

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009921		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address North Dakota Dept of Commerce 1600 East Century Avenue, Suite 6 Bismarck, ND 585030000		4. Program/Project Start Date 07/01/2023	5. Completion Date 06/30/2024

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Federal	81.042	\$ 18,662.00		\$ 3,275,132.00		\$ 3,293,794.00
2.						
3.						
4.						
5. TOTAL		\$ 18,662.00	\$ 0.00	\$ 3,275,132.00	\$ 0.00	\$ 3,293,794.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRATION	(2) SUBGRANTEE ADMINISTRATION	(3) GRANTEE T&TA	(4) SUBGRANTEE T&TA	
a. Personnel	\$ 24,192.00	\$ 0.00	\$ 48,385.00	\$ 0.00	\$ 72,577.00
b. Fringe Benefits	\$ 6,970.00	\$ 0.00	\$ 13,941.00	\$ 0.00	\$ 20,911.00
c. Travel	\$ 0.00	\$ 0.00	\$ 10,370.00	\$ 0.00	\$ 10,370.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
f. Contract	\$ 10,886.00	\$ 290,616.00	\$ 45,554.00	\$ 357,658.00	\$ 3,099,020.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 16,023.00	\$ 0.00	\$ 31,144.00	\$ 0.00	\$ 47,167.00
i. Total Direct Charges	\$ 58,071.00	\$ 290,616.00	\$ 149,394.00	\$ 357,658.00	\$ 3,250,045.00
j. Indirect Costs	\$ 14,583.00	\$ 0.00	\$ 29,166.00	\$ 0.00	\$ 43,749.00
k. Totals	\$ 72,654.00	\$ 290,616.00	\$ 178,560.00	\$ 357,658.00	\$ 3,293,794.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 18,662.00	\$ 0.00	\$ 3,275,132.00	\$ 0.00	\$ 3,293,794.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) PROGRAM OPERATIONS	(2) HEALTH AND SAFETY	(3) Weatherization Readiness	(4)	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 72,577.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00		\$ 20,911.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 10,370.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
f. Contract	\$ 1,876,365.00	\$ 182,164.00	\$ 335,777.00		\$ 3,099,020.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 47,167.00
i. Total Direct Charges	\$ 1,876,365.00	\$ 182,164.00	\$ 335,777.00		\$ 3,250,045.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 43,749.00
k. Totals	\$ 1,876,365.00	\$ 182,164.00	\$ 335,777.00		\$ 3,293,794.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00

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

(Grant Number: EE0009921, State: ND, Program Year: 2023)

IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Community Action Partnership - Minot Region (Minot)	\$355,580.00 30
Community Action Partnership; Inc (Dickinson)	\$479,231.00 43
Community Action Program Region VII (Bismarck)	\$411,777.00 35
Community Action Region VI (Jamestown)	\$272,794.00 23
Dakota Prairie Community Action Agency (Devils Lake)	\$382,980.00 33
Red River Valley Community Action (Grand Forks)	\$347,316.00 28
Southeastern ND Community Action Agency (Fargo)	\$457,125.00 39
Total:	\$2,706,803.00 231

IV.2 WAP Production Schedule

Weatherization Plans		Units
Total Units (excluding reweatherized)		221
Reweatherized Units		10
Average Unit Costs, Units subject to DOE Project Rules		
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	221
C	Total Units Reweatherized	10
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	231
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	\$1,876,365.00
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	231
H	Average Program Operations Costs per Unit (F divided by G)	\$8,122.79
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$8,122.79

IV.3 Energy Savings

Method used to calculate savings: <input checked="" type="checkbox"/> WAP algorithm <input type="checkbox"/> Other (describe below)				
		Units	Savings Calculator (MBtus)	Energy Savings
	This Year Estimate	231	29.3	6768
	Prior Year Estimate	231	29.3	6768

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Prior Year Actual	279	29.3	8175
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Method used to calculate savings description:

The DOE algorithm is used.

IV.4 DOE-Funded Leveraging Activities

Leveraging :

\$2000 will be allowed per agency from program operations to leverage funds for weatherization. T&Ta funds may be used with prior approval from the state.

IV.5 Policy Advisory Council Members

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

Community Action Partnership - Minot Region	Type of organization: Local agency Contact Name: Willy Soderholm Phone: 7018397221 Email: willy@capminotregion.org
Community Action Partnership; Inc	Type of organization: Local agency Contact Name: Mr. Erv Bren, Director Phone: 7012270131 Email: comact@dickinson.ctctel.com
Community Action Program Region VII, Inc.	Type of organization: Non-profit (not a financial institution) Contact Name: Lloyd Winterberg Phone: 7012582240 Email: lloydw@cap7.com
Community Action Region VI	Type of organization: Local agency Contact Name: Rich Geringer Phone: 7012521821 Email: rich@cap6.com
Dakota Prairie Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Lora Papachek Phone: 7016626500 Email: lpapachek@dpcaa.org
Department of Commerce, Bruce Hagen	Type of organization: Unit of State Government Contact Name: Bruce Hagen Phone: 7013904806 Email: bahagen@nd.gov
ND Building Officials Association	Type of organization: Other Contact Name: Melvin Zent Phone: 7014832618 Email: mjzent@ndsupernet.com
ND Department of Commerce	Type of organization: Unit of State Government Contact Name: Rory Hoffmann Phone: 7014863330 Email: rjhoffmann@nd.gov
ND Dept. of Commerce	Type of organization: Unit of State Government Contact Name: Alyssa Kroshus Phone: 7013285300 Email: alkroshus@nd.gov
ND Dept. of Commerce	Type of organization: Unit of State Government Contact Name: Rikki Roehrich Phone: 7013282687 Email: rroehrich@nd.gov

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ND Health and Human Services	Type of organization: Unit of State Government Contact Name: Rachel Schafer Phone: 7013282310 Email: raischaafer@nd.gov
Red Reiver Valley Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Kaye Seibel Phone: 7017465431 Email: kseibel@rrvca.com
Red River Valley Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Kathie Johnson Phone: 7017465431 Email: kjohnson@rrvca.com
Southeastern ND Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Doug Bakke Phone: 7012322452 Email: dougb@sendcaa.org
Standing Rock Reservation LIHEAP	Type of organization: Indian Tribe Contact Name: Julie Vossler Phone: 7018548500 Email: jvossler@standingrock.org

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

Date Held	Newspapers that publicized the hearings and the dates the notice ran
05/18/2023	Transcript and notice attached.

IV.7 Miscellaneous

Recipient Business Officer:
Alison Widmer

aljwidmer@nd.gov

701-328-5391

Principle Investigator:

Bruce Hagen
bahagen@nd.gov
701-390-4806

We are giving the agencies the option to blend LIHEAP funds on DOE jobs starting with this program year. All jobs with any DOE funds used will follow all DOE rules. This will help avoid some deferrals and should lower the cost per unit as some of the agencies are struggling to maintain a low cost per unit and buy needed equipment.

There is one outlier within the Subgrantee production and funding allocation. Region One has a smaller low income population so it affects their allocation. It is about a thousand less than the other regions average.

Weatherization Readiness Funds (WRF)

Division of Community Services (DCS) will contract out the administration of the Weatherization Readiness Funds to the Community Action Partnership of North Dakota (CAPND). CAPND will be allowed to use up to 15% (\$47,567) of the funds for administrative costs. The subgrantees will submit job proposals to DCS where the State Manager will approve them. When the work is complete the subgrantees will submit invoices to CAPND for reimbursement. The WRF will use the same priority system as the regular Weatherization grant. WRF will not be used on rentals.

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There is a \$15,000 cap on WRF that can be used on a project although an agency may apply for a waiver if they feel it is warranted. If WRF are used on a house, that house must be weatherized using PY2023 or 2022 BIL funds. Other funds may be used to leverage the WRF but not DOE regular program funds. All information will be tracked in our WxPro Audit and Reporting Tool. The date of deferral will be entered and the job will be removed from the deferral list when the WRF work is approved. All required information in Memorandum 103 will be tracked for reporting purposes. WPN 23-4 will be followed.

Some examples of allowable activities:

Major roof repair

Wall repair (interior or exterior)

Ceiling repair

Floor repair

Foundation or subspace repair

Exterior drainage repairs (e.g., landscaping or gutters)

Plumbing repairs

Electrical repair

Leveling manufactured homes

Clean-up or remediation beyond typical scope of WAP

Lead paint

Asbestos (confirmed or suspected, including vermiculite), mold and/or moisture

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

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

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

Verifications:

1. **A LIHEAP referral from the DCS or the County Social Services Office for the current program year identifying the client and the client's current address.**
2. **Verification documentation generally available from the client consists of: pay stubs, Employee W-2 forms, income tax returns (State or Federal), self-employment IRS form 1040, Schedule C or F.**
3. **Other sources which may be used for income verification are: employer statements of at least three months wage records, statements from employers, state income tax records.**
4. **Social Security Benefit verification include: Social Security benefit checks, SSA/SSI Award Letters, correspondence from Social Security regarding benefits, requests from the agency for information from local SSA offices.**
5. **Pension and other benefits verification generally available from applicants: unemployment compensation award or determination letter, pension award notice, Veterans Administration Award letter, income tax records, railroad retirement award letter.**
6. **Other income must generally be obtained from clients and include: rental agreements or leases, receipts from services provided, statements from Dept. of Labor for unemployment benefits, statements from insurance carriers for Workmen Compensation Claims.**
7. **Documentation is required, to the most reasonable extent possible, for applicants who report zero incomes. A signed statement by the applicant is acceptable, provided information has been obtained regarding basic living costs including food, shelter, utilities, medical expenses, etc, for the months of zero income reported.**
8. **A Community Action Agency (CAA) authorized representative's signature on the application for weatherization assistance certifies that the agency representative has verified the client's eligibility.**
9. **WAP Grantees and Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file.**

Definition of income is as described in WPN 23-3.

Applications more than a year old that have not been served must be re-evaluated for income eligibility.

**2023 POVERTY INCOME GUIDELINES CONTIGUOUS STATES U.S. GRANTEES
EFFECTIVE January 12th, 2023**

Size of Family Unit	INCOME LEVELS	
	Threshold	200%
1	\$14,580	\$29,160
2	\$19,720	\$39,440
3	\$24,860	\$49,720
4	\$30,000	\$60,000
5	\$35,140	\$70,280
6	\$40,280	\$80,560
7	\$45,420	\$90,840
8	\$50,560	\$101,120

For families with more than 8 persons, 100% of poverty level increases \$5,140 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$10,280 for each additional person.

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LIHEAP Eligibility Determination will follow section 415-25 of the attached 2023 ND LIHEAP State Plan.

Describe what household eligibility basis will be used in the Program

LIHEAP Income Eligibility Criteria

The maximum income eligibility limit for heating assistance is 60% of the state median income as updated annually in the Federal Register by the U.S. Department of Health and Human Services, under authority of section 673(2) of the Omnibus Budget Reconciliation Act of 1981, that are in effect at the beginning of this federal fiscal year and subsequent federal fiscal years.

Income Eligibility Levels 415-25-05-10

The income eligibility limits for heating assistance are based on 60% of the North Dakota median income. The monthly income eligibility levels are determined by dividing the annual amount by 12 months and rounding off to the nearest dollar (indicated by *). Therefore, the adjusted gross income eligibility limits for FY2022 are as follows:

(Income limits effective Oct. 1, 2022 through Sept. 30, 2023)

Household Size	Income	Monthly Income
1	\$33,407	\$2,783
2	\$43,686	\$3,640
3	\$53,965	\$4,497
4	\$64,245	\$5,353
5	\$74,524	\$6,210
6	\$84,803	\$7,066
7	\$86,730	\$7,227
8	\$88,658	\$7,388
9	\$90,585	\$7,548
10	\$92,512	\$7,709
11	\$94,440	\$7,870
12	\$96,367	\$8,030

If an applicant is not eligible for LIHEAP or chooses to not apply for LIHEAP assistance, their income is verified and checked against the DOE income guidelines to make sure service is provided where eligibility exists.

DOE Income Eligibility

New 2023 Guidelines

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(Grant Number: EE0009921, State: ND, Program Year: 2023)

INCOME LEVELS

Size of Family Unit	Threshold	200%
1	\$14,580	\$29,160
2	\$19,720	\$39,440
3	\$24,860	\$49,720
4	\$30,000	\$60,000
5	\$35,140	\$70,280
6	\$40,280	\$80,560
7	\$45,420	\$90,840
8	\$50,560	\$101,120

For families with more than 8 persons, 100% of poverty level increases \$5,140 for each additional person. Therefore, for weatherization at 200% of poverty level, add \$10,280 for each additional person.

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

Grantees are directed to review guidance provided by Health and Human Services (HHS) under the Low Income Home Energy Assistance Program (LIHEAP). Qualified aliens are eligible for weatherization.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

See Monitoring Section and ND QCI inspection form checklist attachments.

Describe Reweatherization compliance

All homes weatherized with Federal funds in the last fifteen years are ineligible for additional weatherization assistance. However, DOE allows weatherization funds to be used to re-weatherize units which were partially weatherized with DOE funds prior to the fifteen year cutoff date. Regulations also permit re-weatherization in the event that previously applied weatherization materials are damaged by fire, flood or act of God and the needed repairs to weatherization materials are not covered by insurance. Therefore, the State will allow the re-weatherization of qualified units during the 2022 Plan Year.

To qualify a unit for re-weatherization, the occupant must reapply and be determined eligible for assistance. A new energy audit must be completed to determine which measures and materials should be installed on the basis of current standards.

There are no computerized records from the period prior to 7-1-2009. The software used by the sub-grantees was discontinued and could not be transferred to new computers. Some agencies have access to older paper files but since they are not required to keep files that old there are no records available for most of that time period. In cases where an auditor gets to a home that has been previously weatherized, efforts are made to determine when the weatherization was done. If it is questionable, LIHEAP funds will be used for the weatherization of the home. There is no requirement on reweatherization with those funds.

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Describe what structures are eligible for weatherization

Single family site built homes, manufactured homes, multi-family buildings

Any non-traditional housing such as shelters will need Grantee approval after consulting the DOE Project Officer.

The weatherization of non-stationary campers and trailers is not allowed. Manufactured houses must meet HUD requirements.

The ND Weatherization Assistance Program follows the State Historic Preservation Office Agreement signed with the ND Historic Preservation Office on 10/25/2020. (Agreement attached)

Describe how Rental Units/Multifamily Buildings will be addressed

North Dakota Weatherization Program Rental/Multi-Family Building Procedures

It is a goal of the North Dakota Weatherization Program to provide assistance in a manner that treats persons eligible for weatherization services living in rental housing equally with persons who are homeowners. However, because the unit to be weatherized is owned by a person who may not be eligible to receive program benefits, sub-grantees must comply with the following before the weatherization process is completed.

- 1) The sub-grantee has obtained the written permission of the owner or his agent to weatherize the property.
- 2) If 66 percent (50 percent for 2 to 4 unit buildings, and certain eligible types of large multi-family buildings as determined by consulting with the DOE Project Officer) of the dwelling units in the building are eligible dwelling units, or will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building:
 - a) The entire building must be weatherized.
 - b) All units weatherized will be counted as completions.
- 3) If less than 66 percent (50 percent for 2 to 4 unit buildings, and certain eligible types of large multifamily buildings as determined by consulting with the DOE Project Officer) of the dwelling units in the building are eligible dwelling units or will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building:
 - a) Only the qualifying units can be weatherized.
 - b) Only the qualifying units can be counted as completions.
 - c) The unit is self-contained, without sharing an attic or basement with adjacent units, and has its own individual heating and cooling systems,
 - 4) The unit has been audited with a current, approved energy audit tool and protocol that can adequately address a single unit within a larger structure,
 - 5) The scope of work is specific to allowable measures within the eligible units.
 - 6) The units would be considered on a case by case basis with approval from the DOE Project Officer.
 - 7) The subgrantee has established procedures for dwellings which consist of a rental unit or rental units to ensure that:
 - a) The benefits of weatherization assistance in connection with such rental units, including units where the tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;
 - b) For a reasonable period of time after weatherization work has been completed on a dwelling containing a unit occupied by an eligible household, the tenants in that unit (including households paying for their energy through their rent) will not be subjected to rent increases unless those increases are demonstrably related to matters other than the weatherization work performed;
 - c) Procedures must be established by the Subgrantee

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- by which tenants may file complaints, and owners, in response to such complaints, shall demonstrate that the rent increase concerned is related to matters other than the weatherization work performed;
- i) No undue or excessive enhancement shall occur to the value of the dwelling units. One specific application of this policy is to limit expenditures for furnace or boiler replacements for Health and Safety reasons in rental property. As stated above, landlords are responsible for maintaining safe, operable heating systems in rental units. A properly executed energy audit with an ECM of 1 or greater would not constitute an undue enhancement.
- d) Weatherization funds may, however, be used to upgrade the efficiency of heating systems in rental property by retrofitting or replacing existing equipment that meets the SIR requirement. The agency will pay no more than \$100 for repair costs.
- 8) The North Dakota Weatherization staff has made it a policy to require that each multifamily project that is to be weatherized have at least one major task performed.
- a) Once we determine there is a major task needed on a project, and the project is deemed eligible, the following steps are taken.
- i) A state weatherization staff member, accompanied by the local Community Action auditor, visits the property for data collection.
- ii) A Health and Safety assessment is done.
- (1) If needed Health and Safety tasks are estimated to be too costly or Health and Safety requirements cannot be met the project will be deferred.
- (2) If the project passes the Health and Safety assessment the following areas are inspected:
- (a) Attic insulation levels
- (b) Wall insulation levels
- (c) Basement and/or crawl space insulation levels
- (d) Refrigerator make and model
- (e) Existing light bulb wattage
- (f) Heating systems
- (g) Cooling systems
- (h) Hot water distribution system
- (i) Primary and storm window condition
- (j) Primary door condition
- (k) Air infiltration points and chase ways
- (l) Integrity of roof and building envelope
- (m) Any other area(s) that affect the building's thermal performance
- (n) The utility bills from the previous year are collected.
- 9) The local Community Action runs the tasks through the state approved energy audit to get a cost for the task.
- a) This gives us a local cost that is used for the DOE approved multifamily energy audit.
- 10) The state staff member models the building using the DOE approved multifamily energy audit software with all the data collected from the site and inputs the utility bills.
- a) All tasks or improvements are run through DOE approved multifamily energy audit to get the Savings to Investment Ratio (SIR) for each task.
- b) All improvement SIRs must meet the levels as set forth in the North Dakota Standard Work Specifications and Field Guide as well as State Policy before they can be performed.
- c) The project documentation is sent to the DOE Project Officer for approval before any work is started.
- d) The eligible improvements, as recommended by DOE approved multifamily energy audit, are sent to the local Community Action agency for the weatherization process.
- e) All the improvements must be installed in accordance with the North Dakota Standard Work Specifications and Field Guide.
- f) All multi-family projects must have a final inspection done by a certified multi-family inspector before the state does a final inspection.

2.05.1 Landlord Obligations

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1. Under North Dakota law, landlords have the following obligations to the renter and rental units:
 1. Comply with the requirements of building and housing codes relating to health and safety.
 2. Arrange for or make all repairs and do whatever is necessary to put and keep the premises in a fit and habitable condition. The tenant must give the landlord reason-able notice and a reasonable amount of time in which to make repairs. (The definition of reasonable very often depends on the needed repair.)
 3. Keep all common areas in a clean and safe condition.
 4. Maintain in good, safe working order and condition all electrical, plumbing, sanitary, heating, ventilating, air conditioning systems, other facilities, and appliances, including elevators, supplied or required to be supplied by the landlord.
 5. Provide and maintain appropriate receptacles and conveniences for the removal of ashes, garbage, rubbish, and other waste incidental to the occupancy of the dwelling unit and arrange for their removal.
 6. Provide smoke detectors in each unit.
 7. Provide running water and reasonable amounts of hot water and heat.
2. Sub-grantees must assure that a landlord has met his/her obligation under North Dakota law before weatherizing rental property which they own.

2.05.2 North Dakota Weatherization Assistance Program Rental Agreement

Before a rental unit can be weatherized, the landlord or authorized agent and the eligible tenant must agree to and sign the North Dakota Weatherization Assistance Program Rental Agreement (see attachment).

At the time the agreement is executed, sub-grantees must inform the eligible tenant that in the event the landlord violates the weatherization agreement, they should notify the sub-grantees office so the appropriate action can be taken against the landlord.

Describe the deferral Process

Refer to the ND 2022 DOE Policies and Procedures Manual - Section 500.70

Deferrals Are now tracked in the WxPro software and reports with information on deferrals can be generated.

Weatheriztion Readiness Funds may be used to address some issues that may cause deferral. The Weatherization Readiness Plan is located in the Annual File.

V.1.3 Definition of Children

Definition of children (below age): **18**

V.1.4 Approach to Tribal Organizations

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

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

Tribal Allocation

-

DOE funded weatherization activities will also be made available to all eligible Native American households residing on reservations within the State. The CAAs

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will be allowed to weatherize any eligible residence located within the boundaries of the Spirit Lake Sioux, Standing Rock, Turtle Mountain and Fort Berthold (Three Affiliated Tribes) Reservations. Grant agreements with the sub-grantees specify the minimum amount of WAP funds to be available for expenditure for the weatherization of Native American households within the boundaries of each tribal jurisdiction served by North Dakota's WAP program.

Minimum WAP funding levels allocated for tribal weatherization services on each reservation and to be distributed to North Dakota's sub-grantee agencies are as follows:

Percent of ND WAP: 7.2%

Distribution of Tribal Weatherization Funds to Sub-grantees:

Sub-grantee Tribal Jurisdiction Percent of Tribal WAP/PVE

Community Action (Region II) Ft. Berthold 21.26

Dakota Prairie CAA (Region III) Spirit Lake 23.23

Turtle Mountain 42.00

Community Action (Region VII) Standing Rock 13.50

Although tribal households represent a small percentage of the state's low income population, a large proportion of tribal residents qualify for weatherization and many of the housing units within these tribal jurisdictions are in poor condition. Should the need arise, the State of North Dakota will permit sub-grantees to exceed the minimum allocation levels for each tribal jurisdiction, as specified above, in order to have a greater impact on energy use and housing conditions on the reservations.

However, if after soliciting weatherization applications, the sub-grantee finds that there are insufficient applications to fully utilize the tribal allocation, the sub-grantee may utilize the funds to serve clients off the reservation.

During the program year, the majority of labor for installing weatherization materials will be supplied by CAA weatherization crews. Contract labor will be used the event of furnace retrofit or replacement and to a limited extent for other weatherization labor.

V.2 Selection of Areas to Be Served

Sub-grantee Service Areas

North Dakota's fifty-three counties are grouped into eight regions for the purposes of the Weatherization Assistance Program. The regions correspond with the jurisdictions of the seven (7) community action agencies (CAAs), which conduct weatherization activities on the local level (See attachment). Weatherization services for Regions I and VIII are provided by the Regional VIII CAA.

The Weatherization Assistance Program has been conducted by North Dakota's CAAs since 1977. Each of the seven agencies has demonstrated its ability to complete the work assigned in a timely and effective manner. The crew members, estimators, and coordinators currently in place possess considerable experience and training in the theory and methods of effective home weatherization. The agencies are checked for debarment before the start of each grant. The State also checks the latest audit to see if there are concerns or findings to be aware of.

DOE funded weatherization activities will also be made available to all eligible Native American households residing on reservations within the State. The CAAs will be allowed to weatherize any eligible residence located within the boundaries of the Spirit Lake Sioux, Standing Rock, Turtle Mountain and Fort Berthold (Three Affiliated Tribes) Reservations. Grant agreements with the sub-grantees specify the minimum amount of WAP funds to be available for expenditure for the weatherization of Native American households within the boundaries of each tribal jurisdiction served by North Dakota's WAP program. The minimum amount allocated for all reservations in the State is determined based upon the percentage of the State's low income households residing within the reservation boundaries (7.2% according to the 2010 Census data).

Minimum WAP funding levels allocated for tribal weatherization services on each reservation and to be distributed to North Dakota's sub-grantee agencies are as follows:

Percent of ND WAP/PVE: 7.2%

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Distribution of Tribal Weatherization Funds to Sub-grantees:		
Sub-grantee	Tribal Jurisdiction	Percent of Tribal WAP/PVE
Community Action (Region II)	Ft. Berthold	21.26
Dakota Prairie CAA (Region III)	Spirit Lake	23.23
	Turtle Mountain	42.00
Community Action (Region VII)	Standing Rock	13.51

Although tribal households represent a small percentage of the state's low income population, a large proportion of tribal residents qualify for weatherization and many of the housing units within these tribal jurisdictions are in poor condition. The State of North Dakota will permit sub-grantees to exceed the minimum service levels for each tribal jurisdiction, as specified above, in order to have a greater impact on energy use and housing conditions on the reservations. Should an agency be unable to expend the amount allocated for tribal weatherization, they may request permission from DOC to utilize the funds for non-tribal weatherization purposes.

During the program year, the majority of labor for installing weatherization materials will be supplied by CAA weatherization crews. Contract labor will be used the event of furnace retrofit or replacement and to a limited extent for other weatherization labor.

The Grantee reserves the right to change the regional boundaries and the funding to go with the change in the event of changes in eligible population and available applications.

North Dakota has added new language in the agreements and contracts to reflect the requirements of WPN 15-4 Section 2. We have also developed a system for verifying receipt of any new information that is given to the sub-grantees.

The Grantee may use a Request For Proposal to administer the Weatherization Assistance Program in certain regions now served by a Community Action Agency. This may be to consolidate services in case of a change in funding or if it is determined through monitoring and risk analysis that an agency is not serving the population of the region as required by the Grantee and the funding source. Existing ND Community Action Agencies who have demonstrated the ability to administer the program will be given preference in the process.

V.3 Priorities

Client Prioritization

From the 2022 ND DOE Weatherization Policies and Procedures Manual

SUBJECT: Client Prioritization DATE: November 2017

POLICY/GUIDANCE NUMBER: 500.12 PROGRAM: DOE

Priority for Providing Weatherization Services

POLICY: 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)

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Household member(s) under the age of 18

Households who 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, Service Providers may choose the order in which households are served. Priority systems must be applied equally to both renter and owner occupied dwellings and applied equitably to all areas of the Service Provider's territory.

Service Providers may choose to consider using the oldest application approval date for positioning applicants with priority points. An application with at least one priority point may be moved up on the list when working in the same area to save travel time.

High Energy Usage = Energy bills > \$1,524.00

High Energy Burden = Energy bills > 21.70% of income

V.4 Climatic Conditions

Climatic Conditions

North Dakota's climate is typical of its continental location in the northern Great Plains.

Situated approximately at the center of North America and isolated from the moderating effects of the oceans, the state is subjected to extreme seasonal temperature variations. Mid-summer highs often exceed 100 degrees Fahrenheit; while mid-winter temperatures can fall below -30 degrees Fahrenheit.

North Dakota also endures some of the longest, coldest winters of the lower forty-eight states, according to the U.S. Weather Service. See the attached Accumulated Daily Heating Degree Days 1-1-2022 to 12-31-2022 map.

FIGURE I

5 Year Average Heating Degree Days for

North Dakota and Selected Cities from the ND Agricultural Network (NDAWN)

Region	City	Heating Degree Days
I	Williston	9767
II	Minot	10483
III	Devils Lake	10294
IV	Grand Forks	10123
V	Fargo	9521
VI	Jamestown	9687
VII	Bismarck	9894
VIII	Dickinson	9140

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

Typical Weatherization Services Provided

Each household is visited by an energy auditor who after conducting an energy audit determines which conservation measures will be most effective for this specific unit. There are 10 general categories of energy conservation measures from which the auditor may choose based upon their ability to save energy. The actual conservation measures installed on a specific unit is dependent upon the potential energy savings, the cost of material, the life of the measure, and the labor needed to install the measure. All measures must have a target savings to investment ratio of 1 or greater (\$1.00 return for each \$1.00 invested). Energy auditors are given the flexibility on a case by case basis to allow the installation of a conservation measure having a SIR below the target of 1.5 but above a minimum SIR of 1.

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All work is being performed in accordance to the DOE-approved energy audit procedures and 10 CFR 440 Appendix A.

Residential site built, mobile homes and multi-family structures will be addressed.

Typical weatherization measures are:

1. General Heat Waste: Measures that reduce air infiltration and heat loss in the home. This typically includes caulking and weather stripping which in recent years has been guided by the use of advanced blower door guided air sealing and the use of infrared cameras.
2. Attic Insulation: Insulation is installed to bring the attic up to an R-60 for electrically heated homes and R-50 for all other fuels.
3. Wall Insulation: Wall insulation is installed where needed by a variety of methods to access wall cavities.
4. Floor Insulation: Floor insulation is installed in floors over unheated basements or crawlspace and in mobile home bellies.
5. Perimeter Insulation: The insulation of the interior or exterior of the foundation depending upon existing conditions.
6. Windows: The installation replacement windows or a series of window treatments that prevent or mitigate heat loss. These include the installation of window films and storm windows.
7. Doors: The installation of a series of door treatments to reduce heat loss including repair and replacement.
8. Furnace Efficiency Measures: Includes testing of heating systems for efficiency and safety purposes. Repair and/or replacement is allowed based on energy efficiency and savings to an investment ratio.
9. Electric Baseload Measures: Includes replacement of existing lighting with energy efficient lighting and replacement of high usage refrigerators with new energy efficient models.
10. Building Repair: This measure includes a variety of repairs to the house structure which are necessary to protect the integrity of eligible weatherization measures.

The Standard Work Specifications (SWS) and Field Guide documents (Single family and Manufactured Home) have been approved by DOE along with several variance requests that have been incorporated into the document. The SWS will also be incorporated into all work orders. Here is a link to our webpage that contains the documents <https://www.communityservices.nd.gov/lowincomeprograms/weatherizationassistance/CAPInformationandForms/>.

All work will be meet the guidelines set forth in the ND Standard Work Specifications and Field Guide documents and the ND 2023 DOE Policies and Procedures Manual. All contracts with the sub-grantees will contain language requiring them to follow these guidelines and to require any of their contractors to follow the guidelines.. The documents are available at all times through our online audit and reporting software (WxPro). A copy of the terms and conditions that the sub-grantees sign is attached.

The state staff and several agency QCI inspectors have passed a multi-family inspection course. We will be submitting multi-family projects for review before proceeding with any work on multi-family buildings.

Field guide types approval dates

Single-Family: 3/23/2021
Manufactured Housing: 3/23/2021
Multi-Family:

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: WxPRO (North Dakota & Nevada)
Approval Date: 10/16/2019

Audit Procedure: Manufactured Housing
Audit Name: WxPRO (North Dakota & Nevada)
Approval Date: 10/16/2019

Audit Procedure: Multi-Family
Audit Name:

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Approval Date:

Comments

Energy Audit Procedures

North Dakota's weatherization program emphasizes cost effectiveness in selecting measures to reduce general heat waste, conductive heat loss, electric baseload and mechanical systems inefficiencies.

Each weatherization measure to be installed must have a savings to investment ratio (SIR) equal to or greater than 1 in order to be included as a priority. Energy auditors are given the flexibility on a case by case basis to exclude the installation of a conservation measure having a SIR below 1.5. All measures having a 1.5 or greater are required. Repair materials will only be allowed, if when included in the calculation of the SIR for all weatherization measures installed (to include repairs materials), is greater than one for the unit as a whole.

General heat waste and air infiltration are addressed in every weatherized dwelling. Blower door tests will be conducted on each weatherized home, unless weather conditions or health and safety concerns, such as extreme cold or high wind preclude safe and accurate testing. The blower door tests will be conducted by weatherization crews using the "North Dakota's Standard Blower Door Procedures."

The weatherization crews employ a top down approach to sealing air leaks. The crews first work within the attic, sealing chase ways and bypasses around chimneys, soil pipe, soffits and other openings into the attic space. Attention is then focused on interior caulking of infiltration through doors, windows, attic hatches, and around the rim joist. Occasionally, inside storm windows, composed of rigid acrylic or plastic film, are applied as an economical means of combating infiltration through unusually leaky windows.

Conductive, electric baseload, and mechanical measures are prioritized using the state approved computerized audit package. The state approved audit is an integrated estimation program which prioritizes weatherization materials to be installed on either site built or mobile homes based on the calculated cost effectiveness (discounted SIR > 1) of those materials when installed on that specific unit. The program is completely self contained and requires no additional manual computations. The State of North Dakota submitted the WXEOR Program to the DOE Support Office and it was approved as a waiver audit for use in the Weatherization Assistance Program in 2008. In 2012 the audit was combined with the state reporting system and is now called WxPro.

The equation utilized to calculate the savings to investment ratio for a conductive heatloss measure is:

$$(1 \times ((1 - \text{discount rate})^{\# \text{years}})) \times ((\text{HDD} \times 16 \times (\text{Unit Price} \times \text{Esc. Rate})) \div (\text{BTUs} \times \text{AFUE}) \times (\text{Area} \times \text{Delta U}) \times \text{Buffer}$$

Where:

Discount Rate = 3% per year and updated yearly to current rate

years = Number of years for measure to payback

2DD = Heating degree days for specific Region of the State

16 = Correction factor to allow for internal heat gain from occupants, solar, etc.

Unit Price = Cost per unit of heating fuel

Esc. Rate = Fuel cost escalation rate as provided by DOE – updated yearly.

BTUs = 100% efficient BTU content of fuel

AFUE = Annual fuel utilization efficiency

Area = Net area affected by measure in square feet

Delta U = (1/Pre R-Value)-(1/Post R-Value)

Buffer = Buffer correction factor to account for differences in exposure as provided by ASHRAE

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The equation utilized to calculate the savings to investment ratio for a refrigerator replacement is:

$$\frac{(((KWH \text{ Per Year of existing model} * (1 + ((Average \text{ Ambient Temperature} - Present \text{ Ambient Temperature}) * 0.025)))) - (KWH \text{ Per Year of new model} * (1 + ((Average \text{ Ambient Temperature} - 70) * 0.025)))) * (Cost \text{ Per KWH} * Esc. Rate)) * (Lifetime * Discount Rate))}{Total \text{ Cost}}$$

The equation utilized to calculate the savings to investment ratio for lighting replacement is:

$$\frac{((Existing \text{ Watts} - Replacement \text{ Watts}) * Qty \text{ of Bulbs} * Hrs \text{ on per day} * 365 / 1000 * (Cost \text{ per KWH} * Esc. Rate))) * (Lifetime * Discount Rate)}{Total \text{ Cost}}$$

The equations yield a dollar amount saved during the first year after each measure is in-stalled. The first year savings is then discounted at a rate of 3% per year over the life of the measure to yield the total savings to be realized for that measure. The amount saved is further adjusted through the application of a fuel escalation cost factor applied over the life of the measure to account future price increases in the cost of the heating fuel use by that particular unit.

Once the adjusted savings is calculated, the savings to investment ratio is then generated by dividing the adjusted savings by the cost of materials and labor to install the measure. (the state approved audit figures labor on a square foot installed cost and adds this to the material cost for purposes of this calculation). Each sub-grantee is allowed the flexibility to input their own agency costs for materials and labor and heating degree days so that the calculations are customized to their specific agency.

After the savings to investment ratio is calculated for each measure they are then ranked in order by the state approved audit (highest SIR to lowest SIR). The Weatherization crews will install measures based on their ranking (prioritization) and may only deviate from the ranking with prior approval of the State Weatherization Program Manager.

WxPro also accounts for the interaction of mechanical and conductive weatherization measures and is able to produce a SIR on a heating system replacement or retrofit. The SIR for mechanical measures can be calculated with or without conductive heat loss measures installed and estimate future heating costs when historical fuel usage data is supplied.

In addition to the calculation of the SIR, WxPro also generates the number of BTUs saved per heating degree day for use in future evaluations of the Weatherization Program.

The replacement of furnaces in conventional homes will be permitted based upon a determination that:

1. The existing furnace will not last at least five years;
2. That the existing system cannot be retrofitted for \$500 or less; and
3. The SIR for the replacement system and associated costs is 1 or greater.

The documentation to support furnace replacement must include fuel consumption records for the prior year, existing furnace efficiency test results (if the system is operable) and an analysis of the potential savings and payback associated with the replacement.

The WxPro audit was given conditional approval in October of 2019. ND has 12 months to incorporate the evaluation of air and duct sealing as separate measures into the WxPro audit to ensure cost-effectiveness after adjusting for interaction and to assign priorities among individual weatherization materials in descending order of their cost-effectiveness. Full approval was received on 3/3/2021. The approval letter is attached.

ND has received approval for 3 materials not listed in Appendix A - LED bulbs, refrigerators, and spray foam.

V.5.3 Final Inspection

See the attached ND 2023 DOE Policies and Procedures Manual - Section 600.60 - 600.62

At this time ND has 18 agency people QCI certified. The state staff is QCI certified. We have one contractor available to contract with any agencies that need it. We will continue to have people take the training and testing to get as many people certified as possible.

We are asking to use the third option in the Quality Work Plan that allows a different method for using the Quality Control Inspector. We feel this plan will continue to assure quality work while reducing expenses and reducing time required for turning in completed jobs. Our sub-grantees have large regions with a lot of travel involved. i a job is estimated and inspected by the same person we will monitor 10% of those jobs. By allowing a Quality Control Inspector to do the final inspection even when that Inspector worked

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on the job, we will save extra travel and expenses. We would still require at least one third of the jobs be inspected by someone who did not work on the job. All jobs would be inspected by a certified Quality Control Inspector. We have used this method now for 3 years in DOE and in our LIHEAP Weatherization for years and have seen no reduction in quality. We would increase the monitoring by the State to 30% of jobs in those cases where this method is approved. We also would reserve the right to require a different method if we find problems when we monitor.

We have one agency that has an approved mentoring plan.

V.6 Weatherization Analysis of Effectiveness

Analysis of Effectiveness

In 1993, the State of North Dakota completed an evaluation of its weatherization efforts, focusing on energy savings and program delivery during the years 1989-1991. North Dakota's evaluation analyzed energy consumption and energy savings in terms of housing type, household type and measures applied. The analysis provided insights into the effectiveness of the program in targeting clients and selecting weatherization measures. I have added money in this year's budget to do a new evaluation. North Dakota State University will be assisting in this evaluation.

The personnel of the Grantee are constantly looking for ways to improve the program by attending trainings and making upgrades to the state's online software to better track efficiency and production in the local agencies. We are also in contact with other Grantees to see what is working well in other states and offering advice on what is working well in North Dakota.

North Dakota's weatherization program is subjected to regular monitoring by the State and its sub-grantees. Sub-grantees are required to inspect 100% of the work completed and maintain control over expenditures in accordance with federal financial management guidelines and generally accepted accounting procedures. Sub-grantees also submit monthly reports providing detailed information on production and expenditures. The sub-grantee reports are consolidated into a monthly program summary which includes:

1. A production summary that breaks out the number of dwelling units weatherized, and the number of persons served among major ethnic groups, elderly and the handicapped; and
2. A breakdown of expenditures for administration, materials, program support, labor, financial audit and general liability insurance.

The monthly summary tables permit direct comparison of planned versus actual performance for each sub-grantee and comparison between agencies on production. We use this comparison to determine if more oversight or training is needed. This comparison has recently shown one agency not reaching production goals and not performing as well as most of the others. We developed a plan that included training and has resulted in better performance at the agency. See more on this in section V.8.3 Monitoring.

Because of the size differences in the sub-grantees staff and the large differences in types of housing encountered, we do not try to track energy savings between the sub-grantees. If they are meeting production goals, it is assumed they are doing the best job possible to save energy for the clients. We can assume this because they all follow the same set of guidelines and because of the rigorous final inspection and monitoring process. We will look at the evaluations that are set to come out later this year to see if any changes need to be addressed.

Monitoring visits provide a second level of weatherization program analysis. Each sub-grantee is monitored at least once annually by DOC staff or a contract monitor. The monitoring effort focuses on accountability and technical proficiency. Sub-grantee records, client files, and invoices are checked for consistency and compliance. At least five percent of the housing units completed under the DOE Weatherization Assistance Program are physically inspected by the State's Program Manager or Program Administrator. Job orders and invoices are cross-checked with the measures that have been applied to the client's home. The inspector evaluates the workmanship and techniques employed by weatherization crews; focusing on compliance with weatherization priorities and the quality of work. Previous performance reviews are looked at before monitoring to make sure problems encountered before have been addressed. Any finding in a review must be checked on in the next monitoring visit.

We have had no Sub-grantees that have had a significant number of failed inspections because of the rigorous final inspection process we require. During the monitoring visits we always stress the importance of the inspection process at the home and the value of a thorough desk monitoring process. Since beginning this process, we generally have very few findings during our monitoring visits. When we do see something we make sure it is discussed at length with the Sub-grantee to prevent reoccurrence.

We have seen very few issues with the management, financial, and technical systems during monitoring. When problems have occurred the Sub-grantees have been quick to put any recommendations or requirements we have made in place. We are sponsoring on-going training for all our fiscal staff and local agency staff on the new OMB requirements that will go into effect later this year.

We have not done specific market analysis on measure costs, but our software and audit use real time costs for the materials and labor. These costs are checked during monitoring. Sub-grantees are required to use fair procurement practices and document efforts to get the best prices available for the material they are using. Labor costs are updated in the program anytime someone's rate of pay changes or when new employees are added. The labor allowed in the measures comes from a two year long labor study on how long each measure should normally take. The Sub-grantees are given a range to use in the audit that was determined by the study (see Final Condensed Labor Study attachment). This information is checked on the work orders for the jobs we monitor.

V.7 Health and Safety

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See 2022 Health and Safety Policy attachment.

North Dakota does not allow air conditioning repair or replacement with DOE funds. The LIHEAP Emergency Furnace Repair and Replacement grant has funds for cooling repair or replacement for at risk clients. These clients simply have to be income eligible and do not have to be LIHEAP clients. If under age 60, doctor's recommendation is required. to use regular LIHEAP EF funds. If using ARPA LIHEAP funds, there is no requirement for elderly or medical need.

V.8 Program Management

V.8.1 Overview and Organization

Program Management

2.06.1 Overview - Organization

The following is a description of the background, structure, functions and programs of the Division of Community Services (DOC). Following these descriptions is a brief discussion of issues surrounding the programs administered by the office.

2.06.1.1 Background

The Department of Commerce's Division of Community Services has evolved since 1979 when it was first established as the Federal Aid Coordinator's Office. While the office has existed as part of a number of State agencies during this time, the functions of the office have remained relatively constant. They are:

- 1. Administration consisting of fiscal and clerical support;
- 1. Energy Conservation Programs;
- 1. Low Income Assistance Programs;
- 1. Community Development consisting of the CDBG Program; and
- 1. Governmental Assistance which provides assistance and analysis services to the Governor's Office; performs some of the remaining functions of the Planning Division; and provides administrative support to the Director of the DOC.

Eighty-six percent of the office's 2021-2023 budget is Federal and other funds subject to Federal and other judicially imposed regulations. It is necessary that, in addition to the programmatic functions, the office maintain a fiscal support function to track and account for the numerous grants and sources of funds.

Exhibit 2

North Dakota Community Action Agencies

-
-

REGION II

Willy Soderholm

Community Action Partnership - Minot Region.

2020 8th Ave SE

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Minot, ND 58701

REGION III

Lora Papachek

Dakota Prairie Community Action Agency

223 4th St. NE

Devils Lake, ND 58301

REGION IV

Kaye Seibel

Red River Valley Community Action

4212 Gateway Drive

Grand Forks, ND 58203

REGION V

Brandon Kjelden

Southeastern ND Community Action Agency

3233 South University

PO Box 2683

Fargo, ND 58108

REGION VI

Kristina Brownell

Community Action Region VI, Inc.

1311 12th Ave. NE

PO Box 507

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Jamestown, ND 58402

REGION VII

Andrea Werner

Community Action Program Region VII, Inc.

2105 Lee Avenue

Bismarck, ND 58504

REGION VIII

Erv Bren

Community Action Partnership

202 East Villard

Dickinson, ND 58601

BRANCH OFFICE

Community Action & Development Program

316 2nd Avenue West

Williston, ND 58801

Name

Type of Organization

Typical

Allocation

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Average Annual # Units Completed

Congressional District

REGION II

Private Non-Profit

10 -15.%

102

1

REGION III

Private Non-Profit

5 - 10%

110

1

REGION IV

Private Non-Profit

10 – 15%

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	97
	1
REGION V	
Private Non-Profit	
	15 -20.0%
	114
	1
REGION VI	
Private Non-Profit	
	10 – 15%
	103
	1
REGION VII	
Private Non-Profit	
	15 – 20%

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121

1

REGION VIII

Private Non-Profit

15 – 20%

104

1

2.06.1.2 Programmatic Functional Areas

The current activities of the DOC focus upon the functional areas of Community Development, Energy Conservation, Low Income Assistance, and Governmental Assistance. The following are brief summaries of the activities associated with each area:

Community Development: The Federal Community Development Block Grant (CDBG) Program is the focus of DOC's community development activities. The CDBG program provides financial assistance to eligible cities and counties in the form of grants and loans for Public Facility projects, Housing Rehabilitation projects, and Economic Development projects. These projects must be of benefit to low and moderate income households.

Energy Conservation: The energy conservation activities of DOC encompass the federally funded State Energy Program (SEP), the North Dakota State University Extension Service, the Energy Conservation Grant for Public Buildings, and Oil Overcharge Restitution programs. Within these programs, energy conservation assistance is provided in the form of workshops, publications, and information to the general public; grants to schools, hospitals, nursing homes, local governments, small businesses, and state institutions for energy conservation improvements; and outreach programs to residential consumers and small businesses.

Low Income Assistance: The low income assistance activities within DOC center around the Federal Weatherization Assistance and the Community Services Block Grant (CSBG) programs. The Weatherization Program provides low income households with assistance through the purchase and installation of weatherization measures such as insulation, caulking, weather-stripping, and furnace repairs. The CSBG program provides, through the state's seven Community Action Agencies (CAAs), emergency assistance, outreach, and budget and housing counseling to low income households. Clients can also participate in the Self Reliance Program to increase social and economic self sufficiency.

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Governmental Assistance: Governmental Assistance services consist of research and analysis services to the Governors' office and the Director of the Office of Management and Budget; the collection and maintenance of statewide Energy Supply and Consumption Data; the Census Data Center Program; the review and comment on federal funding and development applications; and technical assistance to units of local government.

-

Building Code/Americans with Disabilities Act (ADA): The Building Code/ADA activities within DOC include planning, directing, and managing the implementation, education and compliance of all State and Local Government Facilities, and public accommodations with the Handicapped Accessibility requirements of the Americans with Disabilities Act. This section is also charged with the administration of the State Building Code and with the preparation and maintenance of a Comprehensive Housing Affordability Strategy (CHAS) which governs the use of eleven (11) major Federal Housing Programs administered within DOC and other state and local agencies statewide.

V.8.2 Administrative Expenditure Limits

Administrative Expenditure Limits

The State of North Dakota and its sub-grantees will not use more than 15% of any Weatherization Assistance grant for administrative purposes. Eighty percent of the available administrative funds will be allocated between sub-grantees based on their prorated share of the grant. The remaining twenty percent will be used by the state.

V.8.3 Monitoring Activities

Monitoring Approach

2.06.3.1 Overview

The Department of Commerce Division of Community Services continually monitors Weatherization Program sub-grantees both in-house and onsite. Monitoring is under-taken to evaluate sub-grantee compliance with required fiscal procedures, performance goals, and weatherization priorities and to observe the quality of work performed by weatherization crews, identify specific problems and instigate corrective action. The monitoring of Weatherization Sub-grantees is the principal method by which DCS identifies areas for potential improvement in the areas of program operation and administration. The monitoring approach is viewed as an occasion for providing assistance to Weatherization Agencies to assist them in becoming more efficient and effective when delivering services. Up to 25% of T & TA funds will be used for monitoring activities.

Program monitoring focuses primarily upon sub-grantee management procedures such as records management, reporting methods, inspection, procurement and production. The Sub-grantees monitoring program is comprised of three elements: fiscal control, program review, and technical inspection. See section 600.60 - 600.62 of the ND 2023 DOE Policies and Procedures Manual for more information on the monitoring process and the use of Quality Control Inspectors.

Fiscal control is accomplished through the analysis of the monthly reports submitted by each sub-grantee. The monthly reports are consolidated into a monthly weatherization program summary, which provides monthly and cumulative financial and production data for each sub-grantee. In addition, financial personnel from the DCS will conduct on-site fiscal reviews of each sub-grantee during the program year. The fiscal review focuses upon compliance with federal financial management guidelines and agency fiscal policies and procedures.

Technical inspections will consist of the State Program Manager or Program Administrator visiting at least 5% of the weatherized units at each agency for the purpose of monitoring compliance with the North Dakota Standard Work Specifications and Field Guide. But while their first priority is to insure compliance with the Standards, their observations of current techniques being utilized in the field is viewed as an opportunity to train and educate crews on alternative approaches to weatherization. Where common deficiencies are noted at a number of Agencies, statewide trainings are planned.

The Program Manager also reviews the administration and record keeping in the same manner; first reviewing for program compliance while always looking for areas where the Agency may reduce the time and cost of program administration. As a result client files have become more complete, many forms have been standardized, bulk purchasing has been implemented and the quality continues to improve.

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The state has incorporated all aspects of “*Grantee Monitoring of Subgrantees*” section of WPN 20-4 in its monitoring forms. These forms have been designed by incorporating the DOE State review form and WPN 20-4 information and can be found in the attachments under the SF-424. These forms include the following

1. 2023 North Dakota Agency Monitoring Instrument
2. ND QCI Final Inspection Form
3. 2023 Financial Monitoring Form
4. CAA Risk Assessment Form
5. North Dakota Desk review form

2.06.3.2 Monitoring Areas

- a. **Audit** - An annual audit, as required by contract agreement, shall be monitored by DCS to verify information received on quarterly reports and clarify questions raised by DCS, the sub-grantee and/or the auditor.
- b. **In-House** - All quarterly reports shall be monitored by DCS to determine compliance with program requirements, monitor spending patterns and chart program progress. Any irregularities or questions raised by the in-house review will be sufficient reasons to schedule an on-site review.
- c. **On-Site Review** - DCS will conduct an on-site review on an annual basis and when deemed necessary. The on-site review shall consist of programmatic and technical staff from DCS. The following items at a minimum shall be reviewed.
 - **Financial Records** - Fiscal control is accomplished through the analysis of the monthly reports submitted by each sub-grantee. The monthly reports are consolidated into a monthly weatherization program summary, which provides monthly and cumulative financial and production data for each of sub-grantee. In addition, financial personnel from the DOC will conduct on-site fiscal reviews of each sub-grantee during the program year. The fiscal review focuses upon compliance with federal financial management guidelines and agency fiscal policies and procedures to include but not limited to: general ledger, bank statements, checks, audit reports, financial statements and other records necessary for their view of the financial records.
 - **Inventory System** - Including but not limited to purchasing system, controls, perpetual inventory, financial records and other records deemed necessary by the reviewer.
 - **Client Files** - For accuracy, completeness, demographic information and proper reflections of work needed/work completed, client eligibility and inspection of work.
 - **Work Completed** - Homes shall be reviewed to determine: quality of work, completeness of work, conservation measures installed follow a computerized methodology to determine cost effectiveness, geographic distribution, and proper documentation in client files, client satisfaction and other information deemed necessary by the reviewer.
- d. **Sub-grantee Post-Installation Inspection** - Each weatherized unit must be inspected by the sub-grantee to ensure that the work is in compliance with required specifications before the unit is reported to DCS as completed. A complete inspection, signed by the sub-grantee’s inspector shall be placed in each job file.
- e. **Sub-grantee Review** - A copy of individual sub-grantee reviews shall be sent to each sub-grantee upon the completion of the review. If deficiencies in agency program operations indicate non-compliance with the North Dakota Weatherization Program Policies and Procedures, the North Dakota Standard Work Specifications and Field Guide or the federal rules and regulations, DCS will respond by working with the deficient sub-grantee to correct deficiencies and taking the action deemed necessary to insure future compliance.
- f. **Provide Training and Technical Assistance** - T&TA activities are intended to maintain or increase the efficiency, quality, and effectiveness of the Weatherization Assistance Program at all levels. Such activities should be designed to maximize energy savings, minimize production cost, improve program management, and/or reduce the potential for waste, fraud and abuse.

2.06.3.3 Monitoring Goals and Procedures

1. At least 5% of the dwelling units completed during immediate preceding program year will be inspected by the Division of Community Services personnel or a contract monitor. 10% of homes that were inspected by the auditor will be monitored and 30% of the homes inspected by someone who worked on the job will be monitored. At the time of the annual program review, a random sample of recent completions will be selected for inspection by the DOC monitor. This will consist of both file review and physical inspection.

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- b. The physical inspection will address the quality of materials and their installation. The inspector will obtain information on the type of materials used on homes subject to inspection, and compare specifications with those listed in CFR 440, Appendix A.
- c. The program and fiscal monitoring process will include an analysis of materials and contractor procurement procedures. Material costs for commonly used items will be obtained from the agency and compared with the prices paid by other sub-grantees. Procurement records will be reviewed to determine if materials were purchased in reasonable quantities and if free and open competition was permitted in the procurement of materials and services.
- d. The State Program Manager or Program Administrator will compare work orders with audit priority lists to determine if the lists are used and, where deviations from the priorities were observed, there is adequate written justification. The final inspections performed by sub-grantees will be cross checked by the State Program Manager or Program Administrator. Oversights will be noted in the inspection report and appropriate follow-up actions will be required.

The inspection procedure for each home will evaluate compliance with the North Dakota Weatherization Standard Work Specifications and Field Guide, the computerized audit priority list and quality of work. The State Program Manager or Program Administrator will review each client file for content of required documentation, including an approved application, job order, inspection form and purchase orders or warehouse slips for the materials applied. A physical inspection of the unit is then conducted. The inspection will follow an inspection checklist. Discrepancies or deficiencies will be recorded on the checklist. The physical inspection consists of visual examination of the exterior and interior of each dwelling to confirm the presence of materials as listed on the job order and assess the quality of workmanship. The inspector will determine if compatible caulking and weather-stripping is used and if all materials conform to the field standard requirements. Normally the State Program Manager or Program Administrator will be accompanied at on-site visits by a representative of the sub-grantee, usually the weatherization coordinator or an estimator. Any findings and recommendations for improvement will be discussed with the sub-grantee on site, during a meeting with the weatherization employees, during an exit interview with the agency director and in writing as part of the monitoring report. Fiscal or programmatic deficiencies identified in the monitoring process will be address in the following manner:

- 1. The Grantee will issue a report within 30 days to the sub-grantee in which the sub-grantee will be informed of any deficiencies. If there are deficiencies, the monitoring report will contain specific recommendations for improvement.
- 1. A written response will be required from the sub-grantee within 30 days of receiving the monitoring report. The response must include a Corrective Action Plan to address any findings documented in the monitoring report.
- c. A follow-up of the sub-grantee's effort to implement recommendations will be conducted within a prescribed period of time.
- d. Training sessions will be conducted to resolve shortcomings that are apparently widespread among sub-grantees.
- e. Ineligible expenditures of material, program support or administrative funds will be disallowed. The sub-grantee will be required to reimburse disallowed costs from non-federal funds.
- f. If remedial measures fail to eliminate significant fiscal or programmatic problems, the Division of Community Services has several options. Please refer to Section 600.60-600.62 of the 2023 Policies and Procedures attachment.

V.8.4 Training and Technical Assistance Approach and Activities

Training and Technical Assistance Approach

See the attached 2023 T&TA Template.

Percent of overall trainings

Comprehensive Trainings:	12.5
Specific Trainings:	87.5

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	12.5
Percent of budget allocated to Crew/Installer trainings:	65.0
Percent of budget allocated to Management/Financial trainings:	22.5

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V.9 Energy Crisis and Disaster Plan

None