited to the regulations contained in [2 CFR 200](#) and [10 CFR 440](#) and other policies and procedures as DOE may, from time-to-time, prescribe for the administration of financial assistance.

PART II AWARD INFORMATION

A. TYPE OF AWARD INSTRUMENT

DOE will award grants for this funding.

B. ESTIMATED FUNDING

Availability of Funds: Funding for all awards and future budget periods is contingent upon the availability of funds appropriated by Congress for the purpose of this program and the availability of future-year budget authority.

The Grantee shall administer DOE funds received under the WAP in accordance with Federal rules and regulations and State policies and procedures. The Grantee is to manage Federal Funds in a prudent, effective and efficient manner to accomplish program objectives. Grantees shall take the necessary steps to ensure that funds are expended within the grant project period.

Funding Level: Please see WPN 20-1, Program Year 2020 Weatherization Grant Application

C. PERIOD OF PERFORMANCE

This is the fourth year of a project period that started in Fiscal Year (FY) 2017, originally comprised of three annual budget periods and now extended to a fourth, contingent on availability of funds.

PART III ELIGIBILITY INFORMATION

A. ELIGIBLE APPLICANTS

In accordance with [2 CFR 910.126 \(b\)](#) DOE Program Rule [10 CFR 440](#), Weatherization Assistance Program for Low-Income Persons, eligibility for awards are restricted to all fifty states, the District of Columbia, and the U.S. Territories. Indian Tribes and local applicants may apply if deemed to meet the requirements of [10 CFR 440.11](#) and [10 CFR 440.13](#) respectively by the Program Manager.

B. COST MATCHING

Cost matching is not required.

PART IV APPLICATION AND SUBMISSION INFORMATION

A. CONTENT AND FORM OF APPLICATION

The State Plan Application must be submitted online via the PAGE system at <https://www.page.energy.gov/default.aspx>. Please see the Application Instructions for more information. It is the responsibility of the Grantee to verify successful transmission. DOE reserves the right to request additional or clarifying information for any reason deemed necessary. Applications will be reviewed for consistency with the WAP program objectives. Please note that tables or spreadsheets shall be submitted as PDF attachments to the SF-424 Application and shall not be pasted within the Annual File, Master File, or Budget Comments in PAGE.

PART V AWARD ADMINISTRATION INFORMATION

A. AWARD DOCUMENTS

An Assistance Agreement issued by the CO is the authorizing award document. The Assistance Agreement normally includes, either as an attachment or by reference: (1) Special Terms and Conditions; (2) Program regulations [10 CFR 440](#); (3) Application as approved by DOE; (4) DOE assistance regulations at [2 CFR 200](#); (5) National Policy Assurances To Be Incorporated As Award Terms; (6) Annual File; (7) Master File; (8) Budget Information; (9) Federal Assistance Reporting Checklist, which identifies the Reporting Requirements, (10) Intellectual Property Provisions, (11) Health and Safety Plan, and (12) National Environmental Policy Act (NEPA) Determination.

B. FUNDING RESTRICTIONS

Cost Principles. Costs must be allowable, allocable and reasonable in accordance with the applicable Federal cost principles referenced in [2 CFR 200](#). The cost principles for commercial organizations are in Federal Acquisition Regulation (FAR) Part 31.

C. REPORTING

Reporting requirements are identified on the Federal Assistance Reporting Checklist, DOE F 4600.2, attached to the award agreement.

D. ADMINISTRATIVE AND NATIONAL POLICY REQUIREMENTS

1. Administrative Requirements

- The administrative requirements for DOE grant awards are contained in:
 - [2 CFR 200](#) and [10 CFR 440](#) (See: Electronic Code of Federal Regulations at www.ecfr.gov).
 - [2 CFR, Part 25](#) – Universal Identifier and Central Contractor Registration
 - [2 CFR, Part 170](#) – Reporting Subaward and Executive Compensation Information to comply with the Federal Funding and Transparency Act of 2006 (FFATA). Additional information regarding FFATA is found at <https://www.fsr.gov>.

2. National Policy Requirements

The National Policy Assurances To Be Incorporated As Award Terms are located at <http://energy.gov/management/office-management/operational-management/financial-assistance/financial-assistance-forms>.

Intellectual Property Provisions. The standard DOE financial assistance intellectual property provisions applicable to the various types of recipients are located at <http://energy.gov/gc/standard-intellectual-property-ip-provisions-financial-assistance-awards>.

3. Environmental Review in Accordance with National Environmental Policy Act (NEPA)

EERE's decision whether and how to distribute federal funds is subject to the National Environmental Policy Act (42 USC 4321, *et seq.*). NEPA requires Federal agencies to integrate environmental values into their decision-making processes by considering the potential environmental impacts of their proposed actions. Recipients should review the NEPA determination specific to PY 2020 in their award documents for the list of activities that have been categorically excluded from further NEPA review.

PART VI QUESTIONS/AGENCY CONTACTS

A. QUESTIONS

Questions and comments concerning this document shall be submitted not later than 10 calendar days prior to the application due date. Questions submitted after that date may not allow sufficient time to respond.

All questions regarding this announcement must be submitted to the contact identified below. Questions regarding the specific application submission must be submitted to the Project Officer for your Organization. For questions regarding DOE Project Officer Assignments, please contact Michael Peterson at the email address below.

B. AGENCY CONTACT

Name: Michael Peterson, DOE Project Officer
E-Mail: michael.peterson@ee.doe.gov

PART VII OTHER INFORMATION

A. INTERGOVERNMENTAL REVIEW

Program Subject to Executive Order 12372

This program is subject to [Executive Order 12372](#) (Intergovernmental Review of Federal Programs) and the regulations at [10 CFR Part 1005](#).

One of the objectives of the Executive Order is to foster an intergovernmental partnership and a strengthened federalism. The Executive Order relies on processes developed by State and local governments for coordination and review of proposed Federal financial assistance.

Applicants should contact the appropriate State Single Point of Contact (SPOC) to find out about, and to comply with, the State's process under [Executive Order 12372](#). The names and addresses of the SPOCs are listed on the website of the Office of Management and Budget at <https://www.whitehouse.gov/wp-content/uploads/2017/11/SPOC-Feb.-2018.pdf>.

B. GOVERNMENT RIGHT TO REJECT OR NEGOTIATE

DOE reserves the right, without qualification, to reject any or all applications received in response to this ALRD and to select any application, in whole or in part, as a basis for negotiation and/or award.

C. COMMITMENT OF PUBLIC FUNDS

The CO is the only individual who can make awards or commit the Government to the expenditure of public funds. A commitment by anyone other than the CO, either explicit or implied, is invalid.

D. LOBBYING RESTRICTIONS

By accepting funds under this award, you agree that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

E. MODIFICATIONS

Modifications to this ALRD will be processed and disseminated in the same manner as other Weatherization Program Notices (WPN).

F. PROPRIETARY APPLICATION INFORMATION

DOE will use data and other information contained in applications strictly for evaluation purposes. Applicants should not include confidential, proprietary, or privileged information in their applications unless such information is necessary to convey an understanding of the proposed project.

Applications containing confidential, proprietary, or privileged information must be marked as described below. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under the Freedom of Information Act or otherwise. The U.S. Government is not liable for the disclosure or use of unmarked information, and may use or disclose such information for any purpose.

The cover sheet of the application must be marked as follows and identify the specific pages containing confidential, proprietary, or privileged information:

Notice of Restriction on Disclosure and Use of Data:

Pages [list applicable pages] of this document may contain trade secrets or commercial or financial information that is privileged or confidential, and is exempt from public disclosure. Such information shall be used or disclosed only for evaluation purposes or in accordance with a financial assistance or loan agreement between the submitter and the Government. The Government may use or disclose any information that is not appropriately marked or otherwise restricted, regardless of source. [End of Notice]

The header and footer of every page that contains trade secrets or commercial or financial information that is privileged must be marked as follows: “May contain trade secrets or commercial or financial information that is privileged or confidential and exempt from public disclosure.”

In addition, each line or paragraph containing trade secrets or commercial or financial information that is privileged or confidential must be enclosed in brackets.

The above markings enable Energy Efficiency and Renewable Energy (EERE) to follow the provisions of [10 CFR 1004.11\(d\)](#) in the event a Freedom of Information Act (FOIA) request is received for information submitted with an application. Failure to comply with these marking requirements may result in the disclosure of the unmarked information under a FOIA request or otherwise. The U.S. Government is not liable for the disclosure or use of unmarked information and may use or disclose such information for any purpose.

Please be aware that all information provided to DOE (including confidential proprietary or confidential commercial information) is subject to public release under the FOIA. (5 U.S.C. § 552(a)(3)(A) (2006), amended by OPEN Government Act of 2007, Pub. L. No. 110175, 121 Stat. 2524). When a FOIA request covers information submitted to DOE by an applicant, and the cognizant DOE FOIA Officer cannot make an independent determination regarding public release of this information, the cognizant DOE FOIA Officer will contact the submitter and ask for comment regarding the redaction of information under one or more of the nine FOIA exemptions. The cognizant DOE FOIA Officer will make the final decision regarding FOIA redactions. Submitters are given a minimum of 7 days to provide redaction comments. If DOE disagrees with the submitter’s comment, DOE will notify the submitter of the intended public release no less than seven (7) days prior to the public disclosure of the information in question ([10 CFR Part 1004.11](#)).

G. PROTECTED PERSONALLY IDENTIFIABLE INFORMATION

In responding to this ALRD Applicants must ensure that Protected Personally Identifiable Information (PII) is not included. PII is defined by the Office of Management and Budget (OMB) and DOE as:

Any information about an individual maintained by an agency, including but not limited to, education, financial transactions, medical history, and criminal or employment history and information that can be used to distinguish or trace an individual's identity, such as their name, social security number, date and place of birth, mother's maiden name, biometric records, etc., including any other personal information that is linked or linkable to an individual.

This definition of PII can be further defined as: (1) Public PII and (2) Protected PII.

Public PII: PII found in public sources such as telephone books, public websites, business cards, university listing, etc. Public PII includes first and last name, address, work telephone number, email address, home telephone number, and general education credentials.

Listed below are examples of Protected PII that Applicants must not include.

- Social Security Numbers in any form
- Place of Birth associated with an individual
- Date of Birth associated with an individual
- Mother's maiden name associated with an individual
- Biometric record associated with an individual
- Fingerprint
- Iris scan
- DNA
- Medical history information associated with an individual
- Medical conditions, including history of disease
- Metric information, e.g. weight, height, blood pressure
- Criminal history associated with an individual
- Employment history and other employment information associated with an individual
- Ratings
- Disciplinary actions

- Performance elements and standards (or work expectations) are PII when they are so intertwined with performance appraisals that their disclosure would reveal an individual's performance appraisal
- Financial information associated with an individual
- Credit card numbers
- Bank account numbers
- Security clearance history or related information (not including actual clearances held)

PART VIII REFERENCE MATERIAL

A. REFERENCE MATERIAL

WPN 20-1, Program Year 2020 Weatherization Grant Application

Application Instructions (December 2019)