



# Weatherization Assistance Program Policy & Procedure Manual

Program Year 2022-2023



**Indiana Housing & Community Development Authority**

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## Section 1: Purpose & Scope

The purpose of the Weatherization Assistance Program (WAP) is to increase the energy efficiency of units owned or occupied by low-income persons or to provide such persons renewable energy systems or technologies, reduce their total residential expenditures, and improve their health and safety, especially low-income persons who are particularly vulnerable such as the elderly, persons with disabilities, families with children, high residential energy users, and households with high energy burden. [10 CFR 440.1](#).

## Section 2: Eligibility & Application

### 2.1 Income Eligibility and Documentation

The Weatherization sub-grantee staff or its subcontractor is obligated to review and determine WAP eligibility status for anyone requesting an application. No unit will be weatherized without documentation that the unit is eligible. [10 CFR 440.22](#). The local sub-grantees verify applicant's income during the application process.

The Weatherization sub-grantee's staff or its subcontractor are obligated to review and determine WAP eligibility status for anyone requesting an application. Clients may not be denied the right to submit a WAP application by the Weatherization sub-grantee or its subcontractors.

Per [10 CFR 440.22](#), a unit shall be eligible for Weatherization assistance if it is occupied by a family unit:

- Whose income is at or below 200% of the poverty level determined in accordance with criteria established by the Director of Office of Management and Budget. [Poverty Guidelines](#).
- Which contains a member who has received cash assistance payments during the twelve-month period under Title IV and Title XVI of the Social Security Act.
- Is eligible for assistance under the Low-Income Home Energy Assistance Act of 1981, provided that such basis 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.

At the beginning of each calendar year, newly approved poverty guidelines for the program year are issued. To be consistent with the Energy Assistance Program (EAP) intake, Weatherization and EAP will both update their income eligibility guidelines annually.

### Child Support, Foster Care, and Adoption Assistance

Child Support, Foster Care, and Adoption Assistance payments, whether received by the Payee or paid by the Payor, are not considered Sources of Income to be added to the Payee income or deducted from the Payor income for the purposes of determining applicant eligibility.

- Payee: Where an applicant receives Child Support from any state program or individual during an applicable tax year, such assistance is not considered income for the purposes of determining eligibility (i.e., where an applicant receives Child Support, he or she does not add that amount to his or her calculation of income for purposes of determining eligibility). This is in line with Indiana's EAP income guidelines.
- Payor: Where an applicant pays Child Support through a state program and/or to an individual, such assistance is not considered a deduction to Income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she may not deduct said assistance from his or her calculation of income for the purposes of determining eligibility). Indiana's EAP income guidelines are not consistent with this guidance. **Income will need to be re-calculated for clients with this scenario.**

Sub-grantee must clearly document which households receive payment for foster care and/or pay or receive child support. These notes and income recalculation documents must be included in the Weatherization client file. If minor errors are found in the EAP file, the Weatherization sub-grantee should notify the EAP Local Service Provider. Major errors or issues should be brought to the attention of IHADA. [WPN 21-3](#).

## Client Eligibility Documentation

IHCDA requires all sub-grantees ensure client eligibility during the period in which services are delivered. Clients which are deemed categorically eligible as a result of their LIHEAP eligibility will have their most recent application date transferred into their IWAP record. Sub-grantees must ensure services are delivered within one year of the most current application date or the client income must be reverified. Files of clients not categorically eligible through EAP must contain a copy of the application and income documentation. Guidelines for household income calculation are found in the most current version of the *Indiana Energy Assistance Program Operations Manual* at MyIHCDA's [EAP](#) or [WPN 21-3](#).

Households that are categorically eligible have several of the required items in their EAP file. A client's Energy Programs Application (EAP) must be active at the time the weatherization services are provided and at the time of QC inspection. Information, such as income verification, does not need to be duplicated. During monitoring, IHCDA or any contracted monitoring entity reserves the right to inspect the EAP client income verification to ensure client eligibility.

## Approach to Determining Eligibility

If Weatherization work cannot be completed before the application expires a new application is required to be completed. It is considered best practice in this case to complete work before the application expires. Recertification of eligibility must occur every 12 months. If a job is not completed, i.e. it has not passed QC inspection, and the application has expired, and the client is no longer income eligible, contact IHCDA.

## 2.2 Rental Eligibility

Indiana's policy for the weatherization of rental units complies with [10 CFR 440.16\(j\)](#), and all other pertinent regulations. Sub-grantees must have written permission from the building owner or his agent before commencing and are required to have and abide by their written policies detailing the terms of the landlord/tenant agreement and any landlord contribution policy the sub-grantee has adopted. **Landlord contribution is not required by IHCDA or DOE.**

Landlord agreement forms must be included in the files of all weatherized rental units. At a minimum, landlord agreements must state that:

- For a one-year period after the weatherization work on the unit is completed, rent cannot be increased, unless the increase is not related to weatherization services performed. [10 CFR 440.22\(b\)\(3\)\(ii\)](#)
- Landlord and/or other contributions shall be expended in accordance with the agreement between the landlord and the weatherization sub-grantee. [10 CFR 440.22\(d\)](#)
- Written permission of the landlord, or the landlord's agent, must be obtained prior to the weatherization of the unit

## 2.3 Building Eligibility and Documentation

Prior to any weatherization activity, a unit must be evaluated to determine whether previous weatherization services have been provided. Dwelling units weatherized (including dwelling units partially weatherized) with DOE funds, or under other Federal programs (including LIHEAP/ARPA) may not receive further financial assistance for weatherization utilizing DOE funds within 15 years of the completion of the previous weatherization. A home utilizing DOE funds may not be re-weatherized within 15 years of any federally funded weatherization services. [WAP Memorandum 075](#).

Dwelling units that have previously received weatherization may receive non-weatherization assistance and services under other Federal programs, or may receive weatherization assistance from non-Federal sources. For LIHEAP/ARPA funded weatherization, a unit may be re-weatherized five years after the end of the grant performance period utilized on the unit.

A building may be determined ineligible for weatherization if its structure would prohibit it from ever being weatherized. Any building that **could be** weatherized after health and safety or other repairs must **not** be considered ineligible. To be eligible for weatherization a building must provide complete independent

living facilities for one or more persons including permanent provisions for living, sleeping, eating, cooking and sanitation. If you cannot make a clear determination based on the information provided in this document, please refer to the *2020 Indiana Residential Code* and/or contact INCAA Wx training to assist you in your determination. Please include meaningful photographs of the structure and overall property when determination assistance is requested.

**Land Contracts:** If a land contract is in place, then it must be recorded with the assessor's office to be considered valid. If valid, then the land contract can be treated as if the client has a mortgage on the home. The client would be considered a homeowner.

In the following circumstances, **exceptions** to the required documentation policy will be permitted:

- **Shelters:** a unit or units whose principal purpose is to house on a **temporary** basis individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.
  - An application and eligibility determination is not required for shelters
  - Sub-grantees may weatherize shelters. For the purpose of determining how many units exist in a shelter, a grantee may count each 800 square feet of living space within the shelter as a unit or it may count each floor of the shelter as a unit.
  - An individual file must be kept for the shelter project. This file must contain:
    - Shelter's mission statement
    - Occupancy type
    - NEAT/MHEA/MulTEA form
    - All other applicable documents
  - For IWAP reporting purposes, each completion should be counted as "Data Unavailable" when reporting income categories and demographics. The box "Demographics Not Available" must be checked at the bottom of the IWAP application page.
  - IHEDA does not require prior approval to weatherize a shelter
- **Multi-Family Buildings:** In the weatherization of multi-unit buildings, DOE regulations require that 66% (50% for duplexes and four-unit buildings) of units in the building must be eligible households or will become eligible within 180 days. [10 CFR 440.22\(b\)](#)
  - For more information pertaining to weatherizing multi-family buildings refer to the Multi-family section.

## 2.4 Appeals Procedure

When a Weatherization sub-grantee determines that a household is ineligible, the sub-grantee, within 10 business days, must provide a written denial to the client detailing the reason(s) for the denial and advising them of their right to appeal the decision. Weatherization sub-grantees must retain in the client file a copy of the denial letter with the appeal procedure that was sent to the client.

**Pictures must be taken to document the conditions leading to deferral and must be placed in the client file.**

IHCDA strongly recommends that the **Applicant Notification Form** found in *Appendix R* be the basis of any form created by the Weatherization sub-grantee to notify weatherization clients of their denial of services.

Applicants may appeal a denial. Allowing a client to appeal a sub-grantee's decision is mandatory for the Weatherization Assistance Program. The appeals procedure must be communicated to households whose assistance has been denied. When the sub-grantee provides written notification of denial to an applicant, the notification must include the household's right to appeal that determination.

The “right to appeal” information provided to any denied household must contain the following two processes:

- **Local Review:** The client must send their written appeal to the local sub-grantees Weatherization Manager or Executive Director within 30 days of receipt of the denial. The sub-grantees Executive Director or Weatherization Manager determines the applicant’s eligibility on review within 10 business days of receipt of the applicant’s written appeal. All appeal documentation must be saved in the client file and IHCDAs Community Programs Manager - Weatherization must be notified of denied appeals. The final determination for the appeal must be sent to the client in writing by the sub-grantee’s Executive Director.
- **State Review:** If the client is not satisfied with the sub-grantee’s determination, they may request formal review by the State, but it must be submitted in writing. This request is made by submitting the appeal to IHCDAs Director of Community Programs. The sub-grantee may submit this appeal on behalf of the client or the client may submit it directly to IHCDAs. This request for formal review must be made within 30 days of receipt of the sub-grantee’s appeal determination. The appeal must include the stated reasons for the Client’s objection to the decision, reasons must be based solely upon evidence supporting one of the following circumstances:
  - Clear and substantial error or misstated facts which were relied on in making the decision being challenged/appealed
  - Unfair competition or conflict of interest in the decision-making process
  - An illegal, unethical or improper act; or
  - Other legal basis that may substantially alter the decision

The appeal must be made in writing and received by the Indiana Housing and Community Development Authority (IHCDAs) within 30 days of receipt of the sub-grantee’s final decision. The appeal is to be sent to the IHCDAs Director of Community Programs who will make the final determination. The client will receive written acknowledgement of receipt of the appeal by the Director of Community Programs within 5 business days, noting the day the appeal was received. All pertinent material from the case will be requested from the Weatherization sub-grantee by IHCDAs in order to make a determination. The applicant, as deemed appropriate, shall have the opportunity to review all documentation submitted to IHCDAs. The Director of Community Programs will have 30 days from IHCDAs receipt of the written request for appeal to review the file and make a determination. The decision of the Director of Community Programs is final.

This appeals policy also applies to clients who may be dissatisfied with the weatherization work after it occurs, within the one-year warranty period. The client must send their written appeal to the local sub-grantees Weatherization Manager or Executive Director within 30 days of receipt of the denial. The sub-grantee must then follow the right to appeal process detailed above.

## 2.5 Federal Program Regulations and Guidance

All Federal program regulations and guidance can be found at EERE’s [Weatherization Assistance Program](#). If Indiana has specifically issued Program Guidance, these notices can be found at MyIHCDAs [Weatherization](#).

## 2.6 Participation in National Studies or Utility Programs

Pursuant to [5 USC 552\(b\)\(6\)](#) of the Freedom of Information Act, sub-grantees eligible to participate in utility programs, or participate in a state or regional-level study, are required to keep confidential any specifically identifying information related to an individual’s eligibility application for WAP, or the individual’s participation in WAP, such as their name, address, social security number, birth date, income information, etc. IHCDAs and sub-grantees may release information about recipients in the aggregate and which does not identify specific individuals. For example, information on the number of recipients in a county, city or a zip code does not compromise the privacy of the recipients.

Prior to participating in utility programs or studies, sub-grantees must submit a written request to IHCDAs before providing data or entering into any third-party agreement.

## Section 3: Client Files

### 3.1 Weatherization Program Management

All weatherization work must follow the Department of Energy (DOE) rules and regulations unless exceptions are specifically stated in the policy manual, grant agreement and/or program guidance. To verify the Code of Federal Regulations, including but not limited to [10 CFR 440](#), see [eCFR](#). All DOE program guidance can be found at EERE's [Weatherization Program Notices and Memorandums](#). Several exceptions are listed in Section 6. Any deviation from DOE guidelines, the Indiana Weatherization Policy and Procedures Manual, or the SWS-aligned Indiana Weatherization Field Guide must have written approval from the Director of Community Programs prior to working on a unit. This approval only applies to the unit for which the request was made. A copy of the request and IHCD's approval must be printed and placed in the client file.

### 3.2 Required Forms

Client files must be kept to verify the work that has been completed and to track expenditures on each unit. Meaningful photographs must also be required in all client files. Sub-grantees are required to report completions and document all funding sources, including non-Federal funding, which were used on a unit. The documentation must detail the dollar amount of DOE and US Department of Health and Human Services (HHS) (LIHEAP/ARPA) grant funds spent on each unit per measure. The file must also contain the paperwork necessary to document that proper procedures were followed in the performance of the work. Some forms, such as the application, are required in all client records. Other documents, such as the rental agreement, will only be contained in the files **where applicable**. **Required forms that are given to the client should be documented and tracked by the sub-grantee.**

#### Required Forms

A detailed **Cover Page** that has been approved by IHCD's program monitor must be included in each client file.

A client's **Energy Assistance Program (EAP) application** must be active at the time weatherization services are provided and at the time of QC inspection. An application is considered active for a twelve-month period starting from the date of the initial approved application when the client income verification was completed. Before work is started, be sure the income verification on the application is within the allowable twelve-month period. If the version in the EAP database is the most current, no paper copy is required. If a client has an expired application in the EAP database and recently reapplied, a current paper copy is required in the client file. A paper copy may be requested by IHCD program monitors when reviewing client files. Sub-grantees must utilize the most recent or current approved application.

**Income documentation** verifying total household income for the 3 months prior to application should be available. If categorically eligible under EAP, income information does not need to be copied for the weatherization file. For the purposes of monitoring, EAP files must be made available. Sub-grantees must use a form or method of income calculation that is consistent with guidelines as written in the most current version of the *Indiana Low Income Energy Assistance Program Operations Manual* at MyIHCD's [EAP](#). Because files are subject to review, both by state and Federal agencies, it is imperative that case files accurately reflect the computation of household income.

The **Zero Income Affidavit** must be used to verify zero income for **each** household member, age 18 and over, who claim no income for the 3 months prior to the application date. In addition to a completed form, each zero-income claimant must have an attached **wage inquiry** or **income summary from the local Workforce Development Office**. This is no longer completed during the EAP application process but is a DOE requirement that must be completed by the Weatherization sub-grantee. *Appendix S – Zero Income Affidavit*. According to the U.S. Department of Energy [WPN 21-3](#) under Section D Proof of Eligibility #3 Self Certification, zero income claimants must have a **notarized** affidavit claiming zero income for Low Income Weatherization Assistance. IHCD requires a notarized Zero Income Claimant Form to be in each client's file who claims zero income. All sub-grantees must use this form for all WAP applications. The form must be notarized in compliance with [WPN 21-3](#). The form must be signed by the Zero Income

Claimant **or** the person who completes the application on behalf of the household. If the signatory is not the zero-income claimant, the person must be listed as a household member on the EAP application.

**Applicant Deferral Notification Letters** mailed to deferred weatherization clients must be included in each weatherization client file. The notification must detail the process described in the Appeals Process section of the manual. A deferral letter template can be found in *Appendix R - Applicant Deferral Notification Letter*. The letter must include the following:

- Sub-grantee contact names and address
- Reason(s) for deferral
- Next steps for the client and a specific timeline for action
- All additional client education, per [WPN 22-7](#). Also see Indiana's Health and Safety Plan
- Mold and Moisture form
- Meaningful photos of the deferred items.

**Landlord/Rental Agreement** detailing Weatherization sub-grantee's rental policy, including sub-grantee's requirement for any minimum landlord contributions. The form must be signed by the landlord, client, and sub-grantee personnel. Per [10 CFR 440.3](#), *Rental Dwelling Unit* means a dwelling unit occupied by a person who pays rent for the use of the dwelling unit.

**Measure Report:** A copy of the NEAT/MHEA/MuTEA measure report must be in the client file, including specifications on each task the workers will complete. IRMs must be justified by written and photograph documentation in the client file per [WPN 19-5](#).

**Work Order:** A copy of the detailed work order must be included in the file. It must align with the NEAT/MHEA/MuTEA measure report.

A work order cover sheet is required. The work order cover sheet can be found in *Appendix I - Work Order Cover Sheet - NEAT-MHEA Cover*.

Sub-grantees are required to perform NEAT/MHEA audits on 100% of all units within each grant cycle. NEAT/MHEA audits must be kept for 3 years. IHCD will work with INCAA to provide regularly updated fuel pricing to sub-grantees to ensure that accurate NEAT and MHEA audits are being performed, and costs are justified. These costs must be added to NEAT/MHEA/MuTEA libraries and implemented by **April 1, 2022**. Sub-grantees are required to provide copies of their NEAT/MHEA/MuTEA database upon request by IHCD or its representatives.

**Certificate of Insulation** must be posted in an appropriate location within the home [attic, near water heater, etc.] and a copy placed in the client file. This certificate must be signed by the Crew Leader.  
*Appendix T – Certificate of Insulation*

**Invoices for Work Completed** must be included in the client files. Invoices must include:

- A detailed breakdown by material and labor costs; each measure should be listed individually with labor and material costed separately and should be identified ECM, IRM, or health and safety, along with which funding source paid for each measure
- Date the work was performed
- Last and first names of the workers
- Signed by contractor or representative
- Client Name
- **On company letterhead**

**Quality Control Inspection Form** is required to meet the requirements of DOE's [WPN 22-4](#). For additional details see Section 4.2. **Quality Control Inspection Appendix X – QCI Final Inspection Form**

**Heating System Forms** must be completed by Energy Auditors, HVAC Professionals, and Quality Control Inspectors on every unit. Each section must be signed and dated by the appropriate personnel. The appropriate document should be utilized depending on heating system type.

**HVAC Load Calculation**, a Manual J, must be completed for every heating system replacement and must be in compliance with the SWS. **When heat pumps, mini-splits, or air conditioning systems are installed, a cooling load must also be completed.**

**New Gas Furnace Installation Inspection Form** is to be used only when a new gas heating system has been installed. It must be completed by the HVAC Professional and Interim/Quality Control Inspector. It must be signed and dated by the appropriate personnel. *Appendix G – New Gas Furnace Installation Inspection Form*

**Gas Cook Stove Form** must be completed and in the client file **only** when there is a gas stove in the unit. This must be completed by the Energy Auditor and Quality Control Inspector. It must also be completed by the HVAC Professional when any work on the gas cookstove is completed. *Appendix L – Gas Cook Stove Inspection Form – 2022.*

**Gas Appliance Inspection Form** must be completed at the initial inspection, at the interim inspection when necessary and the QC inspection when necessary. This form must be signed and dated by the appropriate professionals. See *Appendix M – Gas Appliance Inspection Form.*

**DSTO Form** must be completed by the **Crew Leader** at the end of each workday on a unit. *Appendix P – Daily Safety Test-Out Summary Sheet.*

**Client Consent Form** must be completed for *every unit entered*. The Client Consent must be thoroughly reviewed with the client prior to being signed by the client and a copy must be left with the client. *Appendix H – Client Consent Form – 2022.*

**Lead Paint Hazards Notification** requires weatherization clients receive the EPA booklet, “Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools.” This booklet can be found by going to the EPA’s [Renovate Right Brochure](#). It is mandatory that the client receives the EPA booklet and initials the Client Consent Form before weatherization work can commence on that unit, **and be received within 6 months of lead safe work beginning.** *Appendix H – Client Consent Form – 2022.*

**Photographs of Lead Safe Work Practices (LSWP)** set-up and work performance on all homes built prior to 1978 where verified lead-based paint will be disturbed are required. See Section 4.8.

**Lead Renovation Recordkeeping Checklist** is required. See EPA’s [Sample Checklist](#).

**Mold/Moisture Hazards Notification** requires that a weatherization client receive written notification of the potential health risks of mold and high moisture levels in the form of the EPA booklet, “Mold, Moisture, and Your Home.” This booklet can be obtained from EPA’s [Mold Guide](#). *Appendix H – Client Consent Form – 2022.*

**Indiana Moisture and Home Assessment** lists issues that exist in the home. This form must be signed by the Pre-audit Inspector, Crew Leader, and Quality Control Inspector. In cases of deferral, the form must be signed by the client and the Pre-audit Inspector and must be included with the deferral documentation in the client file. **Documentation of client signature or refusal of client signature is required.** A copy must be provided to the homeowner. *Appendix O – Moisture Assessment Form – 2022.*

**Fuel Switch Approval** documentation must be in the client’s file if applicable. A printout of the *approval email* from IHCD’s Director of Community Programs must be in the file. A fuel switch must be requested prior to the start of work. The request must be in compliance with the **Section 4.2** for each fuel switch completed.

**Radon Informed Consent Form** clients must sign an informed consent form prior to receiving weatherization services. This form must be kept in the client file. The work scope should include precautionary measures based on EPA Healthy Indoor Environment Protocols for Home Energy Upgrades, to reduce the possibility of making radon issues worse. Sub-grantees must provide a copy of EPA's [A Citizen's Guide to Radon](#) to all clients, and inform them of radon related risks.

**Occupant Health Screening Form** is required for every job per [WPN 22-7](#). The goal of the form is to ensure the health and safety of every client with regard to products used that could compromise the occupant's health and safety. This form shall be completed by the client at the first in-home meeting, whether that is during the Pre-Audit or Audit. *Appendix K – Occupant Health Screening Form.*

**A complete list of all agency staff and contractors** who have worked in the client's unit. This must include the full names of the auditor, crew members, contractor, contractor employees (both Shell and Mechanical), and include the dates each worker was in the unit. This information may be provided on the contractor invoice where appropriate.

**ASHRAE 62.2 Form** is required for all units. This form must be filled out by the Energy Auditor **and** Quality Control Inspector. The Energy Auditor **and** Quality Control Inspector must use the same 62.2 form. Forms may be found at INCAA's [website](#) or Residential Energy Dynamics' [Tools](#).

**Unvented Space Heater Form** is required in the client file for any unit containing an unvented space heater. *Appendix N – Unvented Space Heater Form.*

**Note:** If an employee of a sub-grantee is applying for assistance through the Weatherization program, a note must be included in the file indicating that the sub-grantee's Executive Director has reviewed and approved their application.

## Section 4: Service Provision

### 4.1 Client Priorities

All weatherization work must follow Department of Energy rules and regulations unless exceptions are specifically stated in the Policy and Procedures Manual, grant agreement and/or program guidance. Several exceptions are listed in Section 6. Any deviation from DOE guidelines, Indiana Policy and Procedures Manual or the Indiana Weatherization Field Guide SWS-Aligned Edition must have written approval from IHEDA prior to working on a unit. This approval only applies to the unit the request was made for and must be printed and placed in the client file.

Once eligibility has been determined, the sub-grantee must follow its client priority policy. Each sub-grantee will develop written procedures by which it assigns priority eligible households. The written procedure must be reviewed and approved by IHEDA and the approval will be verified during monitoring. In accordance with [10 CFR 440.16](#), priority must be given in identifying and providing weatherization assistance to households where one or more of the following exist:

- High energy usage
- High energy burden
- Elderly household member(s) (60 years or over)
- Disabled household member(s)
- Household member(s) under the age of 18

Households that do not meet at least one of the priority categories may only be served if all eligible priority households in the Service Provider's territory have been served. Within the above listed priority, sub-grantees may choose the order in which households are served. Priority systems must be applied equally to both renter and owner-occupied units and applied equitably to all areas of the sub-grantee's territory. As defined by the Department of Energy, DOE, in [10 CFR 440.3](#), Definitions, a household with a high energy burden means a low-income household whose residential energy burden (residential expenditures divided by the annual income of that household) exceeds the median level of energy burden for all low-income households in the State.

As defined by DOE's [WIP Energy Burden](#), the Low-Income Energy Burden (% of income) for Indiana, ranges from 8%-10%, therefore High Energy Burden can be defined as an Energy Burden more than 10%.

### 4.2 Overview of Weatherization Activities

Each unit that receives weatherization will have measures installed that are specific to the needs of the unit; however, the process by which those measures are determined is standard across the state as outlined within the DOE-approved NEAT/MHEA/MuTEA **software**. The following activities must be completed on every unit that is weatherized:

- An **initial audit** to determine which weatherization measures are most appropriate for the client's home. The initial audit also includes a health and safety evaluation.
- **Health and safety measures** must be completed to ensure the safety of the occupants and weatherization personnel working in the client's home. Detailed health and safety guidelines are found in Section 4.3 of this document.
- **Energy Conservation Measures (ECMs)** to increase the energy efficiency of the home and reduce the household's energy burden.
- **Client education** to provide the occupants with the information and tools they need to protect the weatherization materials installed and actively participate in saving energy in their units.
- An **interim inspection** is required on all units, except 100% electric without fireplaces. The purpose is to evaluate work performed on the mechanical systems to evaluate all health and safety issues that could be created or made worse by Weatherization measures. Interim inspections must be performed by an Energy Auditor, Quality Control Inspector, Retrofit Installer Mechanical, or HVAC Professional. IHEDA prohibits anyone inspecting their own work that results in payment from the sub-grantee.

- A **QC Inspection** to ensure that work was completed in a competent and professional manner with the standards set forth by DOE and IHCD.

### Previously Weatherized

Prior to any weatherization activity, a unit must be evaluated to determine whether previous weatherization services have been provided. A determination must be made if the building has been previously weatherized in order to be considered eligible. Find eligibility requirements in Section 2.3.

**DOE:** The following actions must be taken on each DOE unit prior to weatherization services to ensure that homes that have received weatherization services within **15 years** are not re-weatherized:

- **Each client's address must be checked in IWAP for previous weatherization within 15 years**
- Each client must be asked whether their home has been weatherized within 15 years
- A visual inspection of each home must be performed by an energy auditor to identify if previous weatherization measures have been performed

**LIHEAP/ARPA:** For units utilizing LIHEAP/ARPA funds, sub-grantees may provide weatherization services to a unit previously weatherized provided that it was at least **5 years** prior to the beginning of the current LIHEAP/ARPA program year. The following actions must be taken on each LIHEAP/ARPA unit prior to weatherization services to ensure that units that have received weatherization services within **5 years** are not reweatherized:

- Each client's address must be entered into IWAP to identify whether the client's unit has been previously weatherized and determine what the date is
- Each client must be asked whether their unit has been weatherized previously and when the weatherization took place
- A visual inspection of each unit must be performed by an auditor to identify whether previous weatherization measures have been performed.

If there are no documented, verbal, visual, or physical evidence of previous weatherization services, the sub-grantee may proceed with weatherization services on the unit. If any of the above actions indicate or suspect that weatherization services have previously been rendered in a unit, the sub-grantee must check with the local agency that has historically provided weatherization services in the area to inquire about any records pertaining to the address. "Rework" is different from a "re-weatherized unit". See Section 4.7.

### Initial Audits

Prior to any weatherization activities, each eligible unit must undergo a whole-home audit by a trained energy auditor (as defined in Section 7). Audits are conducted according to the DOE-approved NEAT/MHEA/MuTEA audit.

### Interim Inspections

An Interim Inspection is required on all units, except 100% electric without fireplaces. The purpose is to evaluate work performed on the mechanical systems to evaluate all health and safety issues that could be created or made worse by Weatherization measures. Interim inspections must be performed by an Energy Auditor, Quality Control Inspector, Retrofit Installer Mechanical, or HVAC Professional. IHCD prohibits anyone inspecting their own work that results in payment from the sub-grantee. Interim inspector must complete, sign, and date the appropriate form(s). Additionally, the interim inspector must include applicable notes and notate if the inspection passes or fails. If work cannot be inspected within 45 days of invoice, an interim inspection must be performed to verify that the heating work is done correctly ensuring payment can meet per the required 45-day deadline.

### Quality Control Inspections

All units are required to receive a quality control inspection by a BPI Quality Control Inspector, as outlined in the Section 7 and [WPN 22-4](#). All quality control inspections must be performed in accordance with [10 CFR 440.16\(g\)](#) and [WAP Memorandum 010](#). The minimum requirements are:

- All applicable forms signed by QC inspector (with name printed also).
- Date the QC inspection was completed

- Sign off by the QC inspector verifying the scope of work and it is in the file.
- Identify corrections necessary (and full cycle of verification).
- Review/verify all appropriate measures were on work order
- Identify/verify documentation and justification for any measures not installed are in the file
- Diagnostics at Inspection
- Sign off by the QC inspector verifying bid(s) against invoices; audit cost inputs against invoice actuals and make note of any areas where there is deviation from bid/audit input
- Client Signature – sign off the work was accomplished
- All materials have been properly installed

If a unit cannot be entered for QC inspection, the client file must contain documentation clearly stating the reason the QC inspection could not be completed. A Provisional Closeout may be approved by IHCDA. In order to receive a Provisional Closeout, the following must be documented in the client file:

- Three verifiable attempts must be made to schedule a QC inspection (one attempt must be a certified letter). Certified Letter to client should include:
  - Documentation of missed scheduled appointments by the client and/or the client refusal to allow entry to complete final work or perform an inspection.
  - Language stating that the client will have a minimum of seven working days to contact the sub-grantee to allow re-entry to complete work and/or the QC Inspection
  - Consequence of not responding within the 7-day period: all warranty and liability associated with materials installed and work performed will be forfeited whereas the client releases the State of Indiana, the Indiana Housing and Community Development Authority, and the Weatherization Administrator its agents and employees from any and all liability for losses, damages, costs, personal injury, death, or other claims because of or in relation to the installation, location, or malfunction of measures performed
  - Client's right to appeal the consequence in writing to IHCDA within ten (10) business days of receipt of letter. A letter or email must be sent to IHCDA, attention of the Director of Community Programs, 30 South Meridian Street, Suite 900, Indianapolis IN, 46204
- The request should detail the specific circumstances related to the issue and why access to the unit has been denied or is unavailable
- All appropriate documentation, including communication with the client, should be included with the request

Units approved for a Provisional Closeout will not be allowed to be counted as a completion. However, costs can be spread across grant completions and claimed to IHCDA. IHCDA will respond in writing to approve or deny the request for a Provisional Closeout or to request additional information. Until the written approval from IHCDA is received, final claims cannot be submitted for the unit.

### **Client Refusal to Sign**

Units that have had a QCI conducted but the client refuses to sign off on the work, the unit can be counted as a completion upon approval by IHCDA. In order for IHCDA to consider the unit a completion, sub-grantees must send the entire client file with personal identifying information (PII) redacted and a detailed explanation regarding client refusal to sign to [jwx@ihcda.in.gov](mailto:jwx@ihcda.in.gov). It is recommended that Weatherization sub-grantees, whenever possible, complete the QC inspection process on the last day that contractors or crews will be in the unit, as this eliminates the need to gain access to the unit after services have been rendered.

### **Failed Quality Control Inspection**

If a QC Inspector and a sub-grantee cannot come to a mutual agreement regarding a failed QC inspection, a neutral third party QCI must be utilized to make the determination. A neutral third party QCI cannot be an employee of the sub-grantee. The QCI could be from another subgrantee or subcontractor.

### **Client Education**

Providing client education is mandatory. The client education must include but is not limited to the education required in [WPN 22-7](#) and IHCDA's State Plan for health and safety. Additionally, education

about energy use and energy conservation must be shared with each household throughout the weatherization process. Materials can be found at [Intelligent Weatherization](#), [NASCS](#), and [EPA](#).

### Fuel Switching

DOE allows the changing or converting of a furnace/appliance (water heater) using one fuel source to another on a limited, case-by-case basis only." [WPN 19-4](#). Sub-grantees interested or needing to perform a fuel switch for furnaces or water heaters must request permission from IHCD's Community Programs Weatherization Team Lead. Each request must be submitted via e-mail and contain thorough documentation explaining why the fuel switch is deemed necessary. The fuel switch and subsequent work on the home cannot take place until written approval is issued by IHCD. IHCD's response must be placed in the client file for future reference, whether the request was approved or not. **IHCD will not assess the request for fuel switching without the following information:**

- The reason(s) the fuel switch is needed
- The current fuel source
- The new or different fuel source
- CAZ testing results
- Draft testing results where applicable and digital photographs where possible
  - **NEAT/MHEA/MuTEA run**

**When utilizing DOE funding on the project the sub-grantees must follow normal audit procedures, which includes proving the unit will not call as an ECM (refer to NEAT/MHEA manual for details).** The requirements outlined above apply to both DOE and LIHEAP/ARPA funded Weatherization homes. All fuel switches require approval from DOE and IHCD.

### 4.3 Health & Safety

It is imperative to ensure that weatherization activities do not cause or exacerbate health and safety problems for workers and clients. The DOE-approved health and safety measures are undertaken to ensure that the pending weatherization work does not create dangerous living conditions for the client or Weatherization workers. Health and safety activities are remedied before, or because of, the installation of weatherization materials and must occur within reasonable cost boundaries that get the home to a condition where weatherization work can move forward or be completed. See *Indiana Weatherization Field Guide*, *Indiana Weatherization Health & Safety State Plan*, *SWS*, [WPN 22-7](#), [10 CFR 440](#). When Weatherization work is performed in a home where children, under the age of 18, are present, a responsible adult must be present at all times. This policy is for the safety of the clients and Weatherization professionals.

### 4.4 Deferral Standards

Although a client may meet eligibility requirements for weatherization, the sub-grantee may defer the unit for weatherization services as a result of the home not being suitable for weatherization services. A deferral may occur due to problems that are beyond the scope of weatherization such as condition of the structure, area is slated for redevelopment or health and safety reasons. Deferrals can take place during any phase of the weatherization process. This includes, but is not limited to the following:

- Pre-audit inspection
- During the energy audit
- During HVAC work
- During SHELL work
- During the quality control inspection
- Any other time during the course of Weatherization

A pre-audit inspector, energy auditor, HVAC professional, Crew Leader, Quality Control Inspector have the authority to recommend deferral to the Program Manager. All deferral initiations must be reported to the Program Manager. Any time a home visit is conducted that results in a deferral, a formal written deferral letter, as described below, must be submitted to the client. All Weatherization work must be

postponed until the deferral issues have been remedied by the client and/or by an alternate funding source. Below is a non-comprehensive list of possible justification for deferral:

- Client refuses a Health and Safety Measure
- Client refuses a Major Measure, as described in Attachment 8 of [WPN 19-4](#) Client or client family/friends in the home are uncooperative, abusive, threatening, engaged in illegal activities
- Signs of illegal activities in the home, i.e., hypodermic needles, drug paraphernalia, unsecured firearms and/or weapons, etc.
- Moisture issues
- Raw sewage or other sanitary issues
- Pests, insects, vermin, and/or rodents
- Unit is for sale, foreclosed, and/or owner will not be residing in the home throughout the weatherization process
- Applicant is deceased
- Lead based paint conditions that could endanger the health of the occupants or workers
- Unit has been condemned
- Unit has structures issues that could endanger the occupants or workers
- Unit is under construction or being remodeled
- Application parameters do not reflect current household
- All other conditions that could endanger or compromise the well-being of the occupants and/or Weatherization professionals

At any point when a unit is deferred, the client must be provided with written notification of the deferral. The written notice must be in compliance with [WPN 22-7](#) and IHCD State Plan. A copy of the written notification of deferral to the client must be placed in the client file. The client must also be given a copy of the signed and dated Moisture Assessment form. A copy of this form must also be in the client file. For each deferral issue within the home, there must be a meaningful corresponding photograph of the issue(s) in the client file. The deferral notification to the client must include the instructions for pursuing an appeal to the deferral. This appeal must follow established protocol outlined in the Appeals Procedure section of this manual. The deferral notification must be sent to the client in writing and must include the following:

- A signed Moisture and Home Assessment Form
- Reason(s) for deferral
- Actions and timeline required by client to receive Weatherization services
- Appeal process

When a deferral occurs once the weatherization process has commenced, all work is required to be completed and pass a QC inspection by a QCI within 12 months of the application date in order to be counted as a completion. If this is not possible, the sub-grantee must submit the following documentation to IHCD with the following information for a Provisional Closeout, which may be approved by IHCD, but will not count as a completion:

- Meaningful photographs of the cause(s) for deferral
- Moisture Assessment Form
- Documentation of client education as required per [WPN 22-7](#)
- Client Health Screening, when applicable
- Concise timeline beginning with approved application date, date of pre-audit (when applicable) date of audit, date of HVAC, date of SHELL, date all deferrals
- Justification stating the reason work could not be completed in a timely manner
- All other documentation as requested by IHCD

The cost associated with deferred units are an allowable charge under Base Program Operations. Sub-grantees must document on the deferred invoice that the charge was for a deferred home and it not attributed to any particular completion. All costs must be reported in IWAP.

All agencies will pursue alternative funding resources to reduce the occurrence of deferral. Agencies should establish lines of communication with other funding sources so that referrals can occur in an efficient manner. The following is a list of potential funding sources to help remedy situations in a home:

- U.S. Department of Housing and Urban Development (HUD) - HOME Program
- HUD - Community Development Block Grant
- U.S. Department of Health and Human Services - Community Services Block Grant
- U.S. Department of Agriculture - Rural Economic Community Development
- State-funded housing and rehabilitation programs
- Low-income program funds provided by local utilities
- City-funded housing and rehabilitation programs
- Donations or financial participation from landlords
- Donations from local churches or community groups
- State Deferral funds as outlined in Section 10

#### 4.5 Rental Procedures

The benefits of weatherization to occupants of rental units are the same as homeowners per [10 CFR 440.22\(b\)\(3\)](#). As defined by [10 CFR 440.3](#), a rental unit is a unit occupied by a person who pays rent for the use of the unit. Sub-grantees must have the following policy and procedures in place before proceeding with weatherization of a rental unit:

- Written permission from the building owner or his/her legal managing agent before commencing
- Benefits of the services accrue primarily to the low-income tenants residing in such units
- For 12 months after completion, a landlord must agree the household will not be subject to a rent increase due to weatherization
- No undue or excessive enhancements shall occur to the value of the unit
- A landlord agreement/affidavit as required by the sub-grantee
- Documentation supporting monthly rental amount, such as being included in the Landlord agreement, a recent cancelled check made payable to the landlord or the amount included on the landlord affidavit

Sub-grantees are required to have and abide by their written policies detailing the terms of the landlord/tenant agreement and any landlord contribution policy the sub-grantee has adopted.

Landlords may be required to contribute financially toward the cost of completing a unit, and/or to complete specific work on the unit. In cases where the landlord meets the definition of low income and is eligible for services, the sub-grantee cannot require financial participation on the part of the landlord. Sub-grantees will ensure that clients realize the benefits from the weatherization work. Sub-grantees may also include in their landlord policy a provision that does not require a landlord contribution if the landlord is a 501(c)3 non-profit organization. Landlord agreement forms must be included in the files of all weatherized rental units. At a minimum, landlord agreements must state that:

- For a one-year period after weatherization work on the unit is completed, rent cannot be increased, unless the increase is not related to weatherization services performed, as noted in [10 CFR 440.22\(b\)\(3\)\(ii\)](#)
- Landlord and/or other contributions shall be expended in accordance with the agreement between the landlord and the weatherization sub-grantee, as noted in [10 CFR 440.22\(d\)](#)
- Written permission from the owner, or his/her legal agent

Landlord contributions are not to be counted as program income and must be applied to the weatherized unit. Agencies that require landlord contributions must use a net system when charging weatherization. As an example, if the cost of the work is \$4,000.00, and the landlord contributes 50%, or \$2,000.00, weatherization may be charged for only the remaining \$2,000.00.

Sub-grantees are required to develop a written appeals process for dealing with rental units. The process must include a method by which tenants may file complaints and owners in response to such complaints, must demonstrate that the rent increase concerned is related to matters other than the weatherization work.

The primary purpose of the weatherization program is to lower the total residential energy expenditures of low-income persons. Sub-grantees are to ensure that no undue enhancement shall occur to increase the value of the units, as noted in [10 CFR 440.22\(b\)\(3\)\(iv\)](#). Undue enhancement is defined by DOE as any improvement to the property that goes beyond the scope of energy conservation work.

Sub-grantees are not required to place liens on rental property that has been weatherized but must ensure protection of the low-income household from improper eviction or sale of property. Sub-grantees must be aware of the legal protection available and be prepared to make appropriate referrals when necessary.

#### 4.6 Refrigerator/DSM Programs

Refrigerators are **only** allowed to be replaced using LIHEAP/ARPA Capital Intensive and DOE Base funds. The replacement refrigerator must be cost justified with NEAT/MHEA/MuTEA as an ECM measure.

The following must be recorded in the client's file:

- Photo of original refrigerator, data plate, and cubic feet storage volume
- Photo of new refrigerator, data plates, and cubic feet storage volume
- Photo of the meter reading or document the use of the [Refrigerator and Freezer Database](#)

The following standards must be met:

- Cubic feet volume may not be increased
- Features may not be upgraded
- Must fit existing space of old refrigerator
- No replacement of freezer units only
- Must be Energy Star
- Must have SIR of 1 or greater
- Must be run through NEAT/MHEA/MuTEA
- Can be a downgrade in cubic feet volume size if client agrees to such. (The estimated average cubic feet volume needed per person is 4-6 cf, so a four-person family would typically need 16-24 cf refrigerator)
- Must be disposed of in compliance with EPA standards

#### 4.7 Rework Policy

Sub-grantees may not charge the WAP for additional work on homes that have already been reported to DOE as completed, weatherized units. Once a home is reported to DOE as complete, the required Quality Control Inspection indicates that all applicable work performed was done so in a workmanlike manner, including all work that may have been contracted. Performing activities such as routine maintenance, repairs, or warranty-type work is not permitted using DOE funds.

Indiana will perform real time monitoring to assist sub-grantees with compliance with the DOE guidance. Any units completed and reported as a completion in IWAP will require special approval by IHCD for additional work being undertaken. Special approval will only be granted by IHCD staff as a direct response to a real time monitoring finding and based specifically on the issues at hand. If a unit has special approval, the record will be unlocked to add rework invoices.

The IWAP system utilizes a "closeout" requirement for a completion to count in IWAP and to be reported to DOE. If this closeout is not completed, IWAP will automatically lock records that are 45 days or older to prevent reworks from being charged to the units.

If sub-grantees undertake measures which could fail shortly after repair or cleaning (i.e. bath fan, furnace blower, range hood, etc.), subsequent failures must be addressed by the sub-grantee either through a release of liability for those types of issues, or through non-DOE/Federal funding.

All warranties must be in compliance with the SWS/DOE requirements. Sub-grantees must ensure occupants are aware of the warranty and maintenance agreement options from the manufacturer.

Any defects caused by improperly performed Weatherization measures found within the warranty period shall be remedied without charge and within a reasonable period. If there are questions or disagreements regarding whether a defect was caused by improperly performed Weatherization measures, the sub-grantee is advised to request assistance from a neutral third party which could include a third party QCI who did not perform the quality inspection, IHEDA State staff, contracted monitors, or INCAA staff.

Any defects found outside the warranty period are the sole responsibility of the client. Warranties do not extend to measures that a client has altered after the final Quality Control Inspection. If a Provisional Closeout has been given, no warranty can be issued or guaranteed.

This warranty should not be considered to cover equipment failure caused by failure to perform normal maintenance, abuse or external causes beyond the control of the sub-grantee or their contractors.

#### 4.8 Lead-Safe Work Practices

The EPA is the governmental agency which regulates lead. The Department of Energy guidelines adhere to the EPA Lead Renovation, Repair, and Painting Program. This program mandates the following, but is not limited to:

- Sub-grantees staff and contractors must follow EPA Lead: Renovations, Repair and Painting Program (RRP) when working in pre-1978 housing unless testing confirms the work area to be lead free
- Deferral is required when the extent and condition of lead-based paint in the unit would potentially create further H&S hazards
- Only those costs directly associated with the testing and lead safe practices for surfaces directly disturbed during weatherization activities are allowable
- Documentation in the client file must include:
  - Certified Renovator certifications
  - EPA firm certification
  - OTJ training for employees who are not the CR
  - Lead testing report completed by Lead Risk Assessor or Lead Inspector
  - Client signed document verifying receipt of the EPA Renovate Right within 60 days of the start of the work
  - EPA compliant record keeping checklist
  - Photographs of lead safe work practices must include all tasks required on the Sample Renovations Recordkeeping Checklist
- Testing to determine the presence of lead in paint that will be disturbed by WAP measure installation is allowed with EPA-approved testing methods
- Jobsite set-up and cleaning verification by a Certified Renovator is required
- All employees and contractors working on pre-1978 homes must receive training to install measures in a lead-safe manner in accordance with the EPA and [WPN 22-7](#) protocols and installation must be overseen by an EPA Certified Renovator

IHEDA monitoring will verify sub-grantees are utilizing proper lead safe protocols; will verify credentials for Lead Risk Assessors, Lead Inspectors, and RRP Certified Lead Renovators; and will verify each sub-grantee and subcontractor maintain the EPA Lead Safe Certified Firm status, and verify X-Ray Fluorescence Spectrometer (XRF) analyzer for resourcing and leak testing.

#### Testing for Lead,

All units built pre-1978 are required to be tested for the presence of lead prior to any work commencing, including work completed with deferral funds. Each sub-grantee has at least one XRF analyzer. Resourcing or purchasing an XRF is not an allowable DOE funded cost. The cost of purchasing a new XRF or Resourcing an existing XRF in which the cost exceeds \$5,000.00 requires written permission from IHEDA prior to the expenditure. In the event the sub-grantee XRF is out of commission, contact INCAA

for coordination of a temporary loaner XRF. Each sub-grantee must have at least one staff member who is a licensed Lead Risk Assessor and/or who is a licensed Lead Inspector.

It is required the Lead Risk Assessor and/or Lead Inspector prepare a compliant report and that a copy of this report be placed in the client file. In the event a contractor is completing work in this home, the contractor must also be forwarded a copy of the Lead Inspector and/or Lead Risk Assessor report. In the event that weatherization professionals are working in the unit and they are required to disturb an area of the unit which has not been tested by the Lead Risk Assessor and/or Lead Inspector, a RRP Certified Lead Renovator may utilize an EPA approved lead test kit to determine if lead is present in the area to be disturbed. See EPA's [Lead Test Kits](#). All Lead Inspectors, Lead Risk Assessors, and RRP Certified Lead Renovators must follow all regulations, guidelines, and laws set forth for their particular certification. At a minimum, IHCDCA requires the following information for a lead risk assessor/lead inspector report:

- **Year the unit was built**
- Lead Risk Assessor or Inspector license number and expiration date
- Property address
- Name of Lead Risk Assessor or Inspector
- The instrument used for lead testing
- Serial number of the instrument
- Description of areas tested
- XRF report (**must include calibrations**)

In addition to DOE, EPA, and SWS requirements, IHCDCA has established additional protocol which include safety with regard to the EPA's *de minimus* level of interior and exterior surfaces; and also, IHCDCA no longer allows sub-grantees to *assume* the presence of lead-based paint. IHCDCA addresses *de minimus* surface area through the "We Care About Lead" policy. The purpose of this policy is to ensure the utmost safety of weatherization professionals and occupants of Indiana Weatherization households.

The safety protocol for the IHCDCA "We Care About Lead" policy is as follows:

- Conduct set up to prevent lead dust from contaminating the work area
- Wet/moisten the surface area being disturbed
- Limit access to the area where paint is being disturbed
- Ensure that all appropriate personal protective equipment is utilized
- Conduct necessary work
- Ensure proper disposal of trash and material is removed from the job site
- Provide photo of proof of using wet methods and appropriate set up.

All sub-grantees and contracted weatherization subcontractors performing work in units built prior to 1978 are required, but not limited to the following:

- Obtain and maintain Lead Safe Certified Firm status through the EPA. This must be renewed every five years. Sub-grantees may check their status through EPA's [Lead Renovation/ Abatement Firm Certification Application or Update](#). All certifications will be verified during the annual monitoring process.
- An EPA approved Certified Renovator (RRP) must present during lead safe set up, must be readily available via in person, via telephone, or via email throughout the duration of the project; and be present at the completion of the project.
- The EPA RRP Certified Renovator must provide a completed Renovator Checklist to the sub-grantee Weatherization Program Manager or the manager's designee
- Provide meaningful photographs documenting all points of EPA leaded requirements
- Follow all requirements set forth by the EPA and all other Authority Having Jurisdiction (AHJ)
- Obtain confirmation of receipt (*Appendix H - Client Consent Form – 2022*) of the EPA-Renovate Right lead pamphlet from the owner, adult representative, or occupants (as applicable), or a certificate of mailing from the United State Postal Service (USPS) for all units built prior to 1978
- Ensure documentation that the required EPA education and documents have been provided to unit owner and applicable occupants
- Adhere to IHCDCA "We Care About Lead" policy
- Attend the Lead Safe Weatherization course held at INCAA

- Must use an EPA approved lead test or an XRF lead paint analyzer.
- Only devices with a posted PCS may be used for lead paint inspections. If you use an XRF without a current PCS or do not follow the requirements of the PCS, the work will be considered invalid and the work will have to be re-done. To obtain the appropriate XRF Performance Characteristic Sheet, contact the National Lead Information Center Clearinghouse (1-800-424-LEAD)
- Ensure the program recordkeeping requirements are met, including retaining the following for a minimum of 3 years:
  - Lead Risk Assessor or Lead Inspector report certifying lead-based paint is or is not present
  - Records confirming distribution of EPA's lead hazard information pamphlet "[Renovate Right](#)" before starting renovation work for sample document
  - Documentation of compliance with the requirements of the EPA when there is disturbance of lead paint at the unit. See EPA's [Sample Checklist](#).

Sub-grantee staff and contractors working in weatherization units are trained on how to adhere to safe work practices ensuring adherence to the following, but not limited to, EPA, OSHA, [29 CFR 1910](#) and [29 CFR 1926](#). Sub-grantee must ensure weatherization staff are provided with and trained on the use of appropriate Personal Protective Equipment (PPE) per appropriate OSHA and CFRs regulations/laws as applicable. Sub-grantees performing weatherization services are encouraged to obtain Pollution Occurrence Insurance. **The policy cannot exclude lead if DOE funds are used to purchase the policy. 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.**

Sub-grantees are required to ensure new weatherization employees are trained on lead safe work practices and provided with proper PPE, at minimum, within the first 3 months of employment to protect employees from the hazards of lead during weatherization work. Sub-grantee weatherization professionals may not engage in lead renovation activities until they receive proper training and PPE. It is highly recommended that all Program Managers and Executive Directors attend training related to lead and applicable PPE to ensure a minimum level of liability compliance understanding for the sub-grantee.

### **Renovator Certification**

To become a certified renovator an individual must successfully complete an eight-hour initial renovator training course offered by an accredited training provider (training providers are accredited by EPA; or by an authorized state or tribal program). The course completion certificate serves as proof of certification. A refresher training for recertification is required every 5 years. Each sub-grantee is required to have at least one EPA RRP Certified Lead Renovator on staff at all times. It is required by the EPA that "anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be certified". This includes all firms, even sole proprietorships and special trade contractors including electricians, plumbers, painters, and carpenters.

The designated RRP Certified Lead Renovator must follow all lead requirements set forth by the EPA. The position of RRP Certified Lead Renovator is a position which requires one who is competent to act in a leadership role, as well as one who is thorough and diligent with regard to ensuring the physical, photographic, and paper documentation compliance requirements are met. This is to ensure the safety of weatherization professionals, unit occupants, and also for the liability protection of the sub-grantee.

## 4.9 Blower Door Guidance

IHCDA has adopted the following air sealing targeted goals for Indiana Weatherized units. These air sealing targeted goals can be especially useful for new auditors and new shell contractors however, these goals are guidelines and not requirements. IHCDA Airsealing Targeted Goals:

- If ACH50 is less than 11, the blower door reduction goal is 15%
- If ACH50 is 11-17, the blower door reduction goal is 25%
- If ACH50 is 18-22, the blower door reduction goal is 35%
- If ACH50 is greater than 22, the blower door reduction goal is 40%

EXAMPLE: A house has a blower door reading of 1550 cfm. The volume of the home is 7,840 cubic feet. To calculate the ACH50, use the formula below:

$$\text{ACH50} = \frac{\text{CFM50} \times (60 \text{ minutes/hour})}{\text{volume of home}}$$
$$\text{ACH50} = \frac{1550 \times 60}{7840} = 11.86 \text{ (round to 12)}$$

So, for this house, the target blower door reduction is 25%. To calculate the target blower door number, use the formula below:

$$\text{BD Target} = \text{BD Reading (cfm)} \times (1 - \text{BD reduction goal \%})$$
$$\text{BD Target} = 1550 \times .75 = 1,162.5 \text{ (rounded to 1,163 cfm)}$$

The BD Target is the minimum number to achieve the 25% targeted reduction

## Section 5: Budgets & Claims

### 5.1 Budget Forms

The Weatherization Assistance Program uses multiple funding sources. The Weatherization sub-grantee must complete and return a separate budget form to IHCD for each funding source prior to the start of each program year. Any sub-grantee that does not have approved budgets by the start of the program year will not be able to make claims on the funding source until the budget form has been received and processed by IHCD. In general, the budget forms should be used to assist the Weatherization Program Manager in planning production and setting budget benchmarks for the grant period.

Updated budget forms are emailed to all Weatherization Program Manager's at the beginning of each program year. Budget forms and definitions can be found in *Appendix B- DOE Budget Form*. The Executive Director or designee is required to sign all budget forms submitted with grant agreements and amendments. Program Managers are required to review and sign each budget form. Budget forms and Budget Modifications must be submitted via email to [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov) for processing, a hard copy with original signature is not required.

Each sub-grantee is responsible for limiting expenses to the amounts allowed in the budget line items. In no instance will a sub-grantee be permitted to exceed the total award for a funding period.

### 5.2 Budget Modification Forms

A Budget Modification form must be submitted by a sub-grantee to adjust line-item allocations or production benchmarks. Changes to production benchmarks will not be accepted less than 30 days prior to a benchmark deadline. The Budget Modification form is the same form as the budget form found in *Appendix B- DOE Budget Form*. Complete the box in the upper right-hand corner of the form accordingly to notate it is a budget modification. A budget form submitted with a grant agreement or amendment is **not** considered a modification. Updates will be made to the sub-grantee's budget in [IHCDOnline](#) for claims once all signatures are secured and the budget is reviewed and approved by IHCD.

### 5.3 Program Reinvestments

Program reinvestments are any **program income** earned by sub-grantees from non-Federal sources while performing Weatherization work. It is required that any funds earned from activities supported by a grant or sub-grant must be recorded as program reinvestments.

Sources of funds to be recorded include but are not limited to:

- Funds from payments of principal and interest
- Funds from fees or services provided (including rental of WX equipment and vehicles and staff wages and applicable charges)
- Funds from the use of rental or real property acquired with grant funds
- Funds from the sale of commodities or items fabricated under a grant agreement (i.e. vehicle)

**These funds should be used in the weatherization program in accordance with DOE rules.** These funds are required to be utilized within twelve months of when they were earned.

Property owner (i.e. landlord) contributions are NOT considered program reinvestments, contributions from landlords must be utilized in the landlord's unit. **For additional details, see Section 11.**

### DOE Program Income

DOE program income is subject to specific guidance provided in [2 CFR 200.307](#). The amount of program income received must be detailed by the Sub-grantee on the funding source Closeout Form. IHCD does not currently allow DOE program income.

## 5.4 Program Closeout

### Required Forms

The following forms are required to perform a complete closeout for DOE, LIHEAP, and ARPA programs:

- PY Closeout Report
- Complete Quarterly Reports: Grant, Carryover (if applicable)
- Complete Job Expense Reports: Grant, Carryover (if applicable)
- Any approvals and supporting documentation by IHCDCA for Equipment or Supplies

PY Closeout Report, Quarterly Report, and Job Expense Report must match total completions.

### Process

Drafts of the PY Closeout Report, Quarterly Report, Job Expense Report, approvals and supporting documentation are due within **30 days** of the end of the grant program year. Any remaining errors, return of funds, reporting should be processed within the remaining 15 days. Final and accurate forms of the PY Closeout Report, Quarterly Report, and Job Expense Report, approvals and supporting documentation are due to IHCDCA within **45 days** of the end of the grant program year.

Closeout Reports must accurately reflect the total dollars claimed for each line item after the final claim has been paid by IHCDCA. Sub-grantees are required to submit Closeout Reports that meet all program requirements to IHCDCA by the due date. IWAP and claims must be up to date as of the due date.

IHCDCA reconciles each sub-grantee's PY Closeout Report with the Quarterly Report, Job Expense report, and claims submitted during the grant year. This is done to verify that sub-grantees are in compliance with program guidelines. Sub-grantees must work closely with their financial department to accurately report expenses and claims. Outstanding weatherization claims will not be forwarded for payment until receipt of the report. Sub-grantees are **strongly encouraged** to start work on the Closeout Report several weeks prior to the actual due date. IHCDCA staff is available for guidance and will review completed Closeout Reports for accuracy only if the report is sent via email at least one week prior to the due date. See *Appendices D-1LIHEAP/ARPA 2022 Closeout Form and D-3 DOE 2022-2023 Closeout Form*.

The number of completions on the job expense report, quarterly, and closeout form must match for the closeout to be processed by IHCDCA.

## 5.5 Claims

Sub-grantees shall submit properly completed claims and backup documentation to IHCDCA every **30 days** for reimbursement of costs incurred during the prior month. Claims submitted towards Administrative, Base, Health and Safety, Mechanical or Capital Intensive must be supported by job costs entered in IWAP. All claims and backup documentation (i.e.: timesheets and invoices) must be submitted online to IHCDCA's [Authority Online](#). See Section 5.7.

Sub-grantees may claim only incurred (accrued/obligated) material expenses. This is intended as "just in time" funding. Only material expenses that are expected to be due within ten days of the receipt of the claim may be submitted to IHCDCA. No subcontractor of a sub-grantee shall be paid for labor costs until such time as the sub-grantee has inspected the work and has determined that such work has been performed in a satisfactory manner. All final claims and closeout reports must be submitted to IHCDCA within 45 days of the end of the program year or IHCDCA may deny payment. Sub-grantees must liquidate all outstanding obligations properly incurred during the term of the agreement no later than **45 days** after the termination of the program year.

IHCDCA's Weatherization grants are considered reimbursement grants. Therefore, claims and cost allocations can only be submitted for grants where Weatherization work is being performed. All claims processed through IHCDCA Online are required to have certain supporting documentation included with the request for reimbursement. Those items include:

- **General Ledger, Trial Balances or Other Accounting Software Generated Reports** (unless otherwise noted) – Reports supporting costs incurred should be submitted. Reports should be generated in such a way as to include the following:
  - Only those costs incurred by that program during the specific date range for which reimbursement is being requested (ex. May 1-May 15)
  - Indirect costs that are allocated across all activities should have separate accounts for each program. A single lump sum record with a note that a specific amount is being charged to a certain program is not acceptable. If requested, documentation supporting the cost allocation or salary/wage determination should be readily available
  - Direct expenses associated with a unit need to include the IWAP application number from the job expense report.
  - Detailed information of expenses including vendor name, date paid, date of transaction and description of the actual expense. Incomplete, missing or insufficient descriptions may result in IHEDA asking for additional documentation to support those costs
  - In the event of payroll costs, IHEDA should be able to easily distinguish the individuals included in the expense, the timeframe covered in the expense and the details that make up the expense.
- **Copies of Invoices/Receipts** – All invoices and receipts must be maintained and filed by the sub-grantee in accordance with award agreements and federal regulations. All invoices over \$1,000.00 must be submitted with the claim. Invoices under \$1,000.00 will be provided from the sub-grantee upon IHEDA’s request.
  - Invoices must be on company letterhead and must include a detailed breakdown by material and labor and listing the date the work was performed.
  - Invoices will denote budget line being billed, example DOE Base, Mechanical, Capital Intensive, DOE Health and Safety.
- **Claim Summary Pages** a summary of completions claimed, name and address, date of interim or final audit inspection and the total dollar value of the unit to date.
- **Copy of Job Expense report** from IWAP from the time frame of the claim. All direct expenses being claimed need to be on the report

Sub-grantees must include all depreciation cost with the sub-grantees cost allocation plan.

See Appendix BB for more claims information.

## 5.6 Original Signatures

The following is a guide indicating when a Weatherization form requires original signatures. E-Signatures will now be accepted for:

- Grant Agreements
- Amendments
- Budgets

Grant claims do not require original signatures for online claims. Sub-grantees are required to retain the original, signed claim form along with back up documentation in a hard copy, paper file for the required retention for a 3-year period after closeout. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the 3-year period, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular 3-year period. Equipment purchase requests must be made via email.

For all forms and agreements, the signature must be one of the sub-grantee’s “Authorized Signatures” as notarized and approved on IHEDA Authorized Signature Form. If the person approved as the Sub-grantee’s authorized signature leaves or becomes ineligible to represent the organization, a new form must be submitted and approved before the person’s signature can be accepted and the form is processed. The required retention period as outlined in [2 CFR 200.334](#) requires that financial and programmatic records, supporting documents and statistical records must be retained for three years after the last expenditure report is submitted.

## 5.7 IHCDOnline Claims System

Find the claims system at [IHCD Online](#). All claims for weatherization funding sources (LIHEAP, ARPA, and DOE) must be entered and submitted online. Each sub-grantee must have at least one person authorized to use the online claims system. Additional staff may request at IHCD's [Authority Online](#). Below are definitions of the types of claims. If you are uncertain, email the Community Programs Analyst or Community Programs Policy and Technical Specialist for advice before submitting the claim.

### Grantee Payment

A grantee payment is a standard draw of funds by the sub-grantee for their award. This transaction will initiate a payment to the sub-grantee. This is the most common type of transaction.

### Adjustment

An adjustment transaction allows a sub-grantee to make corrections to line items within an award. An adjustment will have both positive and negative line item amounts and **must have a net total of zero**. No funds are either drawn or paid as part of an adjustment transaction.

### Return of Funds

A return of funds transaction is initiated when paid grant funds need to be returned due to a monitoring or financial audit issue. These funds will show on the claim summary but will not be returned to the sub-grantee's available budget. The state will reuse these funds in future allocations.

### Repayment

A repayment transaction consists of a sub-grantee repaying claimed funds to the State. This transaction will initiate a repayment from the sub-grantee and the funds that are repaid will be available in the award budget and remaining balance. This transaction is necessary if completed homes have been claimed on a grant but then moved to another grant. All associated costs such as administration, insurance and audit allocations should be included along with the base program operations and health and safety costs.

## 5.8 Administration of Funds

**Funding shall be provided to sub-grantees as a reimbursement for authorized expenditures incurred for the Weatherization Assistance Program (WAP), in accordance with the fiscal policies and procedures of IHCD, the DOE and the State of Indiana.** Sub-grantees must maintain and implement written procedures to minimize the time elapsing between the transfer of funds to the sub-grantee and the sub-grantee's issuance of payment to subcontractors for program purposes. Sub-grantees will have a total of 45 days from the receipt of subcontractor invoice to check issuance for DOE and HHS funded grants.

Sub-grantee shall follow generally accepted accounting procedures and practices which sufficiently and properly reflect all costs incurred by sub-grantee. Sub-grantee shall manage all funds received through Weatherization funding sources in accordance with applicable cost principles identified in [2 CFR 200](#).

Sub-grantees shall maintain financial and accounting records which identify costs attributable to each Activity Description specified on Attachment A of each grant agreement. Sub-grantees shall further maintain annual, written, cost methodologies, which identify procedures for attributing costs to each Activity Description. More restrictive fiscal accountability may be required of sub-grantees by IHCD should IHCD determine that a sub-grantee is financially unstable, has a history of poor accountability, or has a management system which does not meet the standards required by the State of Indiana, IHCD, or the United States Government. Sub-grantees shall maintain those books, records, and documents including, but not limited to:

- Payroll records
- Banking records
- Accounting record
- Purchase orders

Which are sufficient to document sub-grantee's financial activities and sub-grantee's claims for reimbursement under this Agreement. Further, sub-grantee shall create, maintain, and provide to IHCD A such other statistical and program reports as are required by the laws, regulations, and policies of the State of Indiana, IHCD A, or the United States Government, including any closeout reports required by IHCD A.

Sub-grantee shall, upon written demand by IHCD A, be required to repay IHCD A all sums paid by IHCD A to sub-grantee for which adequate fiscal and/or service delivery documentation is not in existence for any time period audited. If an audit or review of sub-grantee results in an audit exception or cost disallowance, IHCD A shall have the right to set off such amount against current or future allowable claims, demand cash repayment, or withhold payment of current claims in a like amount pending resolution between the parties of any disputed amount.

IHCD A may withhold payment to sub-grantee if a claim submitted by sub-grantee is inaccurate or if sub-grantee has not complied with the claim preparation instructions issued by IHCD A. IHCD A will notify sub-grantee of any error in the claims submitted so sub-grantee may make the corrections or revisions necessary for payment.

### **5.9 Advance Funding**

Payment for any services, supplies, materials, or equipment shall not be paid from any fund or state money in advance of receipt of such services, supplies materials, or equipment by the state.

With the prior approval of the budget agency, payment may be made in advance for any of the following:

- War surplus property
- Property purchased or leased from the United States government or its agencies
- Dues and subscriptions
- License fees
- Insurance premiums
- Utility connection charges
- Federal grant programs where advance funding is not prohibited and, except as provided [in 2 CFR 200.305\(a\)\(2\)\(i\)](#), the contracting party posts sufficient security to cover the amount advanced.

### **5.10 DOE Financial Management Tool Kit**

DOE has provided a [Financial Management Toolkit](#) and training to review all Weatherization financial management.

## Section 6: Funding

### 6.1 Weatherization Program Management

All weatherization work must follow DOE rules and regulations unless exceptions are specifically stated in the policy manual, grant agreement and/or program guidance. Several exceptions are listed in this section. Any deviation from DOE guidelines, Indiana Policy and Procedures Manual, Indiana Weatherization Field Guide, or SWS must have written approval from IHCDCA prior to working on a unit. This approval only applies to the unit for which the request was made and must be printed and filed in the client hard copy file. Weatherization grants should follow [2 CFR 200 E](#). A cost is allocable to a particular Federal award/other cost objective if the goods/services meet the standards below:

- If the cost is specifically for the Federal award, benefits both the Federal award and other work of the non-Federal entity, and can be distributed in proportions that may be approximated using reasonable methods; and is necessary to the overall operation of the non-Federal entity and is assignable in part to the Federal award in accordance with the principles in [2 CFR 200 E](#).
- Any cost allocable to a Federal award under the principles provided in [2 CFR 200 E](#) may not be charged to other Federal awards to overcome fund deficiencies, to avoid restrictions imposed by Federal statutes, regulations, or terms and conditions of the Federal awards, or for other reasons. This prohibition would not preclude the non-Federal entity from shifting costs that are allowable under two or more Federal awards in accordance with existing Federal statutes, regulations, or the terms and conditions of the Federal awards.
- Direct cost allocation principles: If a cost benefits two or more projects or activities in proportions that can be determined without undue effort or cost, the cost must be allocated to the projects based on the proportional benefit. If a cost benefits two or more projects or activities in proportions that cannot be determined because of the interrelationship of the work involved, then, notwithstanding paragraph (c) of this section, the costs may be allocated or transferred to benefitted projects on any reasonable documented basis. Where the purchase of equipment or other capital asset is specifically authorized under a Federal award, the costs are assignable to the Federal award regardless of the use that may be made of the equipment or other capital asset involved when no longer needed for the purpose for which it was originally required. [2 CFR 200.310 through 2 CFR 200.316](#) and [2 CFR 200.439](#)

### 6.2 Allocations

#### Federal Allocation

DOE and LIHEAP/ARPA allocations are distributed using the census-based allocation formula. The incentive pool as outlined below may be used at IHCDCA's discretion.

- 95% or more of the prior program year contract total must have been expended.
- **Final** Closeout Reports must be submitted and approved within **45 days** after the program year ends. IHCDCA DMS, IWAP Quarterly, Job Expense and sub-grantee Closeout Report must match exactly when final claims are processed including all line items and averages.
- When available, a 15% average energy savings as determined by realized energy analysis of local sub-grantee production.
- Sub-grantee operating under a Quality Improvement Plan (QIP), a modified Quality Improvement Plan (MQIP) or a Tiered Funding Agreement will be excluded in the incentive pool.
- Sub-grantee must meet the 45-day requirement for vendor and subcontractor payments.

IHCDCA may suspend the use of the incentive pool at their discretion.

#### Reallocation of Funds

Sub-grantees failing to meet quarterly as detailed on their most recent budget form may be subject to funding allocation reduction or redistribution at IHCDCA's discretion. Any reallocation will be to ensure proper utilization of Weatherization funds throughout the program year.

Sub-grantees eligible for redistributed funds will be determined based on, but not limited to, the following criteria:

- Current level of expenditures for all active weatherization related programs

- Timely and accurate submission of claims
- QIP, MQIP, or Tiered funding status
- Achieved quarterly benchmarks
- Financial and program management capacity

IHCDA will desktop monitor sub-grantee production, expenditure rates, and average cost per unit throughout the life of each DOE, LIHEAP, and ARPA funds. This desktop monitoring will occur in accordance with the funding benchmarks as established by the sub-grantee on the appropriate DOE, LIHEAP or ARPA budget form. In cooperation with meeting production and expenditure benchmarks, sub-grantees must maintain the appropriate ACPU of each DOE, LIHEAP, and ARPA funds.

This will include a comparison of production as recorded in IWAP and the amount of grant funds claimed through IHCDAOnline. This will be used to track whether or not sub-grantees are maintaining the proper ACPU for DOE, LIHEAP, and ARPA. Please refer to the IHCDA grant agreements, Appendices of Budget Definitions for additional guidance regarding the average cost per unit and for the administration of Weatherization grant funds.

### **Distribution of Carryover Funding**

Sub-grantees on a QIP, MQIP, Tiered Funding or failing to utilize 90% of the last closed out award may not be eligible to receive carryover funding. Carryover funds will be distributed to eligible sub-grantees based on the approved allocation formula.

### **Request for Additional Funds**

Sub-grantees may request additional funding. In the case that a request is made, the sub-grantee must send in the request via letterhead to [ixw@ihcda.in.gov](mailto:ixw@ihcda.in.gov).

### **Tiered Allocation**

Sub-grantees which have failed to meet program expenditure benchmarks, are experiencing financial difficulty, or appear to have a lack of proper programmatic oversight may be placed on a tiered allocation. While on a tiered allocation, sub-grantees must expend funds according to a structured schedule. The performance benchmarks or expenditure percentages, when possible, are based on the sub-grantee's performance in prior years. Failure to meet expenditure benchmarks may result in a reduction of funding. Tiered allocation may be included as part of the sub-grantee grant agreement, when applicable. Sub-grantees placed on a tiered allocation may be subject to an increased level of claim review.

### **Reduction of Funds**

A reduction in funding may occur if IHCDA deems it necessary, or if a sub-grantee:

- Voluntarily returns one or more counties within its service territory
- Returns substantial amounts of allocated funds
- Fails to complete a QIP or MQIP within two consecutive program years
- Fails to meet the expenditure and/or benchmarks
- Experiences financial or programmatic challenges

### **Request for Qualifications and Request for Proposals**

IHCDA may post a Request for Qualifications (RFQ) or Request for Proposals (RFP) to identify organizations suitable to provide services within a particular service territory. The RFQ/RFP is designed to increase the service capacity of that territory and to provide additional service opportunities for program beneficiaries. A sub-grantee will be notified if an RFQ/RFP is posted within its service territory.

The goal is to find the most qualified service provider within a territory. It is important to note that RFQ/RFP are open to the general public, as well as current sub-grantees. Eligible applicants will be determined based on the Federal regulations for the WAP. IHCDA will make a reasonable effort to assess if there is an adjacent, existing sub-grantee to support service delivery. Sub-grantees are encouraged to seek assistance from other sub-grantees who have the capacity to provide support. This step could result in avoiding the need for the RFQ/RFP process. RFQ/RFP will be issued as IHCDA deems necessary. The RFQ/RFP may also be posted for the following reasons including, but not limited to:

- The sub-grantee has been on a QIP/MQIP for more than two consecutive program years
- Failure to meet expenditure benchmarks for more than two consecutive program years
- Sub-grantee continues to demonstrate program deficiencies found during monitoring
- Sub-grantee voluntarily forfeits one or more counties within its service territory
- IHEDA has removed one or more counties from a sub-grantee due to performance issues
- Sub-grantee is involuntarily removed from a particular area due to fraudulent or major misappropriation of funds; legal action has been taken against the sub-grantee, or the sub-grantee dissolves
- The territory is not being serviced by the sub-grantee
- Sub-grantee is not currently operating under an active WAP contract

### 6.3 DOE Program Management

WAP DOE income thresholds adhere to the DOE requirement of 200% of the current OMB poverty income level to receive services.

#### Completion

All DOE completions are counted as Base Program completions. When DOE funds are utilized on a unit, all work and the Quality Control Inspection must be completed prior to March 31 of the current DOE program year.

See *Appendix C Budget Definitions* for DOE Program Expenditure Limits and Budget Categories.

#### Administration

DOE funds used for Administration must not exceed 10% of non-T&TA total program expenditures. Costs associated with administration include fiscal, executive, support operations, rent and utilities, supplies etc. This applies to *staff engaged in program administration*.

#### Liability Insurance

Insurance coverage is comprehensive general liability insurance coverage in the minimum amount of \$1,000,000.00 covering the risks related to the property and personal liability claims of other parties against the insured party. Liability insurance may include a Pollution Occurrence Rider.

#### Financial Audit Costs

The amount charged is based upon Subgrantee cost allocation plan.

#### Base Operations

In order for a unit to be counted as a DOE completion and reported to DOE, at least a combined total of \$100.00 in labor and materials must have been utilized completing ECM measures. The unit must pass a QC inspection completed by a certified QCI. NEAT/MHEA/MuITEA must have a cumulative SIR of or greater than 1. **ACPU must not exceed \$7,700.00.**

Furnaces may be replaced for energy efficiency under Base costs. Sub-grantees must use NEAT/MHEA/MuITEA to calculate the savings-to-investment ratio. An SIR equal to or greater than one must be obtained to justify this expense under DOE Base. If NEAT/MHEA/MuITEA is used to justify the furnace replacement based upon energy efficiency, the measures called on NEAT/MHEA/MuITEA must be performed on the unit. Major measures may not be skipped. [WPN 19-4](#), Attachment 8.

#### Health & Safety

DOE funds used for Health & Safety must not exceed 20% of Base Operations expenditures. DOE funds used to abate Health and Safety issues must be tracked as a separate line item. These costs must not be included in the average cost per home. All health and safety measures must be charged to an allowable Health and Safety line item.

## **Training & Technical Assistance**

Subgrantees may allocate up to \$2,000.00 plus \$500.00 per county for the purpose of providing Training & Technical Assistance for staff and contractors interested in performing weatherization work for the subgrantee. See *Section 7* and *Appendix C Budget Definitions* for allowable uses of funds.

## **DOE Reweathering**

Prior to any weatherization activity, a unit must be evaluated to determine whether previous weatherization services have been provided. A determination must be made if the building has been previously weatherized in order to be considered eligible. Find eligibility requirements in Section 2.3. The following actions must be taken on each DOE unit prior to weatherization services to ensure that homes that have received weatherization services within 15 years are not re-weatherized:

- Each address must be entered into IWAP to identify whether the unit has been weatherized during or after 2000 (length of IWAP historical records)
- Each owner must be asked whether their unit has been weatherized within 15 years
- A visual inspection of each unit must be performed by an Energy Auditor to identify whether previous weatherization was performed

If there are no documented, verbal, visual, or physical evidence of previous weatherization, the sub-grantee may proceed with weatherization on the unit. If any of the above actions indicate that weatherization has previously been performed on the unit, the sub-grantee must check with the local agency that historically provided weatherization in the area to inquire about any records pertaining to services previously provided. Incumbent local agencies must cooperate with these inquiries from IHEDA or from current weatherization service providers. Failure of any sub-grantee to comply with any such request could result in immediate suspension of payments on award agreements with IHEDA.

## **Work Order Changes/Change Order**

When deviations from the original scope of work are required, the sub-grantee must document and justify the deviation from the original scope of work. The change order document must be approved and signed by the program manager or program manager designee and must be dated on the actual date the change order occurred. The change order must also include all costs associated with the change in work scope. The change order documentation must be included in the client file.

## **6.4 LIHEAP/ARPA Program Management**

WAP LIHEAP/ARPA income thresholds adhere to the HHS requirement of 200% of the current OMB poverty income level to receive services.

### **Completion**

Units may be counted as completions based on three sub-program categories: Base, Mechanical, and Capital Intensive Operations.

A unit may be counted as a completion under only one LIHEAP/ARPA sub-program. A completion may never be counted as both a Base and a Mechanical completion within the LIHEAP/ARPA program. If both Base and Mechanical sources of LIHEAP/ARPA funds are used on a unit, this unit will count as one Capital Intensive LIHEAP/ARPA completion.

See *Appendix C Budget Definitions* for LIHEAP/ARPA Program Expenditure Limits and Budget Categories.

### **Administration**

LIHEAP/ARPA funds used for Administration must not exceed 7% of total program expenditures.

### **Liability Insurance**

Insurance coverage is comprehensive general liability insurance coverage in the minimum amount of \$1,000,000.00 covering the risks related to the property and personal liability claims of other parties against the insured party.

## Supplies

Per [2 CFR 200.1](#), supplies means all tangible personal property other than those described in the *definition of Equipment*. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000.00, regardless of the length of its useful life. **Consumable items (such as dust masks, batteries, disposable protective suits, etc.) are not considered supplies and must be included in the average cost per unit.**

## Equipment

Per [2 CFR 200.1](#), equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.00.

## Base Operations

Completion occurs when at least a total of \$100.00 has been spent on energy conservation measures (ECM). **ACPU must not exceed \$7000.00.**

## Mechanical Operations

Completion is used in conjunction with DOE completions that require work on the mechanical systems including the addition of mechanical ventilation to a unit. Work on the mechanical systems may be completed for health and safety and/or energy conservation reasons. A Mechanical completion occurs when at least \$300.00 has been spent on the mechanical system. LIHEAP/ARPA mechanical completions must have a QC inspection prior to October 1 to be consider a completion. These LIHEAP/ARPA mechanical completions may be paired with DOE Base after the end of the LIHEAP/ARPA program year. **All Mechanical completions must be paired with their DOE counterpart by the current DOE closeout. ACPU must not exceed \$5500.00.**

## Capital Intensive Operations

Completion that charges both the Base work and the Mechanical work to LIHEAP/ARPA. A minimum of \$100.00 must be charged to Base measures and a minimum of \$300.00 must be expended on the mechanical system. Work on the mechanical systems may be completed for both health and safety and energy conservation. **In order for it to be a Capital Intensive completion, it needs to have a NEAT/MHEA/MuTEA cumulative SIR of or greater than 1. Must be completed prior to the end of the current LIHEAP/ARPA program year (September 30). ACPU must not exceed \$12,500.00.**

## Allowable Expenses

IHCDA allows, as a LIHEAP/ARPA program expense, the costs of eliminating energy related health and safety hazards prior to installation of weatherization materials. Health & Safety is not a separate budget line item in LIHEAP/ARPA and therefore is included in the Mechanical ACPU. Replacement of gas cook stoves will be allowed with LIHEAP/ARPA funds as a health and safety measure and must be charged to the Mechanical line item. Replacement of the cook stove may must be paid for with LIHEAP/ARPA funds. Repair of the cooking stove may be charged to LIHEAP/ARPA Mechanical.

## 6.5 Utility Programs

Utility funds are considered rebates or leveraged funds, not program income. Funding from utilities must be used within the sub-grantees weatherization program. Activities may include measures called for by NEAT/MHEA/MuTEA, even if it has an SIR under 1, as well as additional Health & Safety measured used needed to weatherize a home.

Sub-grantees eligible to participate in utility programs administered by IHCDA will enter the required information in IWAP. IHCDA will process and issue funds to the sub-grantees. These funds should be used within 12 months from the time they are received.

## 6.6 Funding Source Combinations

A unit may not be counted as both a DOE and a LIHEAP/ARPA Base completion. Nor can a unit be counted as both a DOE Base and LIHEAP/ARPA Capital Intensive completion. The funding sources for weatherization and their sub-programs may be combined on any weatherization unit. **Each unit may only have one Base completion + one Mechanical completion, or one Capital Intensive completion.**

The following are the **only** allowable funding source combinations:

- DOE Base + DOE Health & Safety (H&S must pair with DOE Base) + Utility
- DOE Base + DOE Health & Safety + LIHEAP/ARPA Mechanical + Utility
- DOE Base + LIHEAP/ARPA Mechanical + Utility
- LIHEAP/ARPA Base + LIHEAP/ARPA Mechanical = LIHEAP/ARPA Capital Intensive (+ Utility)

See below for examples of combining funding streams

Ownership	<input type="checkbox"/> OWN	<input type="checkbox"/> RENT	Estimated Total	Actual Total	Cost Break Down			
Cumulative SIR					DOE BASE	DOE H&S	LH MECH	LH CAP
Total IRM cost			150	125	125.00	X	X	
Total cost of Air Sealing			365	350	350.00			
Total cost of other ECMs			5450	5450	5,450.00			
Total cost of Mech ECMs			3500	3500	1,750.00			1,750.00
Total cost of H&S			265	265	X	200.00	65.00	
Total Job cost			9730	9690	7,675.00	200.00	1,815.00	

A home is weatherized under DOE where a heating system is replaced as an ECM. The heating system, totaling \$4800, can be paid for with DOE Base or a combination of DOE Base and the LIHEAP/ARPA Mechanical. The shell work would be charged to DOE Base. Sharing heating system cost between DOE Base and LIHEAP/ARPA Mechanical allows the sub-grantee to maintain the DOE Base + LIHEAP/ARPA Mechanical funding combination flexibility. This would be a completion in both DOE Base and LIHEAP/ARPA Mechanical. In this scenario LIHEAP/ARPA Capital Intensive cannot be utilized.

Ownership	<input type="checkbox"/> OWN	<input type="checkbox"/> RENT	Estimated Total	Actual Total	Cost Break Down				
Cumulative SIR					DOE BASE	DOE H&S	LH MECH	LH CAP	
Total IRM cost			150	125		X	X	125.00	
Total cost of Air Sealing			365	350					350.00
Total cost of other ECMs			5450	5450					5,450.00
Total cost of Mech ECMs			3500	3500					3,500.00
Total cost of H&S			265	265	X			265.00	
Total Job cost			9730	9690	-	-	-	9,690.00	

The same unit in the previous example could be completed as a LIHEAP/ARPA Capital Intensive unit and counted as one completion.

## Section 7: Training

### 7.1 Importance of Training

Due to the ever-changing and highly technical nature of the WAP, a high priority has been placed on the training aspect of the program. Technical assistance provides guidance and assistance on specific issues/questions found in all aspects of Weatherization. Training and technical assistance in the field, via telephone or email, is provided by either INCAA training staff or IHCD staff. This assistance is provided to all sub-grantee contractors and sub-grantee staff including but not limited to executive directors, fiscal staff, program managers, and all other weatherization employees. Sub-grantees and contractors are strongly encouraged to take full advantage of the opportunities available to them for program enhancement and improvement through training and technical assistance.

IHCDA continues to maintain a strong position that the Indiana WAP will maintain its high levels of technical expertise and energy savings through the continued emphasis on its training and technical assistance component. Ongoing training and sub-grantee program/technical monitoring are tools which IHCDA utilizes to ensure that weatherization measures are applied consistently, and that Indiana maintains a high standard of work. IHCDA implements training requirements to ensure that funds provided are used on weatherization measures that will enhance energy savings while ensuring the health and safety of the unit occupants. By including all weatherization professionals in this process, it ensures organizational performance while providing the means for evaluating weatherization achievements and as developing plans to improve upon Indiana Weatherization.

In Indiana, Weatherization specific training and technical assistance is offered by the Indiana Community Action Association (INCAA). INCAA is an Interstate Renewable Energy Council (IREC) accredited training center. INCAA will be providing training in PY 2022-2023. Lead Risk Assessor and Lead Inspector training is offered by the Environmental Management Institute (EMI).

Weatherization professionals can find Indiana Weatherization Field Guide, Health & Safety Plan guidance, and current State Plan at MyIHCDA's [Program Partners](#).

At the beginning of each DOE program year, sub-grantees are required to submit a list of weatherization program professionals—in house staff and contractors to IHCDA and INCAA. IHCDA will only fund training for weatherization professionals on the submitted and updated list. Any changes in staffing must be reported to IHCDA and INCAA immediately. Sub-grantee Executive Directors and Weatherization Program Managers may only request and view testing results for their employees or sub-contractors. Time Limits for becoming Indiana Weatherization Competent:

- All sub-grantee staff/contractor new employees will have 9 months commencing 45 days from their date of hire to become Indiana Weatherization Competent in the categories of Energy Auditor, Retrofit Installer (Shell and/or Mechanical) and Crew Leader. IHCDA will not fund training beyond the 9 months and 45 days from the day of hire if the person does not become weatherization competent.
- All sub-grantee staff/contractor employees must have a completed background check prior to being allowed to work in/on client homes. IHCDA's specific requirements for background checks are detailed in this manual.

### 7.2 Certifications

In order to be employed as a Weatherization Professional, one must be working toward or must hold at least of one of the following certifications. Indiana has established Weatherization competency standards known as the Indiana Skills Verification (ISV) competencies. The Building Performance Institute in conjunction with DOE have established competency standards as well. The following credentials are recognized for weatherization professionals working in Indiana:

- ISV Energy Auditor
- ISV Retrofit Installer for Shell Professionals
- ISV Retrofit Installer for Mechanical Professionals

- ISV Crew Leader for Shell Professionals
- BPI Energy Auditor
- BPI Quality Control Inspector
- BPI Crew Leader for Shell Professionals
- BPI Healthy Home Evaluator
- Indiana Approved Pre-Audit Inspector

**The Program Management class is required for all new program managers and strongly recommended for all program managers.**

INCAA provides training and certification opportunity for all the above-mentioned certifications.

### 7.3 Minimum Training Requirements

In order to ensure their safety, all professionals working in Indiana Weatherization who enter client units are required to successfully complete the following courses:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- **Asbestos Awareness**
- See special provisions for mechanical helpers

Energy Auditors working in Indiana Weatherization are required to successfully complete the following courses and the applicable examinations:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Retrofit Installer blocks for Shell Professionals
- Mechanical Systems for Auditors
- Worst Case CAZ Depressurization
- NEAT/MHEA/MuTEA
- ASHRAE 62.2
- SWS for Auditors/QCI/Program Managers
- Energy Auditor

Quality Control Inspectors working in Indiana Weatherization are required to successfully complete the following courses and the applicable examinations:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Retrofit Installer blocks for Shell Professionals
- Mechanical Systems for Auditors
- Worst Case CAZ Depressurization
- NEAT/MHEA/MuTEA
- ASHRAE 62.2
- Energy Auditor
- SWS for Auditors/QCI/Program Managers
- Quality Control Inspector

Designated Indiana Pre-Audit Inspectors (holding no other certifications) working in Indiana Weatherization are required to successfully complete the following courses:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness

- Healthy Homes Evaluator
- Pre-audit inspectors may not enter client homes without supervision of an Indiana certified Weatherization Professional until successful completion of each of the abovementioned courses.

Retrofit Installer for Shell Professionals working In Indiana Weatherization are required to successfully complete the following courses and the applicable examinations:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Retrofit Installer blocks for Shell Professionals
  - Introduction to Weatherization
  - Blower Door
  - Airsealing
  - Airsealing Field Class
  - Insulating Basics
  - Foam Insulation and Information
  - Insulation Field Class

Crew Leader for Shell Professionals working in Indiana Weatherization are required to successfully complete the following courses and the correlating examinations:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Retrofit Installer blocks with Badge Completion
- Crew Leader for Shell Professionals (3 day)
- New SWS Class
- It is highly recommended that the Crew Leader also hold the EPA RRP Lead Renovator Certification.
- A crew leader is required to be on a job site at all times

Retrofit Installer Mechanical Professionals working in Indiana Weatherization are required to successfully complete the following courses and the correlating examinations:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Mechanical Systems for HVAC Professionals

Retrofit Installer Mechanical Helper are required to successfully complete the following:

- OSHA 10
- Mechanical Helpers are not allowed to be on client premises without the Retrofit Installer Mechanical Professional also being on the premises.

### **Indiana Skills Verification Standards**

All individuals desiring to become ISV certified must be sub-grantee staff, contractors, or contractor employees holding a current contract with the sub-grantee unless IHCD provides prior written approval to the sub-grantee and INCAA.

- Mechanical Helpers are not required to hold ISV certification.
- ISV written testing is administered at the end of the Retrofit Installer for Shell Professionals, Crew Leader, Retrofit Installer for Mechanical Professionals, and Energy Auditor courses.
- The results of ISV written and field testing will be tracked by INCAA. The results of the ISV written and field testing will be available to IHCD, the sub-grantee Weatherization Program Manager, and the sub-grantee Executive Director upon written request to the INCAA Weatherization Training Team Lead

## Specialty Contractors

- Specialty contractors who are performing limited, rarely utilized services such as specialty plumbers, exterminators, mold remediation, or specialty electricians **are not** required to hold ISV certification.
- Specialty contractors who complete work in units which results in changes to exhaust systems, ventilation systems or the tightening of the home **are required** to complete the Daily Safety Test Out (DSTO) training at INCAA and **are required** to complete a DSTO form upon completing their work on the home. **Or a representative from the subgrantee must complete the DSTO at the end of each specialty contractor work day when applicable.**

## Testing Parameters

Becoming Indiana Weatherization Competent will require passing both a written exam and field exam. The skills exam will involve performing skill sets associated with the competency category being tested.

- Both the written and field test are pass/fail. There will be no provisional results given.
- Should retesting of the skills verification be necessary only the portion failed by the candidate will need retested.
- Should retesting of the written test be necessary, the entire written test must be completed.
- All testing results will be sent to the candidate, the sub-grantee Weatherization Program Manager and the sub-grantee Executive Director.
- Candidates will have three opportunities to pass all testing to become Indiana Weatherization Competent. Individuals that fail to pass competency on the third attempt will be required to submit a formal request to IHEDA for reapplication to work in Indiana's Weatherization Assistance Program for consideration.
  - An individual would be able to continue working in a competency that has been achieved and they hold, even if they failed the second attempt for an additional competency. For example: if an individual has become Indiana Weatherization Competent as a Retrofit Installer Shell, this same individual tests to become a Crew Leader but fails three attempts. This individual would be allowed to work in Indiana's Weatherization Assistance Program as a Retrofit Installer Shell but not perform the duties of a Crew Leader.
- Should a second attempt at passing competence be needed, the second attempt shall take place no later than **3 months** following the initial attempt.
- IHEDA will only pay for the first attempt for an individual to pass competency. In the case of a failed attempt, the sub-grantee or contractor will be responsible for the cost of any subsequent test procedures.
- Competency testing must take place no later than the conclusion of the 9-month training period commencing 45 days from their hire date.

See BPI's [Certified Professionals](#) designations (Energy Auditor, Quality Control Inspector, Crew Leader, Healthy Homes Evaluator). IHEDA will only fund the first attempt for BPI testing for each designation.

## 7.4 Duration, Maintenance, and Recordkeeping

Each Indiana competency will be in effect for 3 years. At the end of the 3-year duration each competent individual must re-test and pass the skills verification portion of their competency(s). Each candidate will have three opportunities to pass the skills verification portion of their competency(s). IHEDA will only pay for the first attempt for an individual to pass competency. In the case of a failed attempt, the sub-grantee or contractor will be responsible for the cost of the second testing event. At the end of 3 years, individuals holding competencies as both Retrofit Installer Shell and Crew Leader will only need to test for and pass the Crew Leader competency. Passing the Crew Leader skills portion will initiate the next 3-year cycle for both the Retrofit Installer Shell and Crew Leader competencies. From that point forward, both competencies will have the same expiration dates.

Individuals are required to perform the Crew Leader testing based upon which competency expires first. For example, an individual's Retrofit Shell Competency expires on April 15, 2016 while their Crew Leader expires on June 30, 2016. This individual is required to perform the Crew Leader testing PRIOR to the April 15<sup>th</sup> date – it is the competency that expires first. The BPI Quality Control Inspector certification is also in effect for 3 years. All BPI requirements regarding the QCI certification must be followed to maintain this certification. All Indiana Weatherization Competent, QCI and BPI certified individuals are required to attend an Annual Competency Maintenance Training in years 2 and 3 of their competency(s) or BPI Certification. If a certification expires and is not renewed concurrent to the certification expiration then written notification must be sent to IHCD with a request for extension and allowances for a timely recertification must be made.

The Program Manager must keep and maintain up to date records of all weatherization professional certifications and training information on file and have access to the records at all times. This tracking must include the following information:

- Individual name and competency(s) and/or BPI certifications held
- Date competencies and/or BPI certifications expire
- Hire date
- Attendance at Annual Competency Maintenance Training
- Current BPI/INCAA Certifications where applicable
- Record of training for 16 hours of CEUs

### Continuing Education Units

The requirement of Continuing Education Units (CEUs) is designed to ensure that Indiana's Competent and Certified individuals increase their knowledge base beyond what is necessary to obtain the competency. This is one way that IHCD is helping to ensure that each client's home receives the highest quality of Weatherization services possible.

- Record of CEUs **must** be tracked by the **sub-grantee** for their Weatherization staff, crews, and contractors.
- The 16 CEUs requirement is per individual and not per competency. For example, an individual holds competencies for both Retrofit Installer Shell and Energy Auditor. This individual is only required to obtain 16 CEUs.
- Sub-grantees must track the training that was taken connected to the claimed CEUs for review at time of monitoring. This tracking must include documentation verifying completion of the training, who performed the training and the length of time that the training lasted.
- **Non-technical training for CEUs is limited to four (4) hours.**
- The requirement for CEUs begins at the time that an Indiana Competency is obtained. The following scale represents a reduced CEU requirement based upon when the first or initial competency is obtained:
  - Competency obtained on or after July 1: 6 CEUs required
  - Competency obtained on or after October 1: 4 CEUs required
  - Competency obtained on or after January 1: 2 CEUs required
- BPI requires that individuals holding BPI certifications obtain 24 CEUs over the 3-year duration of the certification.

**The following is a list of examples of training that apply toward the 16 hours of Indiana CEU:**

CEU Ratio	CEU Category	Example	Documentation required	Limitation
1 hour training : 1 CEU	INCAA or IHCDCA Provided T&TA	Training on site	<ul style="list-style-type: none"> <li>• Sign in sheet with date and time</li> <li>• Instructor's name</li> <li>• Location</li> </ul>	None
1 hour training : 1 CEU	Weatherization Specific Conference	Affordable comfort, HPC, Energy out West	<ul style="list-style-type: none"> <li>• Sign in sheet with date and time</li> <li>• Instructor's name</li> <li>• Location</li> </ul>	None
1 hour training : 1 CEU	Manager/Technical training	SAMM, SATT, CMR	<ul style="list-style-type: none"> <li>• Email confirmation of attendance</li> </ul>	None
2 hours training : 1 CEU	Non-weatherization specific courses and respective refreshers	Lead, mold, OSHA	<ul style="list-style-type: none"> <li>• Certificate or card required</li> </ul>	10 CEU / certificate cycle
4 hours training : 1 CEU	Training provided by manufacturers that promotes specific model or style produced by manufacturer	Installation of Navien water heaters, class provided by Navien about Navien	<ul style="list-style-type: none"> <li>• Sign in sheet with date and time on manufactory's letterhead</li> <li>• Instructor's name and contact information</li> <li>• Summary of how training will improve weatherization</li> </ul>	None

**The following is a list of examples of training that DO NOT apply toward CEUs:**

- The required training to obtain a particular competency DOES NOT count toward CEUs. For example – someone is taking the 5-day Energy Auditor training to obtain their Energy Auditor Competency. This 5-day class DOES NOT count as CEU's – it is required to obtain the competency (For instance, if the above person takes a CAZ class to supplement the Energy Auditing training, the CAZ class DOES count toward their CEUs).
- Classes outside of INCAA that do not pertain to Weatherization skills and topics
- Classes that are taken for which the Sub-grantee has no documentation of class completion or attendance
- Classes that are not related to the competency or certification that the individual(s) obtain

Please note that these are not exhaustive lists. Questions regarding whether or not a particular training would/should apply toward the 16 hours of continuing education should be directed to IHCDCA prior to attending the training.

Questions regarding industry specific training being allowed to count toward the 16 hours of training should be directed to IHCDCA.

**IHCDCA STRONGLY recommends that the required CEUs be obtained through training offered through the accredited Weatherization courses offered at INCAA.**

IHCDCA will verify training records and qualifications of all sub-grantee staff, crew members and contractors annually near the end of March. sub-grantees must be prepared to provide training documentation whenever it is requested by IHCDCA. Training records must contain clear documentation and verification that the required and appropriate training was attended and completed. Examples of this documentation include copies of training certificates, sign-in sheets (conferences for example), and BPI student portal information. IHCDCA may, at their discretion, monitor the tracking and completion of the required training at times other than listed in the bullet point above.

## 7.5 Additional Competency/Training Requirements

IHCDA staff and contracted monitors responsible for evaluation of sub-grantee administrative performance are required to complete at least 8 hours of administrative training per year.

IHCDA staff and contracted monitors responsible for evaluation of sub-grantee technical performance are required to complete at least 10 hours of technical training per year; and are required to be either Indiana Weatherization Competent as an Energy Auditor or BPI certified as an Energy Auditor and be certified as a BPI Quality Control Inspector.

Weatherization Program Managers responsible for the administration of the Weatherization Assistance Program at the sub-grantee level are required to attend all Semi-Annual Managers Meetings (SAMM) as well as any other required administrative offerings provided by IHCDA. If a Weatherization Program Manager is not able to attend any required training, an appropriate representative from the sub-grantee must attend in their place. SAMM's will be held twice per year and other administrative courses will be held as deemed necessary by IHCDA. When possible, IHCDA will attempt to host trainings via webinar, video conferencing, distance learning, or conference calls. Each sub-grantee is required to send at least one technical representative for their field staff/contractors to all Semi-Annual Technical Trainings (SATT). Failure to do so could result in repercussions from IHCDA.

Verification of LSWP/Moisture certification is not required after 4 years of continuous employment in the Indiana WAP as an ISV mechanical, crew leader, shell, audit or QCI.

Grantee Monitors and Inspectors must be Certified Lead Renovators. [WPN 22-7](#).

## 7.6 Additional Training Opportunities

IHCDA utilizes INCAA as the Indiana Weatherization Training Center and for Technical Assistance. Course subjects, course descriptions, length of classes, prerequisites, and schedules are located on INCAA's [website](#).

Classes are filled on a first come-first served basis. Once a class is filled, sub-grantees and contractors are encouraged to continue to register for the filled class so they can be placed on the waiting list. It is not uncommon for a spot to open 3 to 5 days prior to the class. To be placed on the waiting list individuals must register for the class. **A sub-grantee may also contact the INCAA Training Team Leader to request a specific course be taught at the sub-grantee agency address. A sub-grantee or contractor may also request on site training or technical assistance from the INCAA training staff. It should be noted all courses may not be suitable for being held at the sub-grantee address, but INCAA will make these accommodations when possible.**

Sub-grantee staff and contractors may also contact INCAA training team staff directly to request on-site Training and Technical Assistance to be held at specific job sites. These on-site T&TA opportunities will earn attendees one CEU per hour of T&TA.

## 7.7 Background Checks

In order to protect the safety of clients receiving weatherization services, sub-grantees must perform a criminal background check and employment verification prior to the employment of sub-grantee/contractor employees planning to work with clients or in the home of client's being rehabilitated or weatherized as a part of Indiana's Weatherization Assistance Program. IHCDA is instituting a look-back period for convictions to 7 years for individuals employed by sub-grantees for the Weatherization program. This policy mirrors the State's employment policies. The criminal background report must contain a criminal background check which includes the following:

- State and county records from all 50 states including data from courts, sexual offender registries and department of correction records.
- An Indiana criminal history check which contains records of criminal convictions or currently pending criminal charges in counties throughout the State of Indiana.

- A Social Security Number (SSN) Trace which provides names and addresses associated with a social security number along with the date and state of its issuance (this is a tool to aid in verifying the identity and location of a particular applicant).
- Confirmation of employment dates and job titles held with previous employers, the reason for leaving, and eligibility for rehire, if available.
- Sub-grantees must use careful consideration when analyzing the results of the reports **and follow their internal agency policies. Must** prohibit employment of anyone appearing in any sex offender registry. **Deviations from internal policies must be discussed and approved by their board of directors.**
- Sub-grantee Weatherization Program Managers are encouraged to work with their Human Resources and Executive Staff personnel to develop acceptable hiring practices based upon background check results.
- It is the sub-grantee's responsibility to ensure that this background check is performed and properly tracked for all sub-grantee weatherization staff and contractor employees.

## 7.8 Compliance Issues

IHCDA will evaluate compliance with competency and other required training annually. Sub-grantees must be prepared to provide IHCDA with training documentation whenever it is requested by IHCDA.

**The sub-grantee must ensure that all persons meet the applicable certification and training requirements. If a sub-grantee has been found to have a person(s) working or worked on a weatherization home without the above-mentioned requirements, IHCDA may take the following steps:**

- Issue a written finding with a timeline for resolution of the non-compliance issues
- Require re-works or re-inspections at the sub-grantee/contractor expense
- Require repayment of all funds claimed for the affected Weatherization work
- Hold the sub-grantees weatherization financial claims until all issues are properly addressed
- Temporarily suspend the **noncompliant person** from performing work in Indiana's Weatherization Assistance Program.

IHCDA will review sub-grantee compliance through sub-grantee files (tracking) and INCAA training records. It is the responsibility of the sub-grantee to identify within the client file each individual who entered the home.

## 7.9 Roles and Responsibilities

### Energy Auditor

An energy auditor is a residential energy-efficiency professional who evaluates the energy efficiency and health & safety of a home and conducts field measurements and diagnostic testing to identify areas for energy savings and enhancements. The energy auditor produces a work order based upon the information gathered to direct the energy efficient work and installed measures for homes to be weatherized.

### Quality Control Inspector

A quality control inspector (QCI) is a residential energy-efficiency professional who ensures the completion, appropriateness and quality of energy efficiency upgrade work and installed measures. Per [WPN 22-4](#), the QCI is an individual that has no involvement in the prior work on the home either as the auditor or as a member of the crew. IHCDA will monitor a minimum of 5% of DOE completions.

- Separation of duties between the Energy Auditor and QCI must be clearly defined and not crossed
- Weatherization Program Managers who would like to perform QCI must obtain prior IHCDA approval
- The QCI must take every precaution necessary to not become involved in the decision-making process regarding the work being performed at the home
- All additional work or needed re-work should be brought to the attention of the WX Program Manager or Energy Auditor and not handled directly by the QCI.

- Crew Leaders should seek guidance on performing work from the WX Program Manager or Energy Auditor.

### **IHCDA Expectations and Best Practices for Indiana’s Weatherization Network**

IHCDA allows two options for meeting the Quality Control Inspection requirement. Sub-grantees must apply to IHCDA in order to be able to utilize the Energy Auditor as the QCI option and must indicate their intended method to IHCDA for consideration. Sub-grantees that do not submit a plan to IHCDA will be required to utilize a **QCI that was not the Energy Auditor**.

### **When Energy Auditor is QCI**

The auditor performs the audit, creates the work order, and performs the final quality control inspection. The auditor is not involved in any of the actual work on the home. Because this model does not allow for an independent review of the audit on every home, IHCDA is required to increase the percentage of quality assurance reviews to ensure that audits are being performed consistently and correctly. IHCDA will monitor a minimum of 10% of DOE completions.

Inspectors shall not participate in professional activities involving a conflict of interest. A conflict of interest occurs when an inspector is inappropriately motivated by any financial, personal, or professional incentive other than the production of a professional report that clearly, completely, and usefully reflects the conditions observed during the audit. Inspectors shall avoid, whenever possible, even the appearance of a conflict of interest and shall disclose all potentially questionable associations and relationships in advance to IHCDA with a legitimate right to be informed of them.

Inspectors shall not inspect work performed by organizations under arrangements whereby any compensation or future referrals to the inspector depend on or are influenced by the findings of the report. Compensation includes direct and indirect remuneration as well as substantial gifts and favors. Inspectors shall not accept any form of compensation for recommending products or services to clients or other parties having an interest in the inspected work.

Additional documentation may be required by IHCDA if necessary, including:

- Documentation of the independent status of the Quality Control Inspector
- Documentation outlining any involvement of the QCI in the audit process

Quality control inspections are subject to IHCDA assessment of effectiveness and compliance with program inspection policies and monitoring will include documentation of any findings related to the quality of the inspection and impartiality of the inspection process. IHCDA will maintain tracking of all sub-grantee QCI activities to include all aspects of the sub-grantee developed QCI process, subsequent corrective actions, and final outcomes.

If sub-grantees are found to be out of compliance, remedial training may be required for the QCI, the installation contractor, and/or sub-grantee staff. Limited remedial training may be provided by IHCDA staff onsite at the time of the monitoring, or more extensively through the training facility at INCAA if necessary. Alternatively, IHCDA staff may provide more comprehensive training at a later date. Repeated noncompliance issues after remedial training may result in the agency being placed on QIP, or a reduction in funding. All compliance issues found with QCIs are subject to IHCDA review and may result in the QCI not being allowed to perform inspections for Indiana WAP.

Sub-grantees are required to ensure that each weatherization completion receives an appropriate and properly executed QC inspections. This inspection must be performed by a BPI certified Quality Control Inspector (QCI). IHCDA, as part of their regular monitoring procedures, will review QC inspection forms, sub-grantee inspection processes and completed homes to ensure the inspections are being performed correctly and in a manner that meets DOE expectations. [WPN 22-4](#).

Failure by the sub-grantee to utilize the QCI process correctly may result in the associated completion(s) being considered unallowable, and all associated cost being returned to IHCDA. Should multiple

instances of poorly performed inspections be found, IHCD will, at the very minimum, place the sub-grantee on a Quality Improvement Plan (QIP).

### 7.10 Training Stipend

Sub-grantees will be allotted a \$2,000 base award through the DOE award with an additional \$500 for every county serviced per grant cycle for the purpose of providing Training and Technical Assistance for sub-grantee staff and contractors performing weatherization work for the sub-grantee. Sub-grantees can request additional T&TA stipend on a first come first served basis. These funds may be used for expenses related to weatherization training, including:

- Class Fees
- Material Fees
- Written / Field Testing
- CEU Events
- Salary / Wage / Time reimbursement
- Travel Expenses (excluding meals)
- Lodging
- Providing reasonable meals at **annual** contractor trainings

Contractors must have an active contract with the sub-grantee before being considered for the stipend. Requests for stipends to reimburse contractors without an active contract must be reviewed by IHCD.

Sub-grantees that use a stipend for contractors and staff must provide training documentation to IHCD upon submitting claims for the stipend. Training records must contain clear documentation and verification that the required and appropriate training was attended and completed. Examples of this documentation include copies of training certificates, sign-in sheets, and BPI student portal information.

Examples of allowable courses are listed on INCAA's [website](#), as well as those outlined in this section. Sub-grantees must have approval from IHCD for classes not listed prior to attending if the stipend will be used. Other associated costs related to training not listed above must first be approved by IHCD.

## Section 8: Monitoring

### 8.1 Quality Assurance

The primary purpose of monitoring visits is to assist the Weatherization sub-grantee in providing high quality energy conservation services to low-income people. Monitoring also provides compliance review and information sharing to Weatherization sub-grantees to ensure:

- Quality, comprehensive weatherization services are provided consistently throughout the state
- Healthy, safe, and energy efficient housing improvements are provided to low-income households
- Program accountability and efficiencies are in effect and verifiable
- Federal, State and IHCD standards and regulations are followed

### 8.2 Standards & Practices

IHCD will conduct fiscal, technical, file, and program monitoring annually. IHCD will review reports before they are distributed to sub-grantees.

#### Program Monitoring

The program monitoring includes a review of Program Administration, Procurement, Training, Competencies and Certifications, Database Input, Fiscal Information and Client File Review. At least 10% of completed DOE client files will be reviewed. Each area of the Program Review is explained in more detail below:

- **Program Administration** – IHCD will review agency policies as they apply to awarding priority, wait list maintenance, rental policies, and client redetermination.
- **NEAT/MHEA/MuTEA Database reviews will include the following**
  - Price list is up to date and current
  - Fuel prices are current
  - Set points are accurate
  - Lifetime of measures are correct
  - Measures are active
- **Procurement** – This section covers materials procurement and selection; contractor selection procurement, and evaluation; price lists and written procurement standards. Reference the procurement section in this manual for additional information.
- **Training, Competency and Certification** - IHCD monitors will review whether the Weatherization Program Manager is using appropriately trained/competent staff to perform various job functions. The use of subcontractors will be reviewed to determine compliance with job function training requirements as outlined in this manual. Monitors will also review contractors for compliance with local licensing standards. Sub-grantee lead based paint practices and compliance with EPA and HUD regulations will also be reviewed.
- **Database Input** – A selection of the client files are checked to ensure information from the client files is reported in the IWAP database accurately and completely.
- **Fiscal** – IHCD will perform financial monitoring for their Weatherization sub-grantees. The financial monitoring will occur in conjunction with the Weatherization Program/File Monitoring. IHCD will check for appropriate payment processing as specified in this manual. The monitor will review the following:
  - Grant utilization to ensure funding is utilized in allowable combinations
  - Sub-grantees have properly tracked and utilized Program Income
  - Contractors are paid within 45 days
  - Back-up documentation provided with claims is appropriate
- **Client File Review** – Files will be pulled at random from completions entered into the IWAP database. A minimum of 10% of all completed DOE client files will be reviewed. Find Program Monitoring Tool utilized by monitors can be found at MyIHCD's [Program Partners](#). *Appendix F - Monitoring Tool 2022-2023 template*. These files will be reviewed for:
  - Correct forms
  - Accurate information
  - Work processes

- Eligibility verification
- Appropriate documentation and allowability of deferrals
- Each NEAT/MHEA/MulTEA run is checked to verify the cumulative SIR is equal or greater than 1
- **Training and Technical Assistance (T&TA)** – The purpose of T&TA is to provide sub-grantees with assistance in the technical aspects of the weatherization program. IHCDAs will provide consultation while on site. If sub-grantee personnel feel it necessary, and time allows, IHCDAs monitoring personnel may be available for T&TA visits to the sub-grantee.

### Technical Monitoring

IHCDAs will perform real-time Technical Monitoring for each Weatherization sub-grantee annually. The purpose of this monitoring is to ensure that weatherization services are provided in a professional manner in compliance with all standards, regulations and policies set forth by DOE, HHS and IHCDAs. The sub-grantee is responsible for quality control on all completed units and must ensure that the QC inspection completed by the QCI attests to the level of quality, professionalism, and appropriateness of all measures performed. Technical Monitoring will also review and inspect invoiced materials, justification for the number of labor hours charged, initial and final audit detail, and adherence to technical standards and accuracy of sub-grantee diagnostic testing.

Monitors will use the current QC Inspection Form. A minimum of 5% of all DOE completed homes will be monitored for those sub-grantees utilizing an Independent QCI, and a minimum of 10% of all DOE completed homes will be monitored for those sub-grantees with an Energy Auditor/QCI. IHCDAs reserves the right to monitor any unit including Capital Intensive unit(s). Sub-grantee responses to technical findings must include documentation verifying that all findings and concerns have been corrected. IHCDAs when possible, will incorporate in-progress visits to client homes. IHCDAs's Technical Monitoring visits will include an evaluation of the QCI's process to ensure compliance with [WPN 22-4](#).

Sub-grantees are required to ensure that each Weatherization completion receives an appropriate and properly executed QC inspection. This inspection will be performed by a BPI certified QCI. Failure by the sub-grantee to utilize the QCI process correctly may result in the affected completion(s) being considered unallowable and all associated cost being returned to IHCDAs. Should multiple instances of poorly performed inspections be found, IHCDAs will, at the very minimum, place the sub-grantee on a Quality Improvement Plan (QIP). Further action will be taken should the QIP fail to improve performance.

- **Field Inspections** (See Technical Monitoring below) – IHCDAs will conduct on-site inspections of a sample of units pulled from the file review or at random from the IWAP database. The purpose of this monitoring is to ensure that weatherization services are provided in a professional manner in compliance with all standards, regulations and policies set forth by DOE, HHS and IHCDAs. The local sub-grantee is responsible for quality control on all completed units and must ensure that the QC inspection completed by the BPI certified Quality Control Inspector (QCI) attests to the level of quality, professionalism, and appropriateness of all measures performed. The field inspection will cover the appropriateness of Base Load, Shell, and Health and Safety measures. During the field inspection, IHCDAs staff will be checking for all invoiced materials, justification for the number of labor hours charged, initial and final audit detail, adherence to technical standards, and accuracy of sub-grantee diagnostic testing.

### 8.3 Monitoring Process

IHCDAs staff and contracted monitors prepare the monitoring schedule and contact each sub-grantee to schedule the appointments. Upon completion of the monitoring, the monitor(s) will perform an exit conference to summarize issues found during monitoring, as well as to offer best practice recommendations. For Technical Monitoring visits, an exit conference may be delayed, conducted via telephone, webinars, etc.

### Program Monitoring Specific

Notification for program monitoring will include client files, financial information, procurement, training, etc.

## Technical Monitoring Specific

Requests for Technical Monitoring include a list of units to visit as well as alternates when clients are unavailable. Sub-grantees are prohibited from revisiting client homes chosen by IHCD for Technical Monitoring. Homes that are found to have been “revisited” prior to the Technical Monitoring visit will result in at least one additional home being selected for monitoring. IHCD may, at its discretion, require a Return of Funds for all expenses associated with the revisited home thereby removing it as a completed unit. IHCD monitoring staff may use alternate procedures or request additional information to verify compliance when it is necessary or deemed appropriate.

## 8.4 LIHEAP/ARPA Program and Technical Monitoring

Monitoring for LIHEAP/ARPA will be performed in conjunction with DOE monitoring and/or as deemed necessary by IHCD. LIHEAP/ARPA monitoring practices will be the same as outlined above for DOE.

For homes utilizing both DOE and LIHEAP/ARPA the monitored process is outlined above. IHCD estimates that approximately 70% of Weatherization completions in Indiana utilize both DOE and LIHEAP/ARPA funding.

## 8.5 Monitoring Reporting Process

### Monitoring Report

Each sub-Grantee will receive a copy of the monitoring report within 30 days from completion of the exit conference. The report will identify such areas as training and technical assistance recommendations, summary of program /technical and client file/QCI findings and concerns, funding utilization per client, and NEAT/MHEA/MuTEA review.

- **Findings** should be classified as critical in nature and may require immediate corrective action by the sub-grantee (e.g. Health and Safety issue).
- **Concern** do not require immediate action by the sub-grantee and in many cases may not require action at all. These tend to be low to medium intensity issues.

The level of severity (classification as a finding/concern) may be based upon conditions in the field at the time of monitoring.

Findings and Concerns will be noted as:

- **Incomplete Work:**
  - Concern: Incomplete work that is minor, that has little or no cost, does not pose a health and safety issue and is not part of past trends for the agency, and depending on the circumstance may not be required to be repaired.
  - Finding: Incomplete work that includes past trend(s), is associated with a noteworthy cost, may affect the potential energy savings, or is a health and safety issue. These will require remediation.
- **Questioned Costs:**
  - Questioned costs are clarified with the sub-grantee. When deemed unallowable, they will be required to be returned or removed from DOE funding. Questioned costs are subject to additional review.
- **Client Complaints**
  - When clients complain at the field monitoring, each complaint will be reviewed for validity.
- **Major Workmanship Issues**
  - Finding: Major workmanship issues must be resolved by the sub-grantee.
- **Minor Workmanship Issues**
  - Concern: If the minor workmanship issue is part of past trends, then it is treated as a major workmanship issue.

## Monitoring Report Response

The sub-grantee must either **Accept** the submitted report or provide an **Informal Appeal** (see Monitoring Appeal Process) to specific findings and concerns. The sub-grantee will have 10 days from the receipt of the monitoring report to submit a written response per the monitoring report.

Any corrective action taken by the sub-grantee is considered an acknowledgment of the finding or concern. Failure by the sub-grantee to respond in writing to the monitoring report by the established deadline may result in claims being held by IHCDCA until the proper response is received.

## Monitoring Appeals Process

If the sub-grantee informally appeals (disagrees with) any item on the WAP Monitoring Report, the sub-grantee must send an informal appeal via email to [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov) and IHCDCA's **contracted Monitors** **within 10 days of the receipt of the monitoring report. In the subject line it should say "Informal Monitoring Appeal"**.

- IHCDCA will respond within 10 days of receipt of sub-grantee's Informal Appeal to the Monitoring Report.
  - If IHCDCA **agrees** with all items identified in the sub-grantee's **Informal Appeal**, the sub-grantee will receive a revised monitoring report that will be used to ensure all actionable items are completed.
  - If IHCDCA **does not agree** (in-full or in-part) with the sub-grantee's **Informal Appeal**, the sub-grantee will receive an **IHCDCA Informal Appeal reply**.
- The sub-grantee will provide a **second response** within 10 days. (If applicable)
  - If the sub-grantee **agrees** with the reasons described for not changing items identified in the informal appeal, the sub-grantee's second response is to be sent to the IHCDCA.
  - If the sub-grantee **disagrees** (in-full or in-part) with IHCDCA's **Informal Appeal** response, the sub-grantee may submit a **Formal Appeal** in writing to the Director of Community Programs. The Director of Community Programs will review the formal appeal and provide a written decision within 30 days. This decision will be final.

## Monitoring Completion

Once all parties are in agreement with all the findings and concerns, **the subgrantee will have 30 days after the monitoring session to respond, with an additional 15 days to closeout the session, making for a 45-day closeout period**. The sub-grantee will receive a Monitoring Completion Letter after all completed corrective actions and/or copies of checks paid to IHCDCA have been submitted.

## 8.6 Return of Funds (Monitoring)

A return of funds transaction is initiated when paid grant funds need to be returned due to a monitoring or financial audit issue. A return of funds must be paid out of private agency funds. These funds will show on the claim summary but will not be returned to the sub-grantee's available budget.

Examples of disallowed costs include, but are not limited to:

- Exceeding 20% of total expended funds on Health & Safety measures
- Exceeding the current average cost per home
- Interest expenses paid with DOE funds
- Rework expenses when job has been closed, except when specifically authorized by IHCDCA
- Disallowed equipment and vehicle purchases with DOE funds
- Any measure not cost justified.
- Any repair that exceeds the incidental repair measure limit for materials and labor
- Expenditures incurred for the installation of measures on a completed unit outside the contract period.
- If IHCDCA cannot determine an expenditure is allowable because of inadequate records or documentation, IHCDCA will request additional documentation. If documentation cannot be produced, the costs will be disallowed.

## 8.7 Compliance

Compliance is essential in assuring overall program success. Sub-grantees are monitored to determine whether they have continuously met the established program guidelines, government legislation, IHEDA contract, the IHEDA provided Program Manual, and IHEDA Information Memoranda. Failure to meet the minimum monitoring standards will result in corrective action.

### Quality Improvement Plan (QIP)

Monitoring visits where serious, numerous, or recurring findings may result in the sub-grantee being placed on a QIP. The intent of the QIP is to help the sub-grantee improve the areas of deficiency. As part of the QIP, IHEDA monitors will make additional visits to the sub-grantee to ensure changes are being implemented and all noted deficiencies are being resolved. The QIP may be modified as deemed necessary by IHEDA to accomplish the needed sub-grantee improvement. Sub-grantees could be placed on a QIP if one or more of the following program deficiencies are identified:

- General Administrative Deficiencies that include **but are not limited to** late interim or closeout reports, late completion reporting (data entry), lack of procurement policies
- outdated cost allocation plans
- Fiscal Reporting issues that include failure to claim expenses on a monthly basis, repeated occurrences where expenses are submitted more than 45 days after the invoice or purchase order date, contractors paid beyond the 45-day requirement
- Staff or contractors fail to receive proper certifications
- ACPU exceeds cost guidelines set forth by DOE or HHS (LIHEAP/ARPA) funding
- At least 25% of client files reviewed are deemed ineligible
- High risk outcome on the Risk Assessment
- Repeated concerns and findings on Technical Monitoring

Should the QIP fail to correct the issues, IHEDA will pursue further remedies for noncompliance as allowed in their Weatherization Policy and Procedures Manual, and the sub-grantee grant agreement (contract). The sub-grantee's Weatherization Manager or Weatherization Director may not be the QCI and Energy Auditor combination staff member.

### Modified Quality Improvement Plan (MQIP)

Similar to a Quality Improvement Plan, a MQIP requires less oversight and time frame to accomplish the stated compliance objectives.

## Section 9: Reporting

### 9.1 Monthly and Quarterly Reporting

Production Reports that are used for monthly reporting to DOE include: Closeouts, Desktop Monitoring, and Spending/Production Benchmarks. Reports are pulled at least monthly by IHCDAs from the IWAP database and IHCDASOnline to review production and spending information recorded by sub-grantees. Completions must be entered within 45 days or the job will be locked.

Sub-grantees must have data for production and completions reported to IWAP 10 days after the quarterly benchmark.

### 9.2 Desktop Monitoring

IHCDA monitors claims and average cost per unit on each grant throughout the active grant period. A consistent level of production, spending, and reporting throughout the grant year is indicative of good program management and demonstrates that a sub-grantee is able to efficiently manage available resources. IHCDA emphasizes the importance of blending all sources of funding throughout the year. IHCDA encourages sub-grantees to combine LIHEAP/ARPA funds in conjunction with DOE funds on each unit. IHCDA will review sub-grantee status on production, spending, and reporting in comparison with the established benchmarks on the sub-grantee budget form. This information will be taken into account when issuing grants and distributing additional funds. IHCDA may deallocate or reallocate all or any portion of a sub-grantee's grant funds as necessary.

Below is the schedule IHCDA will follow regarding benchmark and average cost per home tracking for DOE and LIHEAP/ARPA programs

- **Benchmark review/ Average cost analysis**
  - June 30: DOE 1qtr LIHEAP/ARPA 3qtr
  - Sept 30: DOE 2qtr LIHEAP/ARPA Closeout
  - Dec 31: DOE 3qtr LIHEAP/ARPA 1qtr
  - March 31: DOE Closeout LIHEAP/ARPA 2qtr

### 9.3 Spending and Production Benchmarks

IHCDA routinely tracks DOE, LIHEAP, and ARPA expenditures, production, and average cost per home. For sub-grantees substantially and/or consistently under spending or under-producing, a request may be made for a meeting and/or conference call with IHCDA to discuss the sub-grantee progress. IHCDA may require additional planning documentation and reporting. When a sub-grantee fails to display adequate progress and/or fails to provide a definitive plan for the remainder of the grant period, IHCDA reserves the right to decrease the amount of the grant and reallocate funds to other sub-grantees. Funding for all grant programs will be evaluated on a quarterly basis or as necessary. The sub-grantee must comply with the following benchmarks as identified in its approved Budget:

- Complete 15% of yearly production by June 30, 2022; December 31, 2022
- Complete 40% of yearly production by September 30, 2022; March 31, 2022
- Complete 80% of yearly production by December 31, 2022; September 30, 2022

IHCDA will compare sub-grantee claims and expenditures against the sub-grantee approved budget to verify compliance with the benchmarks. In addition, sub-grantees must submit monthly production reports to IHCDA. These reports are due by the end of the first week of the following month. Sub-grantees failing to spend at least 80% of their awarded grant funds may be subject to funding allocation reduction or redistribution at IHCDA's discretion. IHCDA may, in its sole discretion, deallocate and/or re-distribute all or any portion of the Total Grant Amount if sub-grantee fails to meet applicable program requirements, benchmarks, or deadlines.

### 9.4 Record Retention and Disposal

Sub-grantee must maintain all records during the effective period of each grant agreement and for a period of 3 years after closeout. Additionally, all records which include the resolution of any outstanding

administrative, program or fiscal audit question, or legal action must be maintained for 1 year following the resolution. The retention period for records relating to any equipment authorized to be purchased with grant funds begins on the date of the disposition, replacement, or transfer of such equipment (including vehicles).

The sub-grantee must protect all electronic and hardcopy documentation containing confidential client information. Confidential information means any personally identifiable information (PII) about the participants who receive services and/or assistance from sub-grantees and/or sub-recipients. The sub-grantee must properly dispose of any electronic or hard copy documentation containing confidential client information after the required retention period. The proper disposal of this information is one that is reasonable and appropriate to prevent any unauthorized access to confidential client information.

Approved disposal methods include:

- Burn, pulverize, or shred papers containing confidential client information so that the information cannot be read or reconstructed
- Destroy or erase electronic files or media containing confidential client information so that the information cannot be read or reconstructed
- Conduct due diligence and hire a document destruction contractor to dispose of confidential client information.

### 9.5 Required Forms on File

All sub-grantees must ensure the forms below are current:

- **Authorized Signature Form** – Person(s) authorized to sign grant agreement and claims – must be notarized for each signer. Direct Deposit Form – account where claim payments will be deposited. This form can now be completed online.
- **Tax Form W9** – Request for Taxpayer Identification Number and Certification. Registered CCR and UEI Numbers (numbers only, signature not necessary).

### 9.6 Contractor Procurement, Price Lists, Responsible Contractors

Sub-grantees must follow proper procurement procedures when acquiring goods and/or services for the weatherization program. See the grant agreement for Federal rules and regulations concerning procurement. [2 CFR 200](#).

To assist this process, DOE issued an updated Procurement Tool Kit in 2016 that provides templates, checklists and guidance for procurement of weatherization materials and services. To review the DOE Procurement Tool Kit or **other supporting documents visit NASCSP's [Financial Management Toolkit](#)**.

#### Contractor and Price List

Sub-grantees must either bid each weatherization job individually or develop a price list for contractor prices. If a price list is developed, each sub-grantee must follow Federal regulations as outlined in [10 CFR 600.144](#), rebid at least every 2 years and perform a cost analysis of its current price list. Written procedures and documentation must be maintained at the sub-grantee's office and provided to IHCD or DOE upon request.

Whether the sub-grantee chooses to bid out each job or work off of an established price list, sub-grantees must establish in their written procedures whether their process for accepting contractors is open year-round, once per year or multiple times per year. If each home is individually bid, copies of all bid packets must be included in the client file.

The following procedures must be included in Contractor Procurement and Establishment of a Price List:

- Must be publicly bid with advertising using newspapers, websites or hard copy and be available for at least 3 business days.
- Fair and open competition must be provided.
  - The process must take place annually unless the sub-grantee's written procedures manual specifies every 2 years.

- If bid packets will be mailed or emailed to existing contractors, a list must be kept of interested contractors.
- The solicitation must include a clear and accurate description of the service or material being procured.
- Written selection procedures must be established and available for review.
- Deadlines must be established and adhered regarding responses to packets.
- A cost or price analysis must be performed for each procurement process or the sub-grantee may establish an annual price list.
- Materials and labor are the most common items to be bid out for a price list.

Miscellaneous items are optional price list items. If they are not included on a price list, the sub-grantee must demonstrate that prices paid for both labor and materials are reasonable based upon market prices.

### **Responsible Contractors**

All contractors awarded contracts by weatherization sub-grantees must annually review their contractors against the Federal contractor debarment list accessed, with instructions, at SAM's Records. If a contractor is listed on the Excluded Parties List System website, sub-grantees should not enter into a contract for goods or services paid with DOE, LIHEAP, or ARPA funds. **Contractors are required to supply their UEI number to Subgrantees.**

### **Removal or Suspension of Contractors**

Contractors that provide weatherization assistance services are required to be qualified, to be competent and must demonstrate a high degree of professionalism. IHCD and sub-grantees may remove or suspend a contractor or contractor employee if deemed necessary. This policy shall apply to any contractor or contractor employee who provide weatherization services for the sub-grantee. Violations that may result in suspension or debarment include but are not limited to the following:

- Repeated occurrences of failed Combustion Appliance Zone (CAZ) testing
- Repeated occurrences of failing to properly complete required heating systems forms
- Repeated monitoring findings related to the contractor/contractor employee;
- Repeated incidents of unsatisfactory, sub-standard work performance
- Repeated incidents of sub-grantee having to repay funds related to poor work performance by contractor
- Repeated incidents of violating IHCD and/or Federal program requirements
- Fraudulent activity or charges
- Negligent work performance that leaves clients or other workers in imminent danger

#### **Consequences**

- Remedial Training- A contractor/ contractor employee who is required to participate in remedial training will be denied participation in WAP until remedial training is completed
- Denial of Participation- Can be up to 2 years as determined by IHCD
- Permanent Debarment- From providing weatherization services funded through IHCD's Weatherization Assistance Program

Sub-grantees are advised to make sure that contracts with sub-contractors specify remedies for breach of the provisions of the contract including termination. In addition, sub-grantees should provide a copy of this policy to its contractors. [MyIHCD's Program Partners](#). *Appendix Z - Policy for Removal or Suspension of Contractor*

## **9.7 Equipment, Supplies, Vehicles**

### **Inventory of Equipment and Supplies**

Sub-grantees are required to compile and maintain a living document (Inventory), of all equipment (including vehicles). Per [2 CFR 200.313](#), an inventory must be maintained at the sub-grantee's office and provided to IHCD during monitoring and upon request. The inventory must include:

- Type of item

- Description
- Condition
- Location
- Title holder
- ID Number (Serial or VIN)
- Award number
- Federal Award Identification Number (FAIN)
- Source of funds (LIHEAP, ARPA, or DOE)
- Date of most recent maintenance
- Acquisition date
- Total acquisition cost
- Disposition date
- Value at disposition

A physical inventory of the property must be taken, and the results reconciled with the property records annually, prior to monitoring. A control system must be developed to ensure adequate safeguards to prevent loss, damage, or theft of the property. Any loss, damage, or theft must be immediately investigated and reported to IHCDA. Adequate maintenance procedures must be developed to keep the property in good condition. If the non-Federal entity is authorized or required to sell the property, proper sales procedures must be established to ensure the highest possible return.

### **Dispositioning Items**

If the current fair market value of the item to be dispositioned is under \$5,000 no additional approval is needed. IHCDA requires sub-grantees to record the date and note the condition of the equipment, fair market value at the time of disposition and the method of disposition (transferred to agency, recycled, etc.). According to [WPN 17-6](#) FAQ, as soon as the fair market value of an individual unit of property falls below \$5,000.00, DOE's interest in the property is extinguished. At this point, recipients/subrecipients take full title to the property without restriction, free and clear of government interest, and a disposition request to IHCDA is not necessary. Disposition requirements no longer apply and the recipient/sub-recipient have no further obligation to DOE. All proceeds obtained from dispositioning items must be put back into the program from which they originated.

If the fair market value is over \$5,000.00 see the Sale of Inventory Items over \$5,000.00 part below.

### **Use of Equipment and Vehicles**

Any equipment purchased with Federal or IHCDA funds shall be used by the sub-grantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When the equipment is no longer needed for the original program or project, the equipment may be used in other activities or programs currently or previously supported by a Federal agency, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other uses shall be given to other programs or projects supported by the original funding source. User fees should be considered if appropriate. The sub-grantee cannot use equipment acquired with Federal funds to provide services for a fee to compete unfairly with private companies that provide equivalent services. See [10 CFR 600.135\(b\)](#) for details. When acquiring replacement equipment, the sub-grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval by IHCDA.

### **Vehicle Titles**

When purchasing a new vehicle with Federal grant funds, the title shall list "Indiana Housing and Community Development Authority (IHCDA)" as the lien holder and the sub-grantee as the owner. The title must be mailed to IHCDA to the attention of the Community Programs Analyst. All titles will be held at the IHCDA office. See [2 CFR 200.313](#) for details.

### **Sale of Inventory Items over \$5000.00**

In order to sell inventory items such as a vehicle or equipment having a fair market value greater than \$5,000.00 that was purchased with Federal funds, the sub-grantee must contact IHCD for further instructions. In order to sell a vehicle or equipment having a fair market value that is greater than \$5,000.00 that was purchased with LIHEAP/ARPA funds, a sub-grantee must document the following actions before the sale:

- Determine how your organization will sell the equipment/vehicle. This can be a public sale, a trade in with a dealer or a sale to another department of the sub-grantee.
- Research current market value for the equipment/vehicle (ex. Kelley Blue Book, local comparable prices through dealers) Keep copies of documented values.
- Advertise the sale of the equipment/vehicle via a public notice for at least 3 days in a local newspaper. If possible, sub-grantees should use all available media outlets for publication, including websites and agency publications.
- The advertisement should include a minimum price and a reasonable time frame for offers to be accepted.
- There should be an open bidding process with the sale going to the highest offer. All vehicle sales must have at least two documented offers and must be sold at or above the highest offer. (If the vehicle is up for private sale or a sale to another department of the sub-grantee because the agency feels as though a better price can be achieved through private sale than through trade-in, the sale price may not be lower than the offered trade-in value)
- An email or letter must be written to IHCD to request the release of the title. Include in your correspondence: your intent to either trade in or sell the equipment, your process, and documentation of the offer. The letter must be signed by the sub-grantee's Executive Director. It will take at least 14 business days for IHCD to release the title and mail it back to the sub-grantee for the sale. (If the sale is to another department within the sub-grantee, an email to the [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov) inbox is sufficient or it can result in the transfer of the title to another IHCD department).
- If the vehicle/equipment is used as a trade-in for a replacement vehicle/equipment, the value of the trade-in is applied to the purchase price of the new replacement vehicle/equipment.

Equipment sales by non-profit entities purchased with Federal funds should follow [2 CFR 200.313\(e\)](#).

### **Sale of Inventory Items under \$5000.00**

Once the value of an item is below \$5,000.00 or the capitalization threshold of the sub-grantee, there is no further Federal or state interest in the item. The sub-grantee should record on its inventory that the item was dispositioned and per Indiana guidance, the proceeds should be rolled back into the program. IHCD will remain on vehicle titles even if the value is under \$5,000.00.

### **Rental Vehicles, Equipment, and Supplies**

Rental of inventory items to other non-Federal sub-grantee departments, other non-profits or a for-profit entity is only allowable if the sub-grantee reinvests the proceeds of the rental back into the Weatherization program. Sub-grantees must not use equipment acquired with Federal funds to provide services for a fee that is less than private companies charge for equivalent services. [2 CFR 200.313\(c\)\(3\)](#). If a sub-grantee has an inventory item that it is no longer in use for the purposes of Weatherization, that item can be transferred to another sub-grantee department or a different sub-grantee and used for Federal purposes, and the inventory log can be updated accordingly. No payment is required in such cases.

### **9.8 Bid Procedure for Equipment Purchases**

Weatherization specific equipment with a unit cost of greater than \$5,000.00, such as vehicles, may be purchased with the LIHEAP/ARPA Equipment line item. Equipment requires prior written approval from IHCD before the purchase is made. All requests must follow the IHCD bid procedure below to be considered for approval.

### **Bid Specifications**

- Write specifications for the item you are requesting to purchase: make, model, features, year, new/used, etc.
- Specifications should be specific to the organization's needs but not so specific to determine an already selected item.

### **Solicit Bids**

- Mail, email or deliver bid specifications to dealers or companies to solicit bids. A minimum of three bids must be solicited and submitted.
- If you do not receive three bids or the bids did not meet the specifications, bids may be selected based on a similar make and model. This is only true for unique items.

### **Bid Selection**

- Review and select a bid that meets your bid specifications.
- If this bid is not the lowest bid, please specify why it was chosen.
- Priority should be given to bids meeting the specific bid description.

### **Requesting approval from IHEDA**

- Email a letter with an authorized signature to [iwx@iheda.in.gov](mailto:iwx@iheda.in.gov)
- The letter should describe your bid process, your selected bid and the reason for your choice.
- Attachments should include your bid specification, a list of companies or dealers solicited and three bids meeting your specifications.

### **IHEDA Approval**

- Upon approval, a letter will be sent via email approving your purchase.
- Incomplete requests will delay approval and may require rebidding for valid bids.
- IHEDA will respond within 10 days with questions or approval.

Failure to follow the above procedure may delay the process of equipment purchases. DOE issued an updated Procurement Tool Kit in 2016 that provides templates, checklists and guidance for procurement of weatherization materials and services. To download the DOE Procurement Tool Kit or documents, see NASCSP's [Financial Management Toolkit](#).

## **9.9 Indiana Weatherization Assistance Program (IWAP) Database**

The Indiana Weatherization Assistance Program Database (IWAP) was created by Roeing Corporation specifically for Indiana's weatherization program. Data is recorded in the system for many aspects of the program including:

- Unit Completions – client info, job info, job costs, measures, contractors
- Wait Lists
- Deferral Tracking (when available)

As a result of this data input, reports can be generated for each funding source daily, monthly, quarterly, and lifetime of the grant. These reports can be used by IHEDA staff and monitors to review progress and compliance. Questions or problems concerning the database should be emailed to [iwx@iheda.in.gov](mailto:iwx@iheda.in.gov) and may be referred to the system administrator. Access the online database at the [IWAP website](#).

Below are instructions on the use of IWAP. This is arranged based on the order a sub-grantee will use the system with a new client. IWAP offers a training database/test site at the [IWAP website](#). Email [iwx@iheda.in.gov](mailto:iwx@iheda.in.gov) for a username and password.

### **Administrator Privileges**

All sub-grantees are given an original log on and at least one person is assigned as the Supervisor for each sub-grantee. The sub-grantee Supervisor has the ability to add, delete and modify access for the sub-grantee's employees. This is completed under Main Menu items "System Utilities" and "Maintain

Users”. New users are added at the bottom and current users can be updated by clicking their name. Only one to two people should have supervisor rights per sub-grantee. Most will need Report rights and Edit rights if they update files. Employees with these rights will have several inactive fields that only a Supervisor can view or update. If the individual identified as the agency Supervisor leaves, the replacement Supervisor will need to contact IHCDa at [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov) in order to assign permissions.

The IWAP database is linked to the EAP database. In order to delete an employee, his or her IWAP rights must be removed. If you are unable to remove an employee’s access completely in IWAP, contact the EAP Supervisor at your agency.

The IWAP software has the ability to perform Ad Hoc Reporting. If an employee will be using the Ad Hoc Reporting portion of IWAP, click on the employee’s name, add a check to the Ad Hoc Reporting box and have him or her log back into IWAP to access the new Ad Hoc Reporting.

### **EAP Data Access Policy**

When a sub-grantee performs weatherization services in territories that are served by another sub-grantee’s Energy Assistance Program, IHCDa requires the following guidelines be followed to ensure necessary and required EAP information and documents are accessible within the database, and can be transmitted securely between sub-grantees:

- When a sub-grantee provides weatherization services to clients in a territory that another agency serves in EAP, the sub-grantee will be automatically given read only access in the EAP database. The sub-grantee will be notified when access has been granted.
- Permissions in the EAP database for sub-grantee staff will be assigned by the sub-grantee.
- The sub-grantee providing EAP services must ensure all accurate documents are uploaded to the EAP database within 60 days of completion. If additional time is needed, the sub-grantee providing EAP may submit a request for extension to IHCDa.
- Before proceeding with weatherization services, the sub-grantee must ensure all information in the EAP application is correct and the client is eligible for weatherization. When verifying the application, ensure the differences between EAP and Weatherization income calculations are accurate, i.e. child support and zero income.
- Any errors found in the client files by the weatherization sub-grantee must be forwarded to IHCDa for review. IHCDa will work with the EAP service provider to resolve the issues and will notify the weatherization provider when the information has been verified.
- Sub-grantees must reference the client by application key only when communicating. Any other Personally Identifiable Information (PII) should not be shared.
- The weatherization provider must ensure that the client’s EAP application is active when the weatherization services are provided, and at the time of QC inspection. An application is considered active for a 12-month period starting from the date of the approved application. If the version in the weatherization database is the most current, no paper copy is required. Caution should be used when using summer cool applications as verifications are only good for 12 months.

### **Wait List (Main Menu Item)**

“Wait List” is the last menu item in IWAP. This will access the sub-grantee’s list of potential clients and provide detailed information about the client based on the client’s Energy Assistance Program (EAP) application. Sub-grantees will be responsible for building their own wait lists using the prioritization policy outlined in this manual.

### **Completions (Current Clients – Main Menu Item)**

For IWAP to count a unit as completed, the following steps must be followed:

- **Application** - This is the Client Information that comes from the EAP file or from the initial intake. This page must be completed before moving forward.
- **Job Information** – This information comes from the initial audit.
  - **Job completion information**- This information is from the initial audit and QC inspection.

- **Job Costs** – Identify the labor/material costs for the unit for Base Program Operations, Health and Safety or Mechanical budget line items. The following items must be entered on this page: Funding Source, and the date(s) for the Final Inspection (QC), Invoice and Completion. Although not required at this time, IHCDCA strongly encourages entering Overhead costs in IWAP. By doing this, an agency would increase their management of the average cost per unit and assist in identifying cost to be moved in the event a job is transferred to a new funding source.

	Funding Source	Completion Date	Rework	Contractor	Total Cost	Total Completion Cost
*	DOE 2017-18	03-28-2018	No	Go and Blow Insulation	\$10,502.00	\$8,992.00
*	LIHEAP 2018	03-28-2018	No	Fred Said Heating and Cooling	\$1,503.72	\$1,503.72
*	LIHEAP 2018	03-28-2018	No	Lowe's	\$398.06	\$398.06
*	State LIHEAP	03-28-2018	No	WOW Pro Contractors	\$2,900.00	\$0.00

Overhead costs that are tracked in IWAP shall be reported under the sub-grantee name and not combined with other invoices or contractors.

Funding Source\*

Completion Date\*  /  /

Contractor\*  Ag

Invoice Date\*  /  /

Final Inspection Date\*  /  /

Is Rework

**Note:** The QC Inspection Date should be the date the QCI passed the job. The Completion Date cannot be before the QC Inspection Date.

- **Measures** – click off measures completed in the unit per funding source.
- **Closeout** – when the record is complete, click on the closeout menu. Close the record to indicate a completion is ready to be reported to DOE and/or LIHEAP/ARPA. In order to be counted for benchmarks the job must be closed.

### Current and Historical Clients (Main Menu Items)

All Current Clients can be pulled up under this menu tab. The easiest method is by IWAP Application Key (which is different than the Wait List Application Key) but name and address can also be used. Historical Clients are archived clients from closed programs. These client files are locked and are for viewing only. A client completed more than 18 months prior will appear in the Historical Client list.

### Reports (Main Menu Item)

A variety of reports can be pulled by the sub-grantee and IHCDCA.

- Quarterly Reports need to be checked for accuracy and submitted at Closeouts. IHCDCA will compare this data to the Closeout Reports to calculate average cost per home. Additionally, detailed demographics are summarized and used by IHCDCA for DOE monthly and quarterly reporting.
- Client Completion List will pull a completed client list per county or date range.
- Job Expense Report shows all reported funds spent per funding source.

### Client Record Unlock

If it is necessary to unlock a locked/closed client record, email [ixw@ihcda.in.gov](mailto:ixw@ihcda.in.gov) for permission. Requests must be made via email; email requests should only include the client's IWAP-generated application key

to maintain security and the **reason the record needs to be unlocked**. Do not include any Personal Identification Information in this email to maintain security. Once a record is unlocked, it will remain open 24 hours for editing. The record will automatically lock at the end of the 24-hour period. If the job is in the process of being monitored it cannot be unlocked. If a funding program is closed out, the record may not be accessible due to recording and reporting of data to Federal funding sources.

## 9.10 IHCDOnline

All claims and reporting requirements are on [IHCDOnline](#) and IHCD's [Authority Online](#).

## 9.11 Historic and Environmental Reviews

Sub-grantees are responsible for Section 106 of the National Historic Preservation Act (NHPA) and for referring buildings that may be covered under this Act to the State Historic Preservation Office (SHPO). Sub-grantees must document the Historic Preservation status of all homes and evaluate each building 45 years or older for potential impact on historic resources per the Programmatic Agreement. Mobile and manufactured homes are exempt from historic review. Upon completion of the home energy audit, but before work begins on the house, the sub-grantee must compare the measures planned on the house with the exempt measures in the Programmatic Agreement established between IHCD and the SHPO to determine if a Section 106 review is required. Work cannot begin in a unit until this determination has been made. All documentation and forms verifying the determination must be maintained in the client file for a period of 3 years from project completion.

Many weatherization measures are considered exempt and not subject to Section 106 review. Exempt measures can be found in Appendix A of the Programmatic Agreement, Appendix HP-3, to this policy. Any questions regarding exempted work should be directed to [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov). A Section 106 review is required if any non-exempt measure is planned. If a Section 106 review is needed, the sub-grantee must submit the SHPO Review Request Submittal form to IHCD. The SHPO Review Requests Submittal form can be found in *Appendix HP-1 IN Historic Review Request Form 55031*. The second page of this form includes a list of the information necessary to compete a review. More information on the review process is available on [DNR's Historic Preservation Review](#).

A copy of the SHPO Review Request Submittal Form and any related documentation must be saved in the Client File for three years. Sub-grantees must record the SHPO status of each building on the IWAP Job Information Screen as one of the following categories:

- Not applicable, building under 45 years old
- Not applicable, mobile or manufactured home
- Exempt using Programmatic Agreement
- Sent to SHPO for review - Not Historic Site
- Sent to SHPO for review - Historic Site

**For non-applicable or exempt units, subgrantees must check exemption on required NEAT/MHEA/MuTEA cover sheet only.**

Sub-grantees must complete the *Indiana Weatherization Assistance Program Historic Preservation Form when it is required for SHPO review*. This form can be found in *Appendix HP-2 Indiana WAP Historic Preservation Form*. This form must be saved in the Client File for three years and will be reviewed during monitoring. Sub-grantees must look up each property on the *Indiana Historic Buildings, Bridges, and Cemeteries Map* and a screenshot of the map must be kept in the client file. Access at [ArcGIS](#).

Another resource to identify known historic properties is the [State Historic Architectural and Archaeological Research Database \(SHAARD\)](#).

**Note:** Historic Preservation is not a cause for deferral.

**Below is a list of Weatherization measures that would require Section 106 review (this list is not all inclusive):**

- 90%+ furnace (PVC pipe coming out of the house) if visible from the public right-of-way (replacing a vent with a like vent does not require SHPO review);
- Power vent water heaters (PVC pipe coming out of the side wall) if visible from the public right-of-way (replacing a vent with a like vent does not require SHPO review)
- Roof jacks on the exterior (occurs occasionally when dryers are vented through the roof and that's where the exhaust comes out. Exhaust fans (if visible from the public right-of-way) (replacing a vent with a like vent does not require SHPO review)
- Plumbing/mechanical vents that go through the roof if terminating in the attic (if visible from the public right-of-way) (replacing a vent with a like vent does not require SHPO review)
- Windows (Storm windows are ok)
- Doors (Storm doors are ok)
- **New** Downspouts (replacing existing and adding downspout extensions are ok)
- Installing *new* underground utilities
- Ground disturbance
- Lead-based paint abatement
- Fuel switches if you cannot use existing piping
- Painting
- Installation of new HVAC equipment that can be seen from the public right-of-way, such as pumps, motors, boilers, chillers, cooling towers, air handling units, packing units, condensers, compressors, or heat exchangers (replacing equipment with like equipment does not require SHPO review)
- New roofs and major roof repairs
- Siding repair
- Structural alterations, demolition of walls, ceilings, or floors

**Guidance:** when replacing HVAC venting, take it out the back of the building, not the front, or some other area that isn't visible from the public right-of-way. If replacing like-with-like, even when visible from the public right-of-way, a SHPO review is not required. See [WPN 10-12](#) and [WPN 19-6](#).

**Appendix A** to the Programmatic Agreement provides a list of activities that are exempt from Section 106 review for the Weatherization Assistance Program. **The exemptions cover most interior work and much of the exterior work performed by WAP.** Examples of items not exempt and subject to Historic Review are replacement of decorative fixtures 45 years of age or older and exterior measures that would harm or obscure historic windows or trim. Section XI.B. states that if IHCD and SHPO determine a building has already been reviewed under an existing Section 106 agreement document then no further Section 106 review is needed. Section XI.C. establishes the 30-day timeframe for Section 106 reviews. If SHPO fails to comment within the established period IHCD can assume the SHPO has concurred and proceed. [36 CFR 800.3\(c\)\(4\)](#)

## Historic Review Procedures

Historic Review Activity	Performed by	Notes/Alternatives
Evaluate building to determine if Section 106 Review is needed ( <i>Must be determined for ALL Weatherization projects</i> ). Indiana Weatherization Assistance programs Historic Preservation Form must be completed	Sub-grantee	This review would look at the age of the home and whether any proposed work is outside the scope of the programmatic agreement SHPO Appendix A. Most likely the energy auditor would make the Section 106 determination.
Document Historic Review status on the Job Information Screen in IWAP and save completed Historic Preservation form in client file ( <i>Must be determined for ALL Weatherization projects</i> )	Sub-grantee	Record the SHPO status of each building on the IWAP Job Information Screen as one of the following categories: <ul style="list-style-type: none"> <li>• Not applicable, building under 45 years old</li> <li>• Not applicable, mobile or manufactured home</li> <li>• Exempt using Programmatic Agreement</li> <li>• Sent to SHPO for review - Not Historic Site</li> <li>• Sent to SHPO for review - Historic Site</li> </ul> Save copy of form in client file for 3 years.
If Section 106 Review is needed, complete SHPO Historic Review Request and submit to IHCDA.	Sub-grantee	Save copy of form in client file for 3 years.
Submit Review Request to SHPO.	IHCDA	IHCDA will submit this form to SHPO for review.
Monitor compliance with Historic Review process	IHCDA	Incorporate into client file review: Was Section 106 determination made and is it accurate?
Report Annually to DOE	IHCDA	Review past report to ensure new IWAP field is collecting all required data.

## Section 10: Deferral Program

Should a Deferral Program be made available, policies and procedures will be available as *Appendix AA – Deferral Program* and all WAP Managers will be notified.

## Section 11: Multi-Family

### 11.1 Multi-Family Policy

The following multi-family policy applies to both DOE and LIHEAP/ARPA funded weatherization buildings containing five or more units. All multi-family buildings containing five or more units require IHCD A approval. Multi-family buildings less than five units do not require prior IHCD A approval and are not subject to this policy.

Sub-grantees or their contractors are responsible for performing an audit using the multi-family tool MulTEA for buildings containing five or more units. Sub-grantees must contact IHCD A to request access to MulTEA. A NEAT/MulTEA audit must be performed on buildings containing less than five units that are individually heated or cooled. Sub-grantees are responsible for all costs associated with performing this audit.

If the sub-grantee is proposing to weatherize a HUD building, the sub-grantee must refer to [WPN 22-5](#).

#### Prior to Starting

- Sub-grantee capacity
- Contractor capacity and availability
  - If you only have one contractor available for certain measure, that would be a risk that needs to be considered
- Fiscal capacity of contractor and sub-grantee (all expenses must be fronted)
  - Sub-grantees may run into challenges regarding payment when dealing with contractors. For larger jobs, the contractor would have a lot of work in flux without being able to receive payment until inspections. IHCD A recommends that inspections be staggered so that contractors can submit invoices periodically.
- Adequate grant allocation
- Time of year that work is going to be conducted, particularly regarding when heating or cooling might need to be shut off.
- The property owner must consent to the project and the sub-grantee must have a signed Owner Agreement before any work can begin.

#### Entities Eligible

Agencies on a Quality Improvement Plan (QIP), Modified Quality Improvement Plan (MQIP), or are considered high-risk, as determined by IHCD A, are not eligible to complete multi-family projects.

#### Certification and Training Requirements

A Building Performance Institute (BPI) Multi-family Building Analyst certification is required for all buildings containing five or more units. Buildings containing five or more units must always be inspected by an individual who has successfully completed an approved Multi-family Quality Control Inspector (QCI) training course. Contact INCAA for training updates related to this requirement. [WPN 22-4](#).

#### Building Eligibility

66% of units in a multi-family building are required to be income eligible. [10 CFR 440.22\(b\)\(2\)](#)

## 11.2 Multi-Family Requirements

### Requirements per Number of Units

Number of Units	Percent of Required Eligible Clients <a href="#">10 CFR 440.22(b)(2)</a>	State Plan <a href="#">WPN 16-5</a> FAQ	Heating <a href="#">WPN 19-4</a> & <a href="#">WPN 16-4</a>	Audit Runs <a href="#">WPN 19-4</a>	Units That Need an Audit <a href="#">WPN 16-6</a> FAQ	Indiana Auditor Requirement	Number of Units that Require Quality Control Inspection <a href="#">WPN 22-4</a> & <a href="#">10 CFR 440.21</a>
2-4	50%	Pre-Approved by IHCD	Separate per unit	NEAT	All	IN or BPI	All
5-10	66%	DOE approval required	Separate per unit with IHCD approval	NEAT/ MULTEA			Multi-BPI
11-24							
25+			Separate per unit	MULTEA			

\*WPN 15-4 QCIs working in multi-family buildings attend and receive a successful evaluation from a training program delivering a curriculum based on the *NREL Multi-family Quality Control Inspector JTA*.

**Note:** All common areas of the building within the thermal envelop must receive weatherization and be inspected for health and safety.

### Reading Requirements

All Executive Directors, Fiscal Directors, Weatherization Managers, Energy Auditors, and QCIs are required to read the following documents and complete the Multi-family Required Readings Form, MF Attachment 3.

- [WPN 16-5](#) & FAQ
- [WPN 16-6](#) & FAQ
- [WPN 19-4](#)
- [WPN 22-1](#)
- [WPN 22-4](#)
- [WPN 22-5](#)
- [WAP Memorandum 035](#)
- WAP Policy & Procedure Manual Section 2.3

## 11.3 Project Planning & Requirements

### Project Plan

All sub-grantees are required to submit a detailed project plan including a timeline of activities to IHCD prior to commencing a multi-family project. This shall be submitted as part of the Multi-family Project Development Form, MF Attachment 1.

Please note, sub-grantees are not allowed to begin a multi-family project after the beginning of the last quarter of the grant's program year. For example, all DOE funded multi-family projects must be started *no later than* January 1<sup>st</sup> unless pre-approved by IHCD. All work shall be completed by February 1<sup>st</sup> including QCI inspections to allow enough time for any necessary reworks. All requests for exceptions shall be sent to [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov). IHCD's Director of Community Programs will make the final determination regarding exceptions.

## Quality Control Plan

Prior to any work being done, the sub-grantee must have a written Quality Control (QC) Plan approved by IHCD. Quality Control shall be enforced through the entire course of the multi-family project. The minimum requirements for the QC Plan are:

- Sub-grantee quality assurance file review process
- QCI in-progress site visit schedule
- QCI onsite meeting schedule with contractors, tenants, landlords, maintenance personnel, engineering firms, etc.

## Mandatory Pre-Consultation

Sub-grantees considering a multi-family project containing five or more total units, or *any* number of units that share a central heating system, must set up a pre-consultation with IHCD. To do so, please email [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov). IHCD requires the Multi-family Project Development Form (MF Attachment 1) be submitted to IHCD prior to the pre-consultation meeting.

## Progress Updates

All sub-grantees working on a multi-family project(s) are required to provide IHCD with written updates at a frequency determined by IHCD. The sub-grantee must also provide IHCD with a written update when each benchmark in the proposed timeline has been met. The email update should be sent to the Weatherization Team at [iwx@ihcda.in.gov](mailto:iwx@ihcda.in.gov).

## Audit Requirements

All units in two to four-unit buildings must be assessed. In buildings with five units, with no fewer than three units per floor plan, at least 10% of units must be visited for a complete energy audit during the pre-weatherization building assessment. In addition, at some point during each project, all units must have a documented inspection for possible health and safety concerns, including diagnostics if appropriate, followed by work orders for correction. [WPN 16-5](#) FAQ.

**Note:** All units with a combustion appliance present must receive pre- and post- health and safety diagnostics testing.

Blower door testing is required on at least 15% of units of each floor plan or five units of each floor plan, whichever is greater. A minimum of five units must be visited during the audit. Health and safety testing is required in all units and all common areas [WPN 16-5](#) FAQ. The Multi-family Building Analyst and Multi-family trained QCI cannot be the same individual.

## Client File Documentation

Per [WPN 16-5](#), The WAP file for each building must contain at least the following information from the energy audit:

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

All other standard Weatherization client file documentation, as applicable, is required.

Following multi-family forms are required and must be submitted to IHEDA. Incomplete submissions will be returned to the sub-grantee.

Document Name:	Required by:
Multi-family Project Development Form (MF Attachment 1)	Before Pre-consult
Multi-family Required Readings Form (MF Attachment 3)	
Historic Preservation Form/Documentation	
Buy-Down Agreement and/or Landlord Participation Agreement	Before Building Diagnostic Audit
Multi-family Building Owner Agreement Form (MF Attachment 2)	
Income Eligibility Documents	
Demographics of Residents	
Accrual of Benefits to Tenants	After Building Diagnostic Audit
Audit Runs	
Multi-family Contractor Information Form (MF Attachment 4)	
Quality Control Plan	

### Buy Downs

Upon agreement between the sub-grantee and building owner, building owners may buy down measures typically prioritized as needs, such as furnace or boiler replacements, that do save energy but don't achieve an SIR of 1 or greater as a stand-alone measure. A measure can be bought down only when the overall SIR of the package of measures, including the full cost of the measure that will be bought down, is 1.0 or greater. See Examples below for Case 1 and 2:

Energy Saving Economics Case 1 – Buy down allowed in WAP		
Measure	Measure SIR	Cumulative SIR
Infiltration Reduction	1.3	1.3
Lighting Retrofits	7.4	1.7
Ceiling Insulation	2.4	1.9
Replacement Windows (pre-buy down)	0.8	1.1 (>=1.0)

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

Energy Saving Economics Case 2 – Buy down not allowed in WAP		
Measure	Measure SIR	Cumulative SIR
Infiltration Reduction	1.3	1.3
Lighting Retrofits	7.4	1.7
Ceiling Insulation	2.4	1.9
Replacement Windows (pre-buy down)	0.6	0.9 (<1.0)

In the second case the replacement windows **would not** be eligible for a buy-down in WAP because the pre-buy-down *package* SIR is below 1.0. [WPN 16-5](#)

**Note:** Please consult with IHEDA before buying down measures.

### **Owner Contribution/Landlord Participation**

Per [WPN 16-5](#), every sub-grantee is required to have an Owner Contribution/Landlord Participation policy in place. Prior to commencing a multi-family project. **Sub-grantees are not required to take contributions from landlords.** IHEDA has provided an optional Multi-family Owner Contribution Form as part of the Multi-family Project Development Form (MF Attachment 1) for sub-grantee convenience.

Owner Contribution/Landlord Participation are separate from the monies used to buy down measures.

### **Utilities Included in Rent**

When performing Weatherization services of any rental property, including multi-family, when tenants do not directly pay for their own utilities, i.e. utilities included in rent, the sub-grantee administering the program must demonstrate the benefits to the low-income tenants. [10 CFR 440.22\(b\)\(3\)\(i\)](#). Sub-grantees must have a policy or procedure in place to properly document this. [WPN 16-5](#) Table 2.

### **Monitoring**

All multi-family projects containing **5 or more units** will have a minimum of 10% of those units monitored.