

## APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

|   |  |  |   |   |  |
|---|--|--|---|---|--|
| 1. Type of Submission:  |  | 2. Type of Application:                          |   | If Revision, select appropriate letter(s) |  |
| <input type="checkbox"/> Preapplication   |  | <input type="checkbox"/> New                     |   |   |  |
| <input checked="" type="checkbox"/> Application   |  | <input checked="" type="checkbox"/> Continuation |   | Other (specify):                          |  |
| <input type="checkbox"/> Changed/Corrected Application  |  | <input type="checkbox"/> Revision                |   |   |  |
| 3. Date Received<br>07/01/2024  |  |  | 4. Applicant Identifier:                        |   |  |
| 5a. Federal Entity Identifier:  |  |  | 5b. Federal Award Identifier:<br>DE-EE0009888   |   |  |
| <b>State Use Only:</b>  |  |  |   |   |  |
| 6. Date Received by State:  |  |  | 7. State Application Identifier:                |   |  |
| <b>8. APPLICANT INFORMATION:</b>  |  |  |   |   |  |
| a. Legal Name:  |  | State of Arizona, Department of Housing          |   |   |  |
| b. Employer/Taxpayer Identification Number (EIN/TIN):<br>866004791                                      |  |  | c. UEI:<br>Q15DSNA5KN97                         |   |  |
| <b>d. Address:</b>  |  |  |   |   |  |
| Street 1:   |  | 1110 W. Washington                               |   |   |  |
| Street 2:   |  | Suite 280  |   |   |  |
| City:   |  | Phoenix  |   |   |  |
| County:   |  | MARICOPA County                                  |   |   |  |
| State:  |  | AZ   |   |   |  |
| Province:   |  |  |   |   |  |
| Country:  |  | U.S.A.   |   |   |  |
| Zip / Postal Code:  |  | 850070000  |   |   |  |
| <b>e. Organizational Unit:</b>  |  |  |   |   |  |
| Department Name:<br>Community Development and Revitalization Division                                   |  |  | Division Name:<br>Arizona Department of Housing |   |  |
| <b>f. Name and contact information of person to be contacted on matters involving this application:</b> |  |  |   |   |  |
| Prefix: Ms  |  | First Name: Katherine                            |   |   |  |
| Middle Name: E  |  |  |   |   |  |
| Last Name: Blodgett   |  |  |   |   |  |
| Suffix:   |  |  |   |   |  |
| Title: CD&R Programs Administrator  |  |  |   |   |  |
| Organizational Affiliation: Arizona Department of Housing   |  |  |   |   |  |
| Telephone Number: 6027711021  |  | Fax Number: 6027711002                           |   |   |  |
| Email: Kathy.Blodgett@azhousing.cgov  |  |  |   |   |  |

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

**9. Type of Applicant:**

A State Government

**10. Name of Federal Agency:**

U. S. Department of Energy

**11. Catalog of Federal Domestic Assistance Number:**

81.042

CFDA Title:

Weatherization Assistance Program

**12. Funding Opportunity Number:**

DE-WAP-0002024

Title:

2024 Weatherization Assistance Program (WAP)

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

Arizona

**15. Descriptive Title of Applicant's Project:**

Weatherization Assistance Program

## APPLICATION FOR FEDERAL ASSISTANCE SF-424

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**16. Congressional District Of:**

a. Applicant: Arizona Congressional District 07

b. Program/Project: AZ-07

**Attach an additional list of Program/Project Congressional Districts if needed:****17. Proposed Project:**

a. Start Date: 07/01/2024

b. End Date: 06/30/2025

**18. Estimated Funding (\$):**

|                   |              |
|-------------------|--------------|
| a. Federal        | 2,639,110.00 |
| b. Applicant      | 0.00         |
| c. State          | 0.00         |
| d. Local          | 0.00         |
| e. Other          | 0.00         |
| f. Program Income | 0.00         |
| g. TOTAL          | 2,639,110.00 |

**19. Is Application subject to Review By State Under Executive Order 12372 Process?:**

- a. This application was made available to the State under the Executive Order 12372 Process for review 07/01/2024
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372

**20. Is the applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation)**

No

**21. By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to**

 I AGREE

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

**Authorized Representative:**

Prefix: Ms First Name: Joan

Middle Name:

Last Name: Serviss

Suffix:

Title: Director

Telephone Number: 6027711007

Fax Number:

Email: joan.serviss@azhousing.gov

Signature of Authorized Representative: Signed Electronically

Date Signed: 07/10/2024

**U.S. DEPARTMENT OF ENERGY**



**BUDGET JUSTIFICATION FOR FORMULA GRANTS**

Applicant: State of Arizona, Department of Housing  
Award number: EE0009888

Budget period: 07/01/2024 - 06/30/2025

**1. PERSONNEL** - Prime Applicant only (all other participant costs are listed in 6 below and form SF-242A, Section B. Line 6.f. Contracts and Sub-Grants).

Positions to be supported under the proposed award and brief description of the duties of professionals:

| <u>Position</u>                | <u>Description of Duties of Professionals</u>   |
|--------------------------------|---|
| Program Administrator          | Directs day to day programmatic activities, supervises program staff, approves WAP contracts, compiles and submits reports, recommends program and policy direction, reviews and approves sub-grantee reimbursements, participates in audits. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.  |
| Energy Specialist              | Provides database review, training, technical assistance and on-site Quality Assurance monitoring of Sub-grantees. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.   |
| Program Specialist             | Prepares WAP contracts, organizes Sub-grantee reporting, processes reimbursement documentation, and conducts desk monitoring and site monitoring of Sub-grantees client, programmatic and financial files. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.   |
| Weatherization Program Manager | Directs day to day programmatic activities, assists with supervision of energy specialist and program specialist staff, Develops WAP Annual Plan, WAP Health and Safety Plan and WAP T/TA Plan, oversees technical and programmatic monitoring, assists with reporting, recommends program and policy direction, participates in audits. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG. |
| Energy Specialist              | Provides database review, training, technical assistance and on-site Quality Assurance monitoring of Sub-grantees. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.   |
| Program Specialist TBD         | Prepares WAP contracts, organizes Sub-grantee reporting, processes reimbursement documentation, and conducts desk monitoring and site monitoring of Sub-grantees client, programmatic and financial files. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.   |
| Energy Specialist TBD          | Provides database review, training, technical assistance and on-site Quality Assurance monitoring of Sub-grantees. Other Non-DOE fund sources that support personnel direct costs are: LIHEAP, APS, SRP, and SWG.   |

Direct Personnel Compensation:

| <u>Position</u>                | <u>Salary/Rate</u> | <u>Time</u>  | <u>Direct Pay</u> |
|--------------------------------|--------------------|--------------|-------------------|
| Program Administrator          | \$114,114.00       | 20.0000 % FT | \$22,822.80       |
| Energy Specialist              | \$66,205.00        | 15.0000 % FT | \$9,930.75        |
| Program Specialist             | \$61,600.00        | 30.0000 % FT | \$18,480.00       |
| Weatherization Program Manager | \$85,250.00        | 30.0000 % FT | \$25,575.00       |
| Energy Specialist              | \$65,100.00        | 15.0000 % FT | \$9,765.00        |

|                        |             |                  |                     |
|------------------------|-------------|------------------|---------------------|
| Program Specialist TBD | \$61,600.00 | 30.0000 % FT     | \$18,480.00         |
| Energy Specialist TBD  | \$62,000.00 | 25.0000 % FT     | \$15,500.00         |
|                        |             | Direct Pay Total | <u>\$120,553.55</u> |

**2. FRINGE BENEFITS**

a. Are the fringe cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and attach a copy of the rate agreement to the application.

b. If a. above does not apply, please use this box (or an attachment) to further explain how your total fringe benefits costs were calculated. Your calculations should identify all rates used, along with the base they were applied to (and how the base was derived), and a total for each (along with grand total). If there is an established computation methodology approved for state-wide use, please provide a copy. Also, please fill out the table below with the Fringe Benefits Calculations.

Fringe costs are budgeted at 39% of personnel costs (salaries). This rate has not been approved by a federal agency.

Fringe Benefits include: FICA Taxes, Health Insurance Assessments, Health & Accident, Life, Accidental Death & Dismemberment Disability, Unemployment Compensation, Dental Insurance, Worker’s Compensation, and Retirement Plan Payments (Employer’s Share).

Accumulated Sick Leave

0.4%

IT

0.2%

LTD (Long-Term Disability)

0.23%

ASRS (Retirement)

9.87%

MED/LIFE

19.5%

Dental

0.1%

Workers Comp

1.41%

FICA

7.65%

39.36%

Breakdown of the average Fringe Rate by benefit used by GFR. Medical benefit varies depending on the family size of the employee. Since the actual percentage is closer to 39% or over (depending on staff that have a family are on the grant) GFR uses a rate of 39%.

Fringe Benefits Calculations

| <u>Position</u>                | <u>Direct Pay</u> | <u>Rate</u>           | <u>Benefits</u>    |
|--------------------------------|-------------------|-----------------------|--------------------|
| Program Administrator          | \$22,822.80       | 39.0000 %             | \$8,900.89         |
| Energy Specialist              | \$9,930.75        | 39.0000 %             | \$3,872.99         |
| Program Specialist             | \$18,480.00       | 39.0000 %             | \$7,207.20         |
| Weatherization Program Manager | \$25,575.00       | 39.0000 %             | \$9,974.25         |
| Energy Specialist              | \$9,765.00        | 39.0000 %             | \$3,808.35         |
| Program Specialist TBD         | \$18,480.00       | 39.0000 %             | \$7,207.20         |
| Energy Specialist TBD          | \$15,500.00       | 39.0000 %             | \$6,045.00         |
|                                |                   | Fringe Benefits Total | <u>\$47,015.88</u> |

**3. TRAVEL**

- a. Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel, please identify.

| <u>Purpose of Trip</u>   | <u>Number of Trips</u> | <u>Cost Per Trip</u> | <u>Total</u> |
|--|------------------------|----------------------|--------------|
| 20 estimated Out of State trips to the Energy OutWest, NACSP and HPC Conferences and EOW Board Meetings including airfare, hotel, meals, ground transportation at \$3640 each. | 20                     | \$3,640.00           | \$72,800.00  |
| Program and Financial monitoring of sub-grantees. Assuming an estimate of 15% of total projections including in-progress inspections and various on-site training as needed.   | 40                     | \$350.00             | \$14,000.00  |
|  |                        | Travel Total         | \$86,800.00  |

- b. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

Grantee follows the State Travel Policy regarding travel. 5095 Travel Rates (az.gov)

The increase in costs are derived from added staff, increased travel costs, assumed increase in production, etc. As proposed technical monitoring is to be conducted quarterly, WAP BIL and DOE Annual Allocation completed projects may not align and may require additional travel and inspection. Thus, the costs detailed in the PY23 Plan and Budget are specifically dedicated to support the DOE WAP Annual Grant.

**4. EQUIPMENT** - Equipment is generally defined as an item with an acquisition cost greater than \$10,000 and a useful life expectancy of more than one year.

- a. List all proposed equipment below and briefly justify its need as it applies to the objectives of the award.

| <u>Equipment</u> | <u>Unit Cost</u> | <u>Number</u> | <u>Total Cost</u> | <u>Justification of Need</u> |
|------------------|------------------|---------------|-------------------|------------------------------|
|------------------|------------------|---------------|-------------------|------------------------------|

- b. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify need. If the Equipment is being proposed as Cost Share and was previously acquired, please provide the source and value of its contribution to the project and logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.

Two new DG-1000 digital manometers will be used for DOE WAP projects as audit tools for ADOH and monitoring of DOE projects. The pricing is provided from the TEC website, TEC Digital Pressure Gauge - Products (energyconservatory.com)

**5. SUPPLIES** - Supplies are generally defined as an item with an acquisition cost of \$10,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance.

- a. List all proposed supplies below, the estimated cost, and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

| <u>General Category</u> | <u>Cost</u> | <u>Justification of Need</u> |
|-------------------------|-------------|------------------------------|
|-------------------------|-------------|------------------------------|

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

ADOH uses State Housing Trust Funds to cover the cost of supplies for the agency.

**6. CONTRACTS AND SUBGRANTS** - Provide the following information for New proposed subrecipients and subcontractors. For ongoing subcontractors and subrecipients, this information does not have to be restated here, if it is provided elsewhere in the application; under Name of Proposed Sub, indicate purpose of work and where additional information can be found (i.e weatherization subgrants, Annual File section IV.1).

| <u>Name of Proposed Sub</u>         | <u>Total Cost</u> | <u>Basis of Cost*</u>  |
|-------------------------------------|-------------------|--|
| OptiMiser/Nexus                     | \$90,283.00       | Annual cost of new web based AZWAP Database with Energy Modeling and project management built-ins including potential additional training and added license fees for new/added staff and program modifications to account for social cost of carbon, annual utility pricing updates, and DOE required updates as needed. Per DOE program tracking requirements and energy modeling requirements approximately 45% is allocated to DOE funds and remainder will be allocated to other funds that contribute to the State's program. Total annual cost is estimated to be \$200,000.             |
| Weatherization Sub-grantees WAP WRF | \$522,915.00      | WRF, includes \$259,307 of carryover from PY 22 & 23. Some of the estimated carryover is already allocated but has not been billed as some projects are not 100% complete but are expected to be by the end of the allowed period as detailed in the State Plan.   |
| TBD                                 | \$35,104.00       | WAP Outreach Material: Lead, Mold, Radon, and other client handout material. WAP Promo material to increase program knowledge and assist with workforce recruitment.   |
| Weatherization Sub-grantees         | \$2,513,689.00    | See annual file for breakdown of awards. Per agency allocation is determined by population and poverty statistics in city, county or area of state. All ten (10) subgrantees are expected receive at least \$750,000 in federal funding for various programs during this Program Year. Five (5) of the ten (10) subgrantees will use a portion of their allocation toward annual audit costs. Only those ADOH Sub-grantees that expended more than \$750,000 in total Federal Funding during the current funding year will receive FINANCIAL AUDITS funds identified in ADOH's SF-424a Budget. |
| Contracts and Subgrants Total       | \$3,161,991.00    |  |

\*For example, Competitive, Historical, Quote, Catalog

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

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

| <u>General Description</u> | <u>Cost</u> | <u>Justification of Need</u>                                     |
|----------------------------|-------------|--|
| Dues                       | \$5,000.00  | Applicable trade association dues.                               |
| Rent                       | \$10,689.00 | Space for ADOH employees working on Weatherization Program only. |

|               |            |   |
|---------------|------------|---|
| Miscellaneous | \$2,126.00 | \$298 copier charges, \$296 Risk Management Insurance (use of state vehicle & other employee accident coverage while on duty), \$148 software support and maintenance; \$1,384 IT services including telephone, all based on estimated cost allocation per FTE. All miscellaneous costs are related to the Training and Technical Assistance duties performed by ADOH Weatherization Staff. |
|---------------|------------|---|

|                          |             |  |
|--------------------------|-------------|--|
| Other Direct Costs Total | \$17,815.00 |  |
|--------------------------|-------------|--|

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

Rent for Office Space: \$10,689; Annual rent based on \$5,625.97 per FTE x 1.9 FTE = \$10,689.00.

Dues: \$5000 Annual NASCSP Membership Dues.

Misc.: \$2,126 . \$298 copier charges; \$296 Risk Management Insurance (use of state vehicle & other employee accident coverage while on duty); \$148 software support and maintenance; \$1,384 IT services including telephone, all based on estimated cost allocation per FTE. All miscellaneous costs are related to the Training and Technical Assistance duties performed by ADOH Weatherization Staff.

All costs included in Other Direct Costs are properly excluded from indirect costs to ensure there are not duplicate charges.

X

#### 8. **INDIRECT COSTS**

- a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.
- b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

The Arizona Department of Housing will not be charging indirect costs to this grant.

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

Name: Joan Serviss

Phone Number: 6027711007



**BUDGET INFORMATION - Non-Construction Programs**

|   |  |   |                                  |
|---|--|---|----------------------------------|
| 1. Program/Project Identification No.<br>EE0009888  |  | 2. Program/Project Title<br>Weatherization Assistance Program |                                  |
| 3. Name and Address<br>State of Arizona, Department of Housing<br>1110 W. Washington<br>Phoenix, AZ 850070000 |  | 4. Program/Project Start Date<br>07/01/2024                   | 5. Completion Date<br>06/30/2025 |

**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. DOE WAP                             | 81.042                  | \$ 795,066.00               |                 | \$ 2,639,110.00       |                 | \$ 3,434,176.00 |
| 2.                                     |                         |                             |                 |                       |                 |                 |
| 3.                                     |                         |                             |                 |                       |                 |                 |
| 4.                                     |                         |                             |                 |                       |                 |                 |
| 5. TOTAL                               |                         | \$ 795,066.00               | \$ 0.00         | \$ 2,639,110.00       | \$ 0.00         | \$ 3,434,176.00 |

**SECTION B - BUDGET CATEGORIES**

| 6. Object Class Categories | Grant Program, Function or Activity |                                |                  |                     | Total (5)       |
|----------------------------|-------------------------------------|--------------------------------|------------------|---------------------|-----------------|
|                            | (1) GRANTEE ADMINISTRATI ON         | (2) SUBGRANTEE ADMINISTRATI ON | (3) GRANTEE T&TA | (4) SUBGRANTEE T&TA |                 |
| a. Personnel               | \$ 53,929.00                        | \$ 0.00                        | \$ 66,625.00     | \$ 0.00             | \$ 120,554.00   |
| b. Fringe Benefits         | \$ 16,136.00                        | \$ 0.00                        | \$ 30,880.00     | \$ 0.00             | \$ 47,016.00    |
| c. Travel                  | \$ 0.00                             | \$ 0.00                        | \$ 86,800.00     | \$ 0.00             | \$ 86,800.00    |
| 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                | \$ 90,281.00                        | \$ 253,751.00                  | \$ 35,106.00     | \$ 219,411.00       | \$ 3,161,991.00 |
| g. Construction            | \$ 0.00                             | \$ 0.00                        | \$ 0.00          | \$ 0.00             | \$ 0.00         |
| h. Other Direct Costs      | \$ 17,815.00                        | \$ 0.00                        | \$ 0.00          | \$ 0.00             | \$ 17,815.00    |
| i. Total Direct Charges    | \$ 178,161.00                       | \$ 253,751.00                  | \$ 219,411.00    | \$ 219,411.00       | \$ 3,434,176.00 |
| j. Indirect Costs          | \$ 0.00                             | \$ 0.00                        | \$ 0.00          | \$ 0.00             | \$ 0.00         |
| k. Totals                  | \$ 178,161.00                       | \$ 253,751.00                  | \$ 219,411.00    | \$ 219,411.00       | \$ 3,434,176.00 |
| 7. Program Income          | \$ 0.00                             | \$ 0.00                        | \$ 0.00          | \$ 0.00             | \$ 0.00         |

**BUDGET INFORMATION - Non-Construction Programs**

|   |  |   |                                  |
|---|--|---|----------------------------------|
| 1. Program/Project Identification No.<br>EE0009888  |  | 2. Program/Project Title<br>Weatherization Assistance Program |                                  |
| 3. Name and Address<br>State of Arizona, Department of Housing<br>1110 W. Washington<br>Phoenix, AZ 850070000 |  | 4. Program/Project Start Date<br>07/01/2024                   | 5. Completion Date<br>06/30/2025 |

| SECTION A - BUDGET SUMMARY                      |                               |                             |                    |                       |                    |                 |
|---|-------------------------------|-----------------------------|--------------------|-----------------------|--------------------|-----------------|
| Grant Program<br>Function or<br>Activity<br>(a) | Federal<br>Catalog No.<br>(b) | Estimated Unobligated Funds |                    | New or Revised Budget |                    |                 |
|   |                               | Federal<br>(c)              | Non-Federal<br>(d) | Federal<br>(e)        | Non-Federal<br>(f) | Total<br>(g)    |
| 1.  |                               |                             |                    |                       |                    |                 |
| 2.  |                               |                             |                    |                       |                    |                 |
| 3.  |                               |                             |                    |                       |                    |                 |
| 4.  |                               |                             |                    |                       |                    |                 |
| 5. TOTAL  |                               | \$ 795,066.00               | \$ 0.00            | \$ 2,639,110.00       | \$ 0.00            | \$ 3,434,176.00 |

| SECTION B - BUDGET CATEGORIES |                                     |                         |                            |                          |                 |              |
|-------------------------------|-------------------------------------|-------------------------|----------------------------|--------------------------|-----------------|--------------|
| 6. Object Class Categories    | Grant Program, Function or Activity |                         |                            |                          |                 | Total<br>(5) |
|                               | (1) PROGRAM<br>OPERATIONS           | (2) FINANCIAL<br>AUDITS | (3) LIABILITY<br>INSURANCE | (4) HEALTH AND<br>SAFETY |                 |              |
| a. Personnel                  | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 120,554.00   |              |
| b. Fringe Benefits            | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 47,016.00    |              |
| c. Travel                     | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 86,800.00    |              |
| 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                   | \$ 1,828,716.00                     | \$ 7,140.00             | \$ 10,754.00               | \$ 193,917.00            | \$ 3,161,991.00 |              |
| g. Construction               | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 0.00         |              |
| h. Other Direct Costs         | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 17,815.00    |              |
| i. Total Direct Charges       | \$ 1,828,716.00                     | \$ 7,140.00             | \$ 10,754.00               | \$ 193,917.00            | \$ 3,434,176.00 |              |
| j. Indirect Costs             | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 0.00         |              |
| k. Totals                     | \$ 1,828,716.00                     | \$ 7,140.00             | \$ 10,754.00               | \$ 193,917.00            | \$ 3,434,176.00 |              |
| 7. Program Income             | \$ 0.00                             | \$ 0.00                 | \$ 0.00                    | \$ 0.00                  | \$ 0.00         |              |

**BUDGET INFORMATION - Non-Construction Programs**

|   |  |   |                                  |
|---|--|---|----------------------------------|
| 1. Program/Project Identification No.<br>EE0009888  |  | 2. Program/Project Title<br>Weatherization Assistance Program |                                  |
| 3. Name and Address<br>State of Arizona, Department of Housing<br>1110 W. Washington<br>Phoenix, AZ 850070000 |  | 4. Program/Project Start Date<br>07/01/2024                   | 5. Completion Date<br>06/30/2025 |

**SECTION A - BUDGET SUMMARY**

| Grant Program Function or Activity<br>(a) | Federal Catalog No.<br>(b) | Estimated Unobligated Funds |                    | New or Revised Budget |                    |                 |
|---|----------------------------|-----------------------------|--------------------|-----------------------|--------------------|-----------------|
|   |                            | Federal<br>(c)              | Non-Federal<br>(d) | Federal<br>(e)        | Non-Federal<br>(f) | Total<br>(g)    |
| 1.  |                            |                             |                    |                       |                    |                 |
| 2.  |                            |                             |                    |                       |                    |                 |
| 3.  |                            |                             |                    |                       |                    |                 |
| 4.  |                            |                             |                    |                       |                    |                 |
| 5. TOTAL                                  |                            | \$ 795,066.00               | \$ 0.00            | \$ 2,639,110.00       | \$ 0.00            | \$ 3,434,176.00 |

**SECTION B - BUDGET CATEGORIES**

| 6. Object Class Categories | Grant Program, Function or Activity |     |     |     | Total<br>(5)    |
|----------------------------|-------------------------------------|-----|-----|-----|-----------------|
|                            | (1) Weatherization Readiness        | (2) | (3) | (4) |                 |
| a. Personnel               | \$ 0.00                             |     |     |     | \$ 120,554.00   |
| b. Fringe Benefits         | \$ 0.00                             |     |     |     | \$ 47,016.00    |
| c. Travel                  | \$ 0.00                             |     |     |     | \$ 86,800.00    |
| d. Equipment               | \$ 0.00                             |     |     |     | \$ 0.00         |
| e. Supplies                | \$ 0.00                             |     |     |     | \$ 0.00         |
| f. Contract                | \$ 522,915.00                       |     |     |     | \$ 3,161,991.00 |
| g. Construction            | \$ 0.00                             |     |     |     | \$ 0.00         |
| h. Other Direct Costs      | \$ 0.00                             |     |     |     | \$ 17,815.00    |
| i. Total Direct Charges    | \$ 522,915.00                       |     |     |     | \$ 3,434,176.00 |
| j. Indirect Costs          | \$ 0.00                             |     |     |     | \$ 0.00         |
| k. Totals                  | \$ 522,915.00                       |     |     |     | \$ 3,434,176.00 |
| 7. Program Income          | \$ 0.00                             |     |     |     | \$ 0.00         |

U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM**  
**SUBGRANTEE INFORMATION**  
State: AZ Grant Number: EE0009888 Program Year: 2024

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|                                |   |
|--------------------------------|---|
| Name: <b>CAHRA</b>             | Contact: Lucy Rangel, Housing/Food Programs Manag |
|                                | UEI: UJL7MUFCV4H9                                 |
| Address: 109 N. Sunshine Blvd. | DUNS: 020324617                                   |
| na                             | Phone: (520) 466-1112                             |
| Eloy, AZ 85131-0000            | Fax: (520) 466-0013                               |
| Counties PINAL County          | Email: lrangel@cahrapinal.org                     |
| served:                        | Tentative allocation: \$ 277,210.00               |
|                                | Planned units: 19                                 |
|                                | Type of organization: Local agency                |
|                                | Source of labor: Contractors                      |
|                                | Congressional districts served: <u>CD</u>         |
|                                | AZ-04   |
|                                | AZ-03   |
|                                | AZ-01   |

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|  |   |
|--|---|
| Name: <b>City of Phoenix, Municipal Building</b> | Contact: Thaddis Jackson, Housing Development Progi |
|  | UEI: KSM4UUTZ6Z75                                   |
| Address: 200 West Washington, 4th Floor          | DUNS: 137688193                                     |
| na   | Phone: (602) 534-7593                               |
| Phoenix, AZ 85003-0000                           | Fax: (602) 534-8213                                 |
| Counties MARICOPA County                         | Email: thaddis.jackson@phoenix.gov                  |
| served:  | Tentative allocation: \$ 406,214.00                 |
|  | Planned units: 31                                   |
|  | Type of organization: Unit of local government      |
|  | Source of labor: Contractors                        |
|  | Congressional districts served: <u>CD</u>           |
|  | AZ-03   |
|  | AZ-09   |
|  | AZ-07   |
|  | AZ-06   |
|  | AZ-08   |

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|   |   |
|---|---|
| Name: <b>Foundation for Senior Living (FSL)</b> | Contact: Katie Martin                         |
|   | UEI: HZ6QMJZPPQK6                             |
| Address: 3051 S. 45th Street                    | DUNS: 018440917                               |
| 2227 S. Mission, Tucson AZ 85716                | Phone: (602) 532-29767                        |
| Tucson, AZ 85040-0000                           | Fax: (602) 297-1857                           |
| Counties PIMA County                            | Email: kmartin@fsl.org                        |
| served:   | Tentative allocation: \$ 348,481.00           |
|   | Planned units: 25                             |
|   | Type of organization: Non-profit organization |
|   | Source of labor: Agency and Contractors       |
|   | Congressional districts served: <u>CD</u>     |
|   | AZ-03   |
|   | AZ-01   |
|   | AZ-02   |

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U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM**  
**SUBGRANTEE INFORMATION**  
State: AZ Grant Number: EE0009888 Program Year: 2024

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|  |                                     |   |
|--|-------------------------------------|---|
| Name: <b>Foundation for Senior Living Maricopa County (FSL MC)</b> | Contact: Katie Martin               |   |
|  | UEI: NB22A2EU26C2                   |   |
|  | DUNS: 018440917                     |   |
| Address: 3051 S. 45th Street                                       | Phone: (602) 532-29767              |   |
| Phoenix, AZ 85040-0000   | Fax: (602) 297-1857                 |   |
|  | Email: kmartin@fsl.org              |   |
| Counties served: MARICOPA County                                   | Tentative allocation: \$ 591,823.00 | Congressional districts served: <u>CD</u> |
|  | Planned units: 47                   | AZ-03                                     |
| Type of organization: Non-profit organization                      |                                     | AZ-08                                     |
|  |                                     | AZ-01                                     |
|  |                                     | AZ-06                                     |
|  |                                     | AZ-09                                     |
|  |                                     | AZ-07                                     |
|  |                                     | AZ-04                                     |
|  | Source of labor: Contractors        |   |

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|  |  |   |
|--|--|---|
| Name: <b>Gila County Community Action</b>      | Contact: Stella Gore, Community Services Manager |   |
|  | UEI: C8EKKJK67XB1                                |   |
|  | DUNS: 024071339                                  |   |
| Address: P.O. Box 1254                         | Phone: (928) 961-3608                            |   |
| 5515 South Apache Avenue, Suite 200            | Fax: (928) 425-9468                              |   |
| Globe, AZ 85501-0000                           | Email: sgore@gilacountyaz.gov                    |   |
| Counties served: GILA County                   | Tentative allocation: \$ 174,094.00              | Congressional districts served: <u>CD</u> |
|  | Planned units: 11                                | AZ-04                                     |
| Type of organization: Unit of local government |  | AZ-01                                     |
|  | Source of labor: Contractors                     |   |

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|   |                                      |   |
|---|--------------------------------------|---|
| Name: <b>MesaCAN dba A New Leaf</b>           | Contact: Eva Felix, Program Director |   |
|   | UEI: MLZVKA7M2219                    |   |
|   | DUNS: 611923640                      |   |
| Address: 635 E. Broadway Rd.                  | Phone: (480) 477-4037                |   |
| Mesa, AZ 85204-0000                           | Fax: (480) 969-0039                  |   |
|   | Email: evfelix@turnanewleaf.org      |   |
| Counties served: MARICOPA County              | Tentative allocation: \$ 190,862.00  | Congressional districts served: <u>CD</u> |
|   | Planned units: 10                    | AZ-09                                     |
| Type of organization: Non-profit organization |                                      |   |
|   | Source of labor: Contractors         |   |

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U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM**  
**SUBGRANTEE INFORMATION**  
State: AZ Grant Number: EE0009888 Program Year: 2024

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|                                     |  |   |
|-------------------------------------|--|---|
| Name: <b>NACOG</b>                  | Contact: Kevin Goss, CDBG Program Manager      |   |
|                                     | UEI: E6DNLCPGMPS3                              |   |
|                                     | DUNS: 083716167                                |   |
| Address: 221 N. Marina St, Ste. 101 | Phone: (928) 774-3756                          |   |
| na                                  | Fax: (928) 774-3758                            |   |
| Prescott, AZ 86001-0000             | Email: kgoss@nacog.org                         |   |
| Counties served: COCONINO County    | Tentative allocation: \$ 346,223.00            | Congressional districts served: <u>CD</u> |
| YAVAPAI County                      | Planned units: 26                              | AZ-01                                     |
| APACHE County                       | Type of organization: Unit of local government |   |
| NAVAJO County                       | Source of labor: Contractors                   |   |

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|                                     |  |   |
|-------------------------------------|--|---|
| Name: <b>Pima County</b>            | Contact: Joel Gastelum, Community Development Prog |   |
|                                     | UEI: EB6GYJJCZD48                                  |   |
|                                     | DUNS: 033738662                                    |   |
| Address: 2797 E. Ajo Way, 3rd Floor | Phone: (520) 724-6750                              |   |
| na                                  | Fax: (520) 243-6796                                |   |
| Tucson, AZ 85713-0000               | Email: joel.gastelum@pima.gov                      |   |
| Counties served: PIMA County        | Tentative allocation: \$ 168,620.00                | Congressional districts served: <u>CD</u> |
|                                     | Planned units: 10                                  | AZ-02                                     |
|                                     | Type of organization: Unit of local government     | AZ-01                                     |
|                                     | Source of labor: Contractors                       | AZ-03                                     |

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|                                    |   |   |
|------------------------------------|---|---|
| Name: <b>SEACAP</b>                | Contact: Yvette Ramirez, Executive Director |   |
|                                    | UEI: NBJPKEMBKYJ8                           |   |
|                                    | DUNS: 148881253                             |   |
| Address: 283 West 5th Street       | Phone: (928) 428-4653                       |   |
| na                                 | Fax: (928) 428-1559                         |   |
| Safford, AZ 85546-0000             | Email: yramirez@seacapinc.org               |   |
| Counties served: SANTA CRUZ County | Tentative allocation: \$ 250,110.00         | Congressional districts served: <u>CD</u> |
| GREENLEE County                    | Planned units: 18                           | AZ-02                                     |
| GRAHAM County                      | Type of organization: Local agency          | AZ-03                                     |
| COCHISE County                     | Source of labor: Agency and Contractors     | AZ-01                                     |

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|                                    |  |
|------------------------------------|--|
| Name: <b>WACOG</b>                 | Contact: Gina Whittington, Human Services Director |
|                                    | UEI: WJX7JJCXLA36                                  |
|                                    | DUNS: 102820073                                    |
| Address: 1235 S Redondo Center Dr. | Phone: (928) 217-7123                              |
| na                                 | Fax: (928) 329-4248                                |
| Yuma, AZ 85365-0000                | Email: ginaw@wacog.com                             |

U.S. Department of Energy  
**WEATHERIZATION ASSISTANCE PROGRAM**  
**SUBGRANTEE INFORMATION**  
State: AZ Grant Number: EE0009888 Program Year: 2024

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|                  |   |   |                                 |                                      |
|------------------|---|---|---------------------------------|--------------------------------------|
| Counties served: | LA PAZ County<br>YUMA County<br>MOHAVE County | Tentative allocation: \$ 282,967.00<br>Planned units: 19<br>Type of organization: Unit of local government<br>Source of labor: Agency and Contractors | Congressional districts served: | <u>CD</u><br>AZ-04<br>AZ-03<br>AZ-01 |
|------------------|---|---|---------------------------------|--------------------------------------|

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**U.S. Department of Energy**  
Weatherization Assistance Program (WAP)  
**WEATHERIZATION ANNUAL FILE WORKSHEET**  
**Grant Number: EE0009888, State: AZ, Program Year: 2024**  
**Recipient: State of Arizona, Department of Housing**

**IV.1 Subgrantees**

| <b>Subgrantee (City)</b>  | <b>Planned Funds/Units</b>          |
|---|-------------------------------------|
| CAHRA (Eloy)  | \$277,210.00<br>19                  |
| City of Phoenix, Municipal Building (Phoenix)                   | \$406,214.00<br>31                  |
| Foundation for Senior Living (FSL) (Tucson)                     | \$348,481.00<br>25                  |
| Foundation for Senior Living Maricopa County (FSL MC) (Phoenix) | \$591,823.00<br>47                  |
| Gila County Community Action (Globe)                            | \$174,094.00<br>11                  |
| MesaCAN dba A New Leaf (Mesa)                                   | \$190,862.00<br>10                  |
| NACOG (Prescott)  | \$346,223.00<br>26                  |
| Pima County (Tucson)  | \$168,620.00<br>10                  |
| SEACAP (Safford)  | \$250,110.00<br>18                  |
| WACOG (Yuma)  | \$282,967.00<br>19                  |
| <b>Total:</b>   | <b>\$3,036,604.00</b><br><b>216</b> |

**IV.2 WAP Production Schedule**

| Weatherization Plans  |   | Units          |
|---|---|----------------|
| Total Units (excluding reweatherized)                                     |   | 216            |
| Reweatherized Units   |   | 0              |
| Average Unit Costs, Units subject to DOE Project Rules                    |   |                |
| <b>VEHICLE &amp; EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)</b> |   |                |
| A   | Total Vehicles & Equipment (\$5,000 or more) Budget                     | \$0.00         |
| B   | Total Units Weatherized   | 216            |
| C   | Total Units Reweatherized   | 0              |
| D   | Total Dwelling Units to be Weatherized and Reweatherized (B + C)        | 216            |
| E   | Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D) | \$0.00         |
| <b>AVERAGE COST PER DWELLING UNIT (DOE RULES)</b>                         |   |                |
| F   | Total Funds for Program Operations                                      | \$1,828,716.00 |
| G   | Total Dwelling Units to be Weatherized and Reweatherized (from line D)  | 216            |
| H   | Average Program Operations Costs per Unit (F divided by G)              | \$8,466.28     |
| I   | Average Vehicles & Equipment Acquisition Cost per Unit (from line E)    | \$0.00         |
| J   | Total Average Cost per Dwelling (H plus I)                              | \$8,466.28     |



**U.S. Department of Energy**  
Weatherization Assistance Program (WAP)  
**WEATHERIZATION ANNUAL FILE WORKSHEET**  
**Grant Number: EE0009888, State: AZ, Program Year: 2024**  
**Recipient: State of Arizona, Department of Housing**

**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  | 216   | 29.3                       | 6329           |
|   | Prior Year Estimate | 197   | 29.3                       | 5772           |
|   | Prior Year Actual   | 162   | 29.3                       | 4747           |

**Method used to calculate savings description:**

Production and Energy Savings

These are estimates for PY24

217

Re-weatherized Units 0

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

**IV.4 DOE-Funded Leveraging Activities**

The state does not utilize State General Funds or other funds for leveraging activities. However, parallel programs are administered through LIHEAP and public utility funding. Non-DOE funding is utilized in co-leveraging activities as detailed in the “**Buy-Downs/Leveraging of Funds**” section below (see co-leveraging verbiage).

**IV.5 Policy Advisory Council Members**

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

|  |   |
|--|---|
| Arizona PIRG (Public Interest Research Group) Education Fund | Type of organization: Non-profit (not a financial institution)<br>Contact Name: Diane E. Brown<br>Phone: 6022529227<br>Email: <a href="mailto:dbrown@arizonapirg.org">dbrown@arizonapirg.org</a>                    |
| Arizona Public Service Company                               | Type of organization: Utility<br>Contact Name: Chris Baker, Program Manager Home Performance with Energy St<br>Phone: 6022503183<br>Email: <a href="mailto:Chris.C.Baker@aps.com">Chris.C.Baker@aps.com</a>         |
| City of Phoenix  | Type of organization: Unit of Local Government<br>Contact Name: Omar Clark, Project Manager<br>Phone: 6022627369<br>Email: <a href="mailto:omar.clark@phoenix.gov">omar.clark@phoenix.gov</a>                       |
| Foundation for Senior Living                                 | Type of organization: Non-profit (not a financial institution)<br>Contact Name: Katie Martin, Program Director<br>Phone: 6022850505543<br>Email: <a href="mailto:kmartin@fsl.org">kmartin@fsl.org</a>               |
| Gila County Community Action                                 | Type of organization: Unit of Local Government<br>Contact Name: Stella Gore, Community Services Manager<br>Phone: 9289613608<br>Email: <a href="mailto:sgore@gilacountyaz.gov">sgore@gilacountyaz.gov</a>           |
| NACOG  | Type of organization: Unit of Local Government<br>Contact Name: Kevin Goss, CDBG Program Manager<br>Phone: 9287743756<br>Email: <a href="mailto:kgoss@nacog.org">kgoss@nacog.org</a>                                |
| Salt River Project   | Type of organization: Utility<br>Contact Name: Jackie Castrellon, Community Relations Program Manager<br>Phone: 6022365736<br>Email: <a href="mailto:jackie.castrellon@srpnet.com">jackie.castrellon@srpnet.com</a> |
|  | Type of organization: Utility   |

**U.S. Department of Energy**  
Weatherization Assistance Program (WAP)  
**WEATHERIZATION ANNUAL FILE WORKSHEET**  
**Grant Number: EE0009888, State: AZ, Program Year: 2024**  
**Recipient: State of Arizona, Department of Housing**

|                               |   |
|-------------------------------|---|
| Southwest Gas Corporation     | Contact Name: Will Batista, Manager, Sustainability & Energy Efficiency<br>Phone: 7023643406<br>Email: <a href="mailto:Will.Bastista@swgas.com">Will.Bastista@swgas.com</a>                       |
| Tucson Electric Power Company | Type of organization: Utility<br>Contact Name: Nikole White, Contract Administrator<br>Phone: 9283034943<br>Email: <a href="mailto:NWhite@tep.com">NWhite@tep.com</a>                             |
| Wildfire                      | Type of organization: Non-profit (not a financial institution)<br>Contact Name: Kelly McGowan<br>Phone: 6026040640<br>Email: <a href="mailto:kmcgowan@wildfireaz.org">kmcgowan@wildfireaz.org</a> |

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

| Date Held  | Newspapers that publicized the hearings and the dates the notice ran   |
|------------|--|
| 03/13/2024 | Public Hearing The Arizona Department of Housing (ADOH) held the official public hearing for input and comment on the Plan on Wednesday, April 10, 2024. The Hearing was held through web based video conferencing technology at 10:00 AM Arizona time, and in-person at 1700 W. Washington St, Room 104, Phoenix, AZ 85007. ADOH will perform the transcript duties of the hearing. The date, time, and web link to the Public Hearing was provided to Sub-grantees, Policy Advisory Council (PAC) members and other interested parties through email, and posting on the Arizona Department of Housing website at <a href="http://www.housing.az.gov">www.housing.az.gov</a> on March 13, 2024, which is 27 days prior to the date of the public hearing. Additionally, the hearing was advertised in four (4) major newspapers in the state including the Arizona Daily Sun (Flagstaff), Arizona Daily Star (Tucson), Arizona Republic (entire state), and the Yuma Sun (Yuma). Documented evidence of postings, publications, hearing transcripts and attendance are included as an attachment to the SF424 Application. |
| 03/18/2024 | Yuma Sun, published 3.18.2024  |
| 03/18/2024 | Arizona Daily Star, published on 3.18.2024   |
| 03/19/2024 | AZ Republic, published on 3.19.2024  |
| 03/19/2024 | AZ Daily Sun, published on 3.19.2024   |
| 03/29/2024 | IB-32-24 DOE WAP State Plan for Public Comment   |

**IV.7 Miscellaneous**

**IV.5 Policy Advisory Council**

The state's Policy Advisory Council (PAC) is a collaboration of individuals from various organizations from around the state, each represents the interests of low-income and priority populations through advocacy, assistance programs, or both. Although some are also sub-grantees, these agencies represent multiple programs that serve low income, vulnerable households; additional information is included in the paragraphs below. PAC members are from local utility companies, Nonprofits, and local governments. The following is a current PAC member list and a brief description of the organization, including those persons whom they serve:

**IV.7 Miscellaneous**

**AS GUIDANCE CHANGES FROM YEAR TO YEAR, NEW/UPDATED GUIDANCE DETAILED IN THIS AZ WAP FY STATE PLAN SHALL SUPERCEED GUIDANCE/REQUIREMENTS DETAILED IN THE WAP BIL STATE PLAN WHEN AND WHERE APPLICABLE, AND AT THE SOLE DISCRETION OF ADOH.**

**Business Officer:** Kathy Blodgett, PCED, CDR Programs Administrator, 602-771-1021 [kathy.blodgett@azhousing.gov](mailto:kathy.blodgett@azhousing.gov)

**Weatherization Program Manager/Principal Investigator:** Travis Ekenberg, 602-771-1071, [travis.ekenberg@azhousing.gov](mailto:travis.ekenberg@azhousing.gov)

**Financial & Program Monitoring:** Gloria Castro, Weatherization Program Specialist, 602-771-1084

[Gloria.castro@azhousing.gov](mailto:Gloria.castro@azhousing.gov)

**Field and Technical Monitoring:** Samantha Winslow, Energy Specialist, 602-771-1046 [Samantha.winslow@azhousing.gov](mailto:Samantha.winslow@azhousing.gov)

**Field and Technical Monitoring:** David Underdonk, Energy Specialist, 602-771-1012, [david.underdonk@azhousing.gov](mailto:david.underdonk@azhousing.gov)

ADOH staff positions charging less than 100% of their time to the DOE Weatherization Grant will be paid by other funding sources.

Only those ADOH Sub-grantees that expended more than \$750,000 in total Federal Funding during the previous Program Year (PY) will receive FINANCIAL AUDITS funds identified in ADOH's SF-424a Budget.

**U.S. Department of Energy**  
Weatherization Assistance Program (WAP)  
**WEATHERIZATION ANNUAL FILE WORKSHEET**  
**Grant Number: EE0009888, State: AZ, Program Year: 2024**  
**Recipient: State of Arizona, Department of Housing**

**Sub-grantee Note: A State Auditor's Report alone is not the same as the federally required State Single Audit Report (2 CFR 200.512 section (c)) and will not satisfy this requirement.**

**Use of Weatherization Funds for Renewable Energy Systems**

Not Applicable

**Buy American**

As outlined in OMB M-22-11, the Buy American provision will not be a requirement on non-infrastructure projects as defined. Non-infrastructure projects include "construction or improvements of a private home for personal use". The "Build America, Buy America" (BABA) Regulation shall follow the guidance set forth in [WAP Memorandum 104](#).

**Equity and the Justice40 Initiative**

Justice40 (J40) is a whole-of-government effort to ensure that Federal agencies work with states and local communities to deliver at least 40 percent of the overall benefits from Federal investments in climate and clean energy to disadvantaged communities ([energy.gov/Justice40](#)). For additional information, see Executive Orders 13895 and 14008, [Federal Register: Tackling the Climate Crisis at Home](#) (<https://www.federalregister.gov/documents/2021/02/01/2021-02177/tackling-the-climate-crisis-at-home-and-abroad>), and the Office of Management and Budget (OMB) [Memorandum M-21-28](#), and the [Climate and Economic Justice Screening Tool](#).

The NREL State and Local Planning for Energy (SLOPE) tool found at <https://maps.nrel.gov/slope/data-viewer?layer=ecj.household-energy-burden&res=county&year=2020&filters=%5B%5D>, can be utilized to view High Energy Burden areas statewide. The following tool can assist in determining what and where disadvantaged communities, as defined by DOE, are located statewide; <https://energyjustice.egs.anl.gov/>. This will provide Sub-grantees with potential focus areas when marketing and tracking Justice40 metrics.

The initial method of distribution from ADOH to Sub-grantees is weighted 90% poverty and 10% population. Initial Sub-grantee funding amounts are subject to change should monthly and quarterly production and expenditure goals not be met. This is further explained in the AZ WAP Policies & Procedures Manual in section 11.3.1 which can be found at <https://housing.az.gov/documents-links/handbooks>.

**Carryover Rule**

**\*\*\*This rule only applies if DOE allows the Grantee to carry over any remaining funds from the previous program year(s).**

ADOH concurs with DOE that Sub-grantees should be making every effort to expend funds allocated for a specific program year in that year. ADOH has adopted the policy that any Sub-grantee that does not expend at least 90% of their initial allocated funds for a given program year may not be eligible to receive carry over funds, this will be at the sole discretion of ADOH with all factors evaluated. All carry-over funds will be distributed to the highest performing sub-grantee agencies.

**Performance Based Funding Re-allocation**

Monthly and Quarterly performance goals and standards are made a part of the contractual agreement between the Grantee and Sub-grantees. The Grantee may, based on a review of the progress of Sub-grantee completed units and expenditures or units with completed Initial Audits scheduled for construction to begin within one (1) month from Initial Audit, move funds from a non or under-performing Sub-grantee to a Sub-grantee meeting or exceeding their performance goals. The Grantee will review the performance of all Sub-grantees on a monthly and quarterly basis. Re-allocation of funds will occur as deemed necessary by ADOH should production and expenditure concerns be noticed at any time and when production requests and detail are not promptly provided upon the request of ADOH. It is the goal of the Grantee to use this method to ensure annual program funds are expended, thereby reducing or eliminating carry-over and improving overall program performance. This step is also implemented to ensure program sustainability and continued funding of the entire AZ WAP.

**ADOH will be working to improve the condition of Sub-grantee vehicles and equipment. Should new Vehicles and/or Equipment be required, WPN 24-6 and the associated Decision Tree shall be followed.**

**Flow Down Requirement**

Recipients agree to apply the terms and conditions of this award, as applicable, including the Intellectual Property Provisions, to all sub recipients (and subcontractors, as appropriate), as required by 2 CFR 200.101, and to require their strict compliance therewith. Further, the Recipient must apply the Award terms as required by 2 CFR 200.327 to all sub recipients (and subcontractors, as appropriate), and to require their strict compliance therewith.

**U.S. Department of Energy**  
Weatherization Assistance Program (WAP)  
STATE PLAN / MASTER FILE WORKSHEET  
**Grant Number:** EE0009888, **State:** AZ, **Program Year:** 2024  
**Recipient:** State of Arizona, Department of Housing

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

Every dwelling weatherized must meet both client and building eligibility requirements. Eligible dwelling units per 10 CFR 440.22 are as follows:

“(a) A dwelling unit shall be eligible for weatherization assistance under this part if it is occupied by a family unit:

- (1) Whose income is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget; or
- (2) Which contains a member who has received cash assistance payments under Title IV or XVI of the Social Security Act or applicable State or local law at any time during the 12-month period preceding the determination of eligibility for weatherization assistance; or
- (3) If the State elects, 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.”

Weatherization Program Notice (WPN) 22-5, Expansion of Client Eligibility in the Weatherization Assistance Program, issued by the U.S. Department of Energy (DOE), serves to streamline the WAP intake process by expanding WAP’s categorical income eligibility **to include** U.S. Department of Housing and Urban Development’s (HUD) means-tested programs’ income qualifications at or below 80% of Area Median Income. (Examples of HUD program but not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH), etc.).

This guidance allows for qualified applicants/households under HUD’s means-tested programs using percentages of Area Median Income (AMI) ranging from 30% AMI to 80% AMI, to automatically be granted WAP program eligibility. The method and documentation of verification of eligibility **shall** be included in the WAP client file.

**Arizona definition of low-income:**

Household Income is at or below 200% of the federal poverty level determined in accordance with criteria established by the Office of the Secretary, U.S. Department of Health and Human Services, and shall follow guidance detailed in WPN 24-3 unless otherwise notified in writing by ADOH.

**Arizona definition of Children**

A dependent at or below the age of five (5) years.

**Arizona Definition of Elderly**

A person who is 60 years of age or older.

**DOE HHI Grant Partnerships**

In an effort and partnership with other DOE HHI grants to develop additional tracking and measure implementation processes, **all Sub-grantees will be required to ask and note if the applicant or household member is a Mercy Care recipient.** If an eligible member of the qualified household responds affirmatively, this shall be noted in the Client Information section of the AZ WAP Database. If there are no members of the household that are Mercy Care recipients/participants or the resident does not want to disclose that information, both instances shall be noted in the AZ WAP Database. (Examples: Mercy Care Recip., Not Mercy Care Recip., Applicant does not want to disclose Mercy Care information)

Describe what household eligibility basis will be used in the Program

All Sub-grantees are to follow the intake procedures of the most current state income qualifying guidelines found in the Low-Income Home Energy Assistance Program (LIHEAP) Policy Manual available from the Arizona Department of Economic Security (DES) website at: <https://des.az.gov/documents-center> with additional specific guidance detailed in this AZ WAP State Plan and the AZ WAP Policies & Procedures Manual. Refer to Section VII in the LIHEAP DCAD Consolidated Policy Manual.

The LIHEAP State Plan (<https://des.az.gov/services/basic-needs/community-action-agencies/community-action-program-publications>) for Arizona has been approved to mirror the income eligibility allowed by DOE at 200% or below of the Federal Poverty Limit (FPL). Sub-grantees should also reference WPN 24-3 for Poverty Income Guidelines and Definition of Income.

Each client file must contain an application from the client that includes the required demographics (detailed in Section 2.1, Approach to determine client eligibility, in the AZ WAP P&P Manual) and income for the entire family living in the residence. The file must also contain evidence provided by the Sub-grantee that the client is income eligible to receive WAP services. This evidence may include, but is not limited to, third party verification from the source of income for the family (employer, social security office, unemployment agency, etc.); source documentation for each income source listed on the application; or evidence of cash assistance payments under Title IV of XVI of the Social Security Act or applicable State or local law at any time during the preceding 12 month period for any household member. These documents must be retained in each client file.

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Additional Eligibility information and clarification can be found in the AZ WAP Policies and Procedures Manual located at: <https://housing.az.gov/documents-links/handbooks>. Scroll to the very bottom of the page, it is located under "WEATHERIZATION ASSISTANCE PROGRAM POLICIES & PROCEDURES MANUAL".

ADOH WAP has provided a Client File Checklist that Sub-grantees must use and keep in their client file. The form is available from the ADOH website at: <https://housing.az.gov/documents-links/forms/weatherization>

The following information is required (some are required only if applicable such as the Landlord/Tenant Form) to be included in client files:

1. Client File Checklist (required)
2. Eligibility Determination (including the required Annual Income Calculations Form) & Client Information including hard/digital copy evidence provided by the Sub-grantee that the client is income eligible to receive WAP services. This evidence may include, but is not limited to, third party verification from the source of income (employer, unemployment agency, social security office) of the family or source documentation for each income source listed on the application.
3. Certification of Zero Income Form (required if applicable)
4. Proof of Ownership or Signed Rental Agreement
5. Deferral Information (if applicable)
6. State Historic Preservation Documentation (if applicable)
7. Previous Weatherization Checklist (required form)
8. Clients Rights and Responsibilities Form (required form)
9. Client Complaints and Documented Resolution (if applicable)
10. Progress Form; Includes client sign-off on:
  - a. Receipt of "Client Rights and Responsibilities Form"
  - b. Client Agreement (visits for quality assurance and funder monitoring)
  - c. Receipt of Warrantees
  - d. Statement of Completion
11. Household Action Plan (required form)
12. Client Health and Safety Evaluation Form(s)
  - a. Client use (if client so chooses)
  - b. Auditor use (required form)
13. Work Agreement/Scope of Work
  - a. Form is supplied by Sub-grantee
  - b. Must be signed by Client
  - c. Must include any Low Cost/No Cost measures
14. Priority Checklist or Copy of the Energy Model with Field Waiver Request (if applicable), Health & Safety (HSD) Waiver
  - a. required if DOE/SWG/APS/SRP HSD will exceed \$2,000
  - b. Must be approved and signed by ADOH Energy Specialist upon request
15. Residential Diagnostic Evaluation Form (required form)
  - a. Initial Inspection and Diagnostics
  - b. Final Inspection and Diagnostics
  - c. Project Photos Pre-work and Post work (may be inserted into form or saved separately)
  - d. Photos of Appliances/HVAC before and after replacement (may be inserted into form or saved separately)
16. Quality Control Inspection Checklist (required form for DOE funded projects)
17. Hazard Disclosure Form; Includes client sign-off that information, notifications and release were given to them regarding:
  - a. Lead Paint
  - b. Mold Assessment and Release
  - c. Radon
18. Lead Safe Weatherization (if applicable)
  - a. Testing results showing no lead; or

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b. Lead Safe Work Practices documentation per EPA requirements, Include Certified Renovator Documentation and photographs demonstrating proper practices were followed.

19. Materials and Labor Costs: including invoices and purchase orders (Contractor and crew based)
20. Bid/Equipment/Calculation/Specification Details
21. Inventory Sheets (if applicable)
22. Low-Cost/No-Cost Documentation

- a. Cannot exceed \$250 per fund source
- b. Notations must be made in the AZWAP database indicating what the actual low cost/no cost measure was and break out the amounts by funding source used for the measure.

23. Landlord/Tenant Agreement (required form if applicable)
24. Refusal for Services, Indemnification & Waiver of Claims
25. Sub-grantee Statement of Completion
26. Utility Information Release Authorization Form
27. Sub-grantee Contractor Oversight Form (if applicable)

Some forms may be removed or revised from the list above when the incorporation of the Nexus/OptiMiser Database and Software is fully implemented. ADOH will clarify this in a Technical Bulletin when it becomes fully applicable.

The client is income eligible for weatherization services for twelve (12) months from the date the client was determined to be income eligible, contingent upon residence eligibility. A client must be re-certified when eligibility lapses due to the length of time the client was waiting to receive Weatherization services. Re-certification of income eligibility must occur at least once every twelve (12) months.

Sub-grantees shall give priority to clients based on the list of priorities established in the Arizona State Plan, which includes the following:

1. Elderly persons aged at or above the age of sixty (60) years. (DOE)
2. Persons with Disabilities (DOE)
3. Families with children at or below the age of five (5) years. (DOE)
4. Households with a high energy burden as defined below (DOE)
5. Households (not including rental properties per the Landlord Tenant Act) with inoperable heating or cooling where the indoor temperature exceeds 85 degrees F in the Summer or drop below 55 degrees F in the winter, per AZ TB 23.2. (NOT included on the DOE list of priorities, however, per Arizona's Executive Order 2023-16, this is a top priority to ensure the mitigation of heat related illnesses and deaths.

**The criteria used for determining applicant priority must be in writing and on file with the Sub-grantee. An actual wait list to determine who is next to receive weatherization services must be developed with consideration given to the priority populations listed above.**

For HUD-DOE Multi-Family eligibility, see the Multi-family section of plan.

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

**Qualified Aliens Receiving Weatherization Benefits**

Grantees are directed and encouraged to review guidance provided by Health and Human Services (HHS) under LIHEAP. This guidance can be found by going to <http://www.aspe.hhs.gov/hsp/immigration/restrictions-sum.shtml#sec1>.

HHS Information Memorandum LIHEAP-IM-25 dated August 28, 1997, states that all qualified aliens, regardless of when they entered the United States, continue to be eligible to receive assistance and services under the Low-Income Home Energy Assistance Program (LIHEAP) if they meet other program requirements.

To eliminate any possible contradiction of eligibility for Weatherization services at the state and local level for qualified aliens, the definition adopted by HHS will also apply to the DOE WAP.

HHS issued Information Memorandum LIHEAP-IM-98-25 dated August 6, 1998, outlining procedures for LIHEAP and Weatherization grantees serving non-qualified aliens to implement new status verification requirements.

To ensure continuity between LIHEAP and WAP for the many Sub-grantees operating both programs, the DOE WAP will follow the interpretation as adopted by HHS.

**V.1.2 Approach to Determining Building Eligibility**

Procedures to determine that units weatherized have eligibility documentation

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**Sub-grantees must document the eligibility of the residence to receive weatherization assistance through the following process:**

1. Verify that the home's occupants are income qualified for WAP (See Household/Family Unit Definition in the AZ WAP P&P Manual)
2. Verify that the home has not been previously weatherized by a thorough examination of the following:
  - a. The state database
  - b. Previous weatherization client files
  - c. The Sub-grantees weatherization program internal tracking system (i.e. database or spreadsheets)
  - d. Visual inspection of unit for evidence of previous retrofit weatherization measures in their entirety as detailed in WAP guidance for the previous 15-year period. (Observation of weatherization improvements will not necessarily preclude the unit from the WAP program. Database and Client File check as well as audit diagnostics may indicate unit is eligible).
  - e. Any other means at the sub-grantee's disposal
3. Perform a site inspection of the unit to make sure the condition of the home is safe to perform weatherization work

The Sub-grantee must then complete the ADOH Previous Weatherization Checklist form and retain it in the Client File. The Previous Weatherization Checklist Form is available for download from the ADOH weatherization web page at: <https://housing.az.gov/documents-links/forms/weatherization>

**The Grantee will monitor for the eligibility of the residence through the following process:**

1. Perform desktop review of the State's database for 100% of submitted jobs. This helps to verify income levels as well as the eligibility of measures and their SIR prior to any reimbursement of expenditures to the Sub-grantees.
2. During field inspections, the Grantee Weatherization Program Specialist will monitor a random sampling of ten percent (10%) of client files on completed jobs for proper documentation of income eligibility. If Grantee determines that the Sub-grantee is not following policies and procedures currently and consistently, the Grantee will increase the percentage of Sub-grantee client files sampled.
3. Verify that the State's Previous Weatherization Checklist form has been completed, signed and included in the Client File.

**Describe Reweathering compliance**

**Re-weatherization**

Dwelling units weatherized (including dwelling units partially weatherized) under the DOE WAP program, or under other Federal programs including LIHEAP, HUD or USDA (in this paragraph referred to as 'previous weatherization'), may not receive further financial assistance for weatherization until the date that is 15 years after the date such previous weatherization was completed. This does not preclude dwelling units that have received previous weatherization from receiving assistance and services (including the provision of information and education to assist with energy management and evaluation of the effectiveness of installed weatherization materials) other than weatherization under the DOE WAP program or under other Federal programs, or from receiving non-Federal assistance for weatherization.

Sub-grantee will conduct research to the best of their abilities and include documentation in the client file, the methods of determination of previous weatherization and the timeframe therein. Without a centralized database for recipients of all federal funding and records retention requirements, Sub-grantees may not have access to precise information but shall ensure due-diligence when performing re-weatherization on eligible properties.

Client files will be documented according to the policies set forth in the Eligibility V.1, V.1.1 sections of this State Plan as well as the Building Eligibility V.1.2 section. A full energy audit will be required.

Under the Energy Crisis and Disaster Relief, section of the Arizona State Plan, Disaster Planning and Relief is addressed and references DOE-issued Weatherization Program Notice (WPN) 12-7, which allows additional work to be done on homes due to natural disasters. Grantee and Sub-grantees will refer to these sections and follow appropriate procedures if the Sub-grantee wishes to serve homes located in disaster areas.

If the occupancy of the dwelling unit changes to another low-income family, the dwelling unit does not become eligible for additional weatherization. A dwelling is not eligible for weatherization, even if occupied by an eligible household, if a federal, state or local program has designated the dwelling for acquisition or clearance within 12 months from the scheduled date weatherization would be completed.

**Use of WAP Funds for Add-on/Call-back Work**

Grantees and Sub-grantees may not charge DOE for additional work on homes that have already been reported to DOE as completed, weatherized units. WPN 11-3 provides specific guidance on this type of activity.

*Note: Under no circumstances can any of these activities be covered under the re-weatherization provisions of 10 CFR §440.18(e) (2) (iii).*

**Describe what structures are eligible for weatherization**

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**Eligible Structures**

Once a client has been deemed income qualified then residence eligibility can be determined. Eligible residences must be safe for the occupants; Sub-grantees; crews; and/or contractors to work in without concern for their health and safety.

The primary housing types served by the Arizona WAP program are single family (both block and stick built construction), manufactured housing/mobile homes (refer to AZ WAP P&P Manual for further clarification) and multi-family housing. Sub-grantees should exercise caution in dealing with non-traditional type residential units such as shelters, and apartments over businesses, etc., to ensure they meet program regulations for eligibility. Consideration on weatherizing these types of units should be coordinated with the Grantee.

The weatherization of non-stationary campers, travel trailers, RV's, and 5th wheel travel trailers that have an eligible applicant/s is not allowed. Mobile homes must either have an Affidavit of Affixture or a title with the "MH" designation in the body style box to be eligible for WAP services.

**Co-Op Properties**

A property will be ineligible for weatherization assistance if the owner is not detailed by documentation through the County Assessor, a mortgage statement, or other legal document showing clear and specific ownership. If multiple individuals are detailed as owners of the property but one or both do not reside at the residence, all named owner's income shall be counted unless a written rental agreement is provided upon application. If the residence is a rental unit, the ADOH Landlord Tenant Agreement Form **MUST** be completed. Federal funds cannot be used for measures/equipment that are required to be provided by the Landlord/Owner renting the property per the AZ Landlord Tenant Act, A.R.S. Title 33.

**Primary Residence**

Weatherization work may only be performed on the applicant's/owner's primary residence. For example, where "Mother-in-Law" quarters or secondary/detached buildings are present, only the primary zoned building or main housing unit as accessed from the street where the address is detailed/located will be eligible to receive weatherization services. Weatherization work may only be performed on the Primary Permitted Residence as allowed by the Local Jurisdictional Code and Zoning Regulations. Accessory Buildings, Tiny Homes, Sheds, etc., not listed on the County APN as the Primary Residence shall not be eligible for Weatherization.

**Describe how Rental Units/Multifamily Buildings will be addressed**

**Rental Units/MF Buildings**

All Sub-grantees are required to weatherize single family, manufactured (mobile home) and multi-family rental housing.

The State of Arizona has established a policy to ensure that Sub-grantees weatherizing rental units determine financial eligibility and obtain written permission of the owner or owner's agent. In multiple unit buildings, the state ensures sixty-six (66) percent (50 percent for duplexes or four unit buildings) of the building to be eligible units. The State's policy also ensures that the benefits of weatherization accrue primarily to the tenant, including units where the tenants pay for their energy through their rent. ADOH WAP recognizes that it may weatherize shelters under conditions set forth in CFR 440.22.

State policy regarding rental units specifies that for a reasonable period of time (not less than twelve months) the tenant will not be subjected to rent increases unless those increases can be demonstrated to be related matter and conditions other than the weatherization measures performed. Sub-grantees must obtain the Landlord and Tenant's signature on the Landlord/Tenant Agreement form. State policy also provides an avenue for complaint in such matters. Tenants and landlords are informed in writing that no undue or excessive enhancement shall be provided to the rental unit or building by weatherization assistance, this is to include the installation or repair of inoperable heating and air conditioning units, and appliances, as this is required to be provided by the landlord pursuant to A.R.S 33-1324: <https://www.azleg.gov/ars/33/01324.htm>. However, the goal of the Weatherization Assistance Program (WAP) is to assist low and limited income households reduce their financial energy burden to be able to afford other necessities such as food, medication, etc. If a Landlord or Property Owner is fulfilling their obligation by providing said items and a fit residence as detailed in ARS § 13-1324, they are fulfilling the law as specified. The Arizona WAP has determined that DOE funding shall not be used to perform weatherization on multifamily properties as other low-income multifamily Utility Programs are available and have specific funding set aside to address multifamily properties consisting of 5 or more adjoined units as defined in WPN 22-12.

The intent of the Arizona WAP is not and will not assist Landlords repair or replace inoperable or malfunctioning items required to be maintained or provided per ARS 13-1324. The intent is to reduce high energy cost in which the resident is responsible for.

By replacing old inefficient HVAC systems, refrigerators, and water heaters or properly installing insulation, installing shade screens on sun struck windows, sealing leaky duct systems, replacing incandescent/inefficient lighting with efficient LED lighting, implementing health and safety measures such as controlled ventilation systems, etc., The WAP is assisting the resident with allowable measures through the existing program that provide a direct benefit to the resident and household.

The AZ WAP will ensure that any and all requirements of the Landlord or Property Owner be upheld should equipment and/or provisions as listed in ARS 13-1324 be deemed inoperable or non-existent.

It is also a requirement that the Landlord or Property Owner signoff on the ADOH Landlord Tennant Agreement detailing there shall be no rent increases for the duration detailed in the agreement and the tenant cannot be evicted for undue cause. The Sub-grantee will be responsible for ensuring and providing adequate documentation to ADOH, that the equipment to be replaced is operable and functioning as detailed in the ARS. A waiver to replace any and all such equipment must be approved by ADOH prior to replacement. Specific information will be required at time of request.

All documentation shall remain the property of Grantee and in the event of program closure, by either Grantee or the Sub-grantee; such files shall revert to Grantee. Copies of these documents need to be placed in each client file of the complex.

If a multi-unit building is under an assisted or public housing program identified by the U.S. Department of Housing and Urban Development (HUD), the property owner, manager or



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authorized agent will follow the Property Certification Procedure outlined below:

**Property Certification**

The property owner or authorized agent of the property must sign a Self-Certification form attesting that:

1. The property owner or authorized agent maintains certified income records for households residing at the property.
2. The property owner or authorized agent has reviewed its current certified income records.
3. The property owner or authorized agent has determined that at least 66 percent of the units in each building (or at least 50 percent of the units for 2- and 4-unit buildings) have certified incomes that are at or below 200 percent of the current federal poverty level based on household size.
4. The property owner or authorized agent certifies that all the information provided with the certification request is true and accurate.

**Property Occupancy Report**

The property owner or authorized agent must also complete and submit an Occupancy Report for the property.

Required property information includes:

1. property name
2. HUD contract number
3. contract expiration date
4. other property identification number (if applicable)
5. Property address and number of buildings and units that are at the property that meet DOE's income requirements.

Required building-unit information includes:

1. A listing of all units and information for each unit including:
  - a. building identification
  - b. building address
  - c. certified annual income
  - d. household size, and
  - e. Whether the household income was certified in the last year.

Upon completion of the Property Certification and the Multifamily Occupancy Report, the property owner (or property owner's representative) will submit both files to HUD at [energyaction@hud.gov](mailto:energyaction@hud.gov) and to DOE at [timothy.petrides@hq.doe.gov](mailto:timothy.petrides@hq.doe.gov). The submitted documentation will then be reviewed by HUD following the process outlined below:

1. HUD will review the certification and accompanying documentation for completeness. If the documentation submitted by the property owner is insufficient for HUD to complete its review, HUD will notify the property owner via e-mail that the request cannot be approved based on the information submitted.
2. HUD will review the household and property information provided under the self-certification process with records maintained by HUD, and may request additional occupancy information subject to Federal requirements.
3. If the documentation is complete and one or more of the buildings at the property meet DOE's income eligibility requirements, HUD will designate the property or list of qualified buildings as income-qualified properties/buildings, and will notify Dereck Schroeder at DOE and the building owner.
4. HUD will at the same time provide DOE with a list of the income-certified buildings pursuant to the above procedures; DOE will post these lists on its web site as required by 10 CFR 440.22 (b)(1), 440.22 (b)(2), and 440.22(b)(4).
5. Buildings determined by HUD to be eligible for WAP assistance will be posted on one of two lists:
  - a. List 1 – Public housing buildings or privately-owned buildings with three or more years remaining on their affordability contracts with HUD are included on this list. As outlined in the January 2010 Final Rule, inclusion on List 1 demonstrates compliance with the following three WAP multifamily program requirements:
    1. DOE's income requirements:
      - a. Protection against rent increases; and
      - b. Protection against undue enhancement of the weatherized building.
    - b. List 2 – Buildings on this list have less than three years remaining on their Housing Assistance Payments (HAP) contract with HUD. As outlined in the January 2010 Final Rule, inclusion on List 2 demonstrates compliance with only the following two multifamily program requirements:
      1. DOE's income requirements; and
      2. Protection against undue enhancement of the weatherized building. Buildings on this list must separately comply with the WAP program requirement for protection against rent increases.

For further clarification and guidance, refer to WPN 22-12 Multifamily Weatherization and 22-5 Categorical Eligibility.

**Multifamily-Specific Guidance**

This WPN (22-5) simplifies (and supersedes) procedures previously outlined in WPN 17-4, [Multifamily Housing – Procedure for Certifying Income-Eligible HUD Assisted Buildings](#).

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WAP Providers generally encounter three types of multifamily properties assisted by HUD: (1) housing owned and operated by HUD Public Housing Agencies (PHAs), (2) privately-owned multifamily buildings receiving project-based assistance, and (3) privately-owned multifamily buildings that house residents who receive tenant-based (housing voucher) assistance.

- Housing owned and operated by PHAs: WAP providers shall consider all such buildings managed by the PHAs referenced in [this HUD Web page](#) to be 100 percent income eligible.
- Privately owned multifamily buildings receiving project-based assistance: WAP providers should refer to these [lists](#) to determine the percentage of the units in each building that are income eligible.
- Privately-owned multifamily buildings that house residents receiving tenant-based assistance: WAP providers will determine the percentage of income eligible residences

by either contacting the building owner/manager to obtain such Section 8 Housing Choice Voucher records (from HUD's Tenant Based Rental Assistance Program [TBRA]) or by individually verifying which residents hold such vouchers.

Additional changes in procedures directly related to verification of families receiving HUD assistance in multifamily buildings and how those buildings will be qualified going forward will be included in updated FAQs, available through the respective DOE Project Officers.

U.S. Department of Agriculture (USDA) and Low Income Housing Tax Credit (LIHTC) Properties: The certification procedures outlined in this Guidance do not apply to LIHTC properties, or for properties with USDA guaranteed loans. The LIHTC and USDA lists of income-eligible properties are no longer valid and will no longer be updated; WAP providers should follow standard procedures for verifying individual resident incomes for USDA and LIHTC properties.

#### Leased Dwelling Units

Note: Grantees and Sub-grantees are reminded that the supporting documentation for applicants applying for weatherization that may be on a wait list or for other reasons must have their income eligibility documentation updated every 12 months from the date of the initial intake date.

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

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

The definition of "significant energy improvement" is based on specific criteria for the building in question. This must be assessed using existing conditions to determine the threshold to achieve significant energy improvements. Grantees should consult with their DOE Project Officer if there are questions related to this threshold. Additional guidance is being considered by DOE to provide Grantees criteria for what constitutes "significant energy improvement."

As a reminder, when addressing multi-family units with DOE funds, multiply the total number of income-eligible units in the multi-family building by the current allowable per dwelling unit average cost to determine the amount of DOE funding available for weatherizing the building. While the amount of funding available for weatherizing a building is limited by the number of eligible units, the weatherization work can result in improvements to all units in the building, even those that are not eligible units. All units should be reported to DOE.

**Note:** Grantee and Sub-grantee agencies should exercise caution when utilizing flexibility in this area. The key is the investment of DOE funds coupled with leveraged resources that result in significant energy savings. Absent this investment, lowering the eligibility to fifty percent (50%) may lead to disallowed costs. Sub-grantees who are uncertain on a given multi-family project should seek approval by the DOE Project Officer through their Grantee Weatherization Program Manager.

#### Describe the deferral Process

##### Deferral/Referral

The decision to defer work in a dwelling is difficult, but necessary, in some cases. This does not mean that assistance will never be available, but that work must be postponed until the problems can be resolved and/or alternative sources of assistance are identified. Note that Sub-grantees, including crews and contractors, are expected to pursue reasonable options on behalf of the client, including referrals, and to use good judgment in dealing with difficult situations.

ADOH encourages the utilization of the WRF to prevent deferrals when and where applicable, as detailed in the WRF section of this plan.

DOE encourages the tracking of deferrals using consistent terminology for recording the *reasons* and *what repairs would be necessary* in order to proceed with weatherization. When repairs are necessary in order to install energy efficiency measures, but those repairs are beyond the allowable limits of incidental repairs and/or health and safety cost categories, deferral is often required. If other funding sources were available, it would increase the number of low-income homes WAP could effectively weatherize. DOE WAP has developed a [tracking tool](#) to provide consistent terminology. ADOH plans to utilize this DOE WAP deferral tracking tool and will require this report to accompany quarterly reports from Sub-grantees along with the WRF Tracker, when applicable.

Deferral conditions may include, but are not limited to:

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1. Sub-grantee is unable to verify client income in full, when household was determined to be over income, or if residence received weatherization within the past 15 years as detailed under "previous weatherization".
2. The client has known health conditions that prohibit the installation of insulation and other weatherization materials.
3. The building structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent and the conditions cannot be resolved cost-effectively.
4. The house has sewage or other sanitary problems that would further endanger the client and weatherization installers if weatherization work were performed.
5. The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities.
6. Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
7. Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
8. The client, other household occupants or third party representatives are uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house.
9. The extent and condition of lead-based paint in the house would create further health and safety hazards.
10. If determined by the energy auditor, any condition exists which may endanger the health and/or safety of the work crew or subcontractor, the work should not proceed until the condition is corrected.

When Sub-grantees have determined a home will be deferred the Sub-grantee must:

1. Inform the client in writing as to why the dwelling cannot be weatherized. If there are conditions that the client must correct before service is provided, those conditions must also be stated in writing.
2. Refer the client to any alternate program such as home rehab, if one is available in the area.
3. Clearly indicate in the client file why the dwelling was given "deferral" status.
4. Document all referrals to other programs or services in the client file.
5. Provide the client any information prescribed in the Client Health and Safety Form (Auditor Use).

Upon denial of weatherization program services, the applicant shall be given a copy of the Sub-grantee's grievance procedure as established in the Sub-grantee's adopted WPGs or program Policies and Procedures.

Each Sub-grantee is to have a grievance process in place if any client is denied services; rent is increased due to the improvements on a weatherized rental property within the first 12 months after completion of the weatherization, at the time of application denial, or other concerns or issues about WAP. The process must be given to the client in writing, at the time of intake. This process will be verified during fiscal monitoring of the Sub-grantees.

**Weatherization Readiness Funds WPN 23-4 (WRF)**

Through this WRF set-aside fund, WAP can address necessary repairs (e.g., Health and Safety issues, structural, etc.) in dwellings that have been deferred from receiving weatherization services. Deferrals occur in WAP for two key reasons, regulatory (10 CFR 440) limitations and/or management decisions at the state and local levels. Regardless of the cause, deferrals create "sunk costs" – the cost of sending field staff out to evaluate a home that cannot ultimately be treated because the Program is unable to address the repairs of the building.

**WRF will follow the existing regulations and guidance regarding household prioritization as detailed in section V.3, monitoring shall also follow the existing processes detailed in section V8.3 and the method of distribution shall follow the initial method of distribution from ADOH to Sub-grantees which is weighted 90% poverty and 10% population.**

WRF are designated for use by Grantees in addressing structural and health and safety issues of homes that are currently in the queue to be weatherized, but at risk of deferral. This funding is specifically targeted to reduce the frequency of deferred homes that require other services, outside the scope of weatherization, before the weatherization services can commence. **Units receiving WRF must result in a DOE completion defined as, "A dwelling on which a DOE-approved energy audit or priority list has been applied and weatherization work has been completed."** WRF funds are specific to the annual appropriation and WAP BIL funding and must be expended on units weatherized by the WAP Sub-grantees identified in the State Plan application.

WRF will be tracked separately from other DOE funding such as WAP BIL, shall not be subject to the DOE ACPU or H&S totals, and shall have **an ACPU of \$10,000**. A waiver must be submitted to ADOH and approved prior to project commencement. As detailed in WPN 23-4, WRF shall be allowed to be 1. Carried forward into next budget periods **within the same grant cycle**. 2. The use of WRF does not need to result in a DOE-funded completion within the same PY but must be completed **within the same grant cycle** and within a reasonable time. ADOH has determined that a reasonable time shall be 18 months from Initial Inspection/Audit assuming the Initial Inspection/Audit occurs no more than one (1) month from resident/household qualification by the Sub-grantee. 3. WRF are allowed to be utilized on an annual-formula-funded and AZ WAP BIL-funded weatherization project. **ALL WRF measures and funding MUST be completed and billed no later than 6.30.2025. WRF may be allowed for partial billing near the end of the grant cycle due to this expenditure requirement. The entire WAP project does NOT need to be complete at that point however if Annual DOE funds under this FY 24 Plan were projected to be used, DOE BIL funding will need to replace that due to the end of this grant cycle.** Allowable measures may include but are not limited to the following:

- 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
- Clean-up or remediation of items or situations beyond typical scope of WAP preventing WAP work

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- Measures required to complete a full WAP project per energy model but funding may not be otherwise available (HVAC, Insulation, etc.)

Other items may be allowable on a case by case basis depending on the severity of the hazard or issue and will be determined allowable or disallowed by ADOH Staff upon receipt of waiver request.

**\*\*\*NOTE: Some items/measures may be eligible to be completed with WRF should hazards present themselves while work is being performed that cannot or are not allowed to be remedied through other available fund sources. A waiver shall be submitted and approved by ADOH as soon as this is determined or encountered prior to proceeding with work. If the hazard is creating an imminent hazard which could cause serious illness and/or death, a verbal approval from ADOH may be obtained and shall be followed by a written waiver.\*\*\***

### V.1.3 Definition of Children

Definition of children (below age): **6**

### 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.

Assistance to low-income members of an Indian Tribe is equal to the assistance provided to other low-income persons.

Members of a sovereign Tribal nation with residences located within the borders of the State of Arizona that are income and residence qualified are considered a local applicant and may receive services through the ADOH Sub-grantee WAP provider serving their area. Tribal members served by the ADOH Sub-grantee network will be required to obtain permission from their Tribal Councils for weatherization work performed on their property by outside parties including local governments or non-profits and their contractors. Permission must be obtained before work can begin. As a reminder, Historic Programmatic Agreements (PAs) do not cover work on Tribal land. Please refer to [DOE Memorandum 110](#) for additional guidance.

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

Arizona utilizes 10 local Weatherization agencies to fully implement the State Plan and provide service to the eligible population of Arizona. Project service areas are historical in nature, originating many years ago at the time of community action agency establishment in Arizona. Service area boundaries are typically drawn along county Lines and include all tribal lands within those counties.

Individual Sub-grantees must meet and maintain the requirements of 10 CFR 440.15 and are selected and or retained on the basis of their:

1. Experience and performance in Weatherization or housing renovation activities;
2. Experience in assisting low-income persons in the area to be served; and
3. Capacity to undertake a timely and effective Weatherization Program.
4. Preference is given to any Community Action Agency or other public or non-profit entity, which has, or is currently administering an effective program under 10 CFR 440.15 or under Title II of the Economic Opportunity Act of 1964, with program effectiveness evaluated by consideration of factors including, but not limited to the following:
  - a. The extent to which the past or current program achieved or is achieving Weatherization goals in a timely fashion;
  - b. The quality of the work performed by the Sub-grantee;
  - c. The number, qualifications and experience of staff members of the Sub-grantee
5. Any new or additional Sub-grantee shall be selected at a public hearing, and must meet the above criteria. A current Sub-grantee of the program may be selected to serve additional areas of the state without a public hearing.
6. Grantee staff onsite inspection of performance of said Sub-grantee
7. Transcripts of the public hearing which affirm that there are no public objections to any of the Sub-grantees selected.

In addition, eligible Sub-grantees must meet the following requirements:

1. For units assisted with any ADOH WAP funding the Sub-grantee or their designated service provider must have an in-house BPI BA-T & BA-P certified energy auditor to perform initial audits.
2. For units assisted with DOE funding the Sub-grantee or their designated service provider must have an in-house BPI Energy Auditor (EA) and Quality Control Inspector (QCI) or an agreement with an independent BPI EA & QCI contractor as defined in section V5.3 of this plan.
3. Sub-grantees must be in compliance with all ADOH contracts for all programs and funding sources.
4. New Sub-grantees if applicable, or existing Sub-grantees with substantial changes to their WAP process and procedure and/or structure, must submit a comprehensive

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WAP Program Management Plan (WAP P&P Binder) within 90 days of such changes or if a new sub-grantee, within 90 days of being selected to receive WAP funds. The submission of the Management Plan must include copies of liability insurance; equipment calibrations; evidence of Lead Firm Certification; project implementation schedule; and an organizational chart that outlines the job responsibilities of each person working in the WAP program and their respective certifications. When changes of this nature occur, a new and complete WAP P&P Binder including all documents as required and detailed on the ADOH Annual Monitoring Documents must be submitted and approved by ADOH and adopted by the Sub-grantee's governing body.

5. All Sub-grantees must have developed WAP Program Guidelines (WPGs) and/or Weatherization Policies and Procedures that have been approved by ADOH and adopted by their governing body.
6. The Sub-grantee's WAP Binder must be updated annually (when applicable) and shall include the current organizational chart along with position titles, roles, and job descriptions for each individual involved with the WAP. The positions in the WAP P&P Binder must also include resumes of the individuals overseeing the WAP and their related experience. The Sub-grantee overseeing the WAP must meet the WAP Core Competencies as detailed in the AZ WAP Policies and Procedures Manual Section 1.4; Sub-grantee Responsibilities.

The ten (10) Sub-grantees chosen to perform weatherization work are located in the Annual File under Sub-grantees. At the discretion of ADOH, Sub-grantees delivering WAP program services are subject to change should the sub-grantee be out of compliance with any of the requirements, regulations, and goals outlined in either the AZ WAP State Plan, AZ WAP Policies and Procedures Manual, federal regulation or AZ Funding Agreement pursuant to the AZ Funding Agreement Section 20. **TERMINATION FOR CAUSE.**

### V.3 Priorities

Sub-grantees shall give priority to clients based on the list of priorities established in the Arizona State Plan, which includes the following:

1. Elderly persons aged at or above the age of sixty (60) years. (DOE)
2. Persons with Disabilities (DOE)
3. Families with children at or below the age of five (5) years. (DOE)
4. Households with a high energy burden as defined below (DOE)
5. Households (not including rental properties per the Landlord Tenant Act) with inoperable heating or cooling where the indoor temperature exceeds 85 degrees F in the Summer or drops below 55 degrees F in the winter, per AZ TB 23.2. (NOT included on the DOE list of priorities, however, per Arizona's Executive Order 2023-16, this is a top priority to ensure the mitigation of heat related illnesses and deaths.)

The criteria used for determining applicant priority must be in writing and on file with the Sub-grantee in their WPGs. **An actual wait list to determine who is next to receive weatherization services must be developed with consideration given to the priority populations listed above.** The categories listed and noted as such, are the **only** allowable priorities for the DOE WAP. ADOH is currently in the process of adding and tracking High Energy Burden households to the Priority List. ADOH will work with Sub-grantees in the development of new methods of prioritization per the list above. With the implementation of the new OptiMiser Audit and Modeling tool and new AZ WAP Nexus Database, it is expected that prioritization of households will be automated and reports will be available ad hoc. Tools that are available to determine High Energy Burden neighborhoods are detailed in the Equity and the Justice40 Initiative Section in the Annual Plan above.

Consideration of "high residential energy users" (means a low-income household whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the State) and "households with a high energy burden" (as defined in 10 CFR 440.3, 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. In Arizona this is considered to be 6% and a severe energy burden is above 10% per ACEEE and shall be in combination with other priority categories of elderly, persons with disabilities, or families with children as defined. The consideration of "high residential energy users" and "households with a high-energy burden" enables Grantees and Sub-grantees to better partner with utilities and other programs to leverage additional resources into their programs. Sub-grantees are encouraged to consider opportunities to pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. Collection and reporting of such demographic information is not required currently. If such documentation becomes a requirement, a formal notice will be provided to all Sub-grantees via Technical Bulletin from ADOH.

From time to time, DOE undertakes initiatives to improve WAP operations and effectiveness. This section informs Grantees and Sub-grantees of these priorities. They are not considered Program Policy until provided in a related WPN.

### V.4 Climatic Conditions

The climate conditions for Arizona range from low dry arid desert to mountain/alpine cold. The summer months of the desert from June through September will bring a dry heat ranging from 90–120 °Fahrenheit (32–49 °Celsius), with occasional high temperatures exceeding 125 °Fahrenheit (52 °Celsius). The winter months of the plateau and High Mountain/alpine range of the state experience extremely cold temperatures from cold air systems from the northern states and Canada pushing into the state bringing temperatures below 0 °Fahrenheit (-18 °Celsius) to this area of the state. Data on the heating and cooling degree-days was obtained through the BizEE Degree Days Weather Data for Energy Professionals website at: <http://www.degreedays.net>.

Climate zones were chosen based on analysis of elevation, average temperatures and the heating and cooling degree-days of each city and zone. The balance point chosen for the heating and cooling degree-day data is 65°Fahrenheit. As of November 23, 2016, Arizona WAP was approved by DOE to use three heating/cooling degree-day climate zones. A map of the approved climate zones has been included as an attachment to the SF-424. The three zones are as follows:

1. **Zone 1 - Plateau Province:** Zone 1 has the coolest average temperatures, highest elevations and mainly heating degree-days. This zone encompasses the Northern portion

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of Arizona and consists of forests and mountains. The range of heating degree-days for the area is 4,000 to 6,400. Zone 1 includes some communities along the northern border of the state that are on the plateau, have higher elevations but that drop below the heating degree-days range as stated. However, these communities do have a number of cold days.

2. **Zone 2 – Central Transition:** Zone 2 is the transition zone between the higher and lower elevations. This zone encompasses the center of Arizona and consists of mountainous and highland regions. Zone 2 has middling elevations and moderate heating and cooling degree-days. The range for Cooling Degree day is 1200 to 2200 and the Heating Degree Days is 2200 to 3800.
3. **Zone 3 - Basin Province:** Zone 3 is the zone with the highest average temperatures, lowest elevations and the most cooling degree-days. This zone encompasses the Southern portion of Arizona and consists of hot desert and basin regions with cooling degree-days more prevalent than heating degree-days. The range for cooling degree-days is 2,500 to 5,200 for this area of the state.

**V.5 Type of Weatherization Work to Be Done**

**V.5.1 Technical Guides and Materials**

Grantee, in consultation with the South West Building Science Training Center (SWBSTC) has developed Arizona Success with Weatherization (Field Guide) in compliance with the outcomes and objectives outlined in the Standard Work Specifications (SWS) for Home Energy Upgrades in WPN 22-4, Section 1. The Field Guide was distributed to all Sub-grantees who received a hard copy, digital copy and a web address where the guide can be accessed on-line. Upon receiving the Field Guide, the Sub-grantee signed a document acknowledging their receipt. This document must be put in the Sub-grantees program file and updated annually. Sub-grantees are held accountable to make sure all weatherization work meets or exceeds the standards set forth in the Field Guide. The Arizona Field Guide can be downloaded from the ADOH website at: <https://housing.az.gov/documents-links/handbooks>

Grantee contracts with Sub-grantees contain language, which documents that the sub-grantees and their contractors are required to follow SWS for work quality as outlined in WPN 22-4, Section 1 and instructs the Sub-grantees to include the SWS Specifications for work quality standards in contractor agreements.

**Grantee will ensure that Sub-grantees are providing their contractors with the required information on their expectation of work quality, and program guidance by including the following language in their contract, this verbiage shall also extend to the Sub-grantee's contracts with their contractors/vendors:**

*“DOE WAP funds require adherence to the following provisions as revised: (1) 10 CFR Part 440 as revised; (2) the Arizona Weatherization Assistance Program State Plan (State Plan); (3) Health and Safety Plan (HSD Plan); (4) the Arizona Weatherization Policies and Procedures Manual; (5) Arizona Weatherization Assistance Program Field Guide; (6) Standard Work Specifications; and (7) DOE WPN 22-4 Quality Work Plan.”*

1. All energy audits performed will meet or exceed the requirements set forth in WPN 23-06
2. The ADOH Receipt of Field Guide Verification form must be completed and signed by all appropriate representatives on an annual basis. This form can be found at: <https://housing.az.gov/documents-links/forms/weatherization>

During fiscal monitoring, Grantee will ensure that the language and required signatures for the field guide are in the Sub-grantee contractor files.

Consistent with the approved energy audit or priority list, all materials used for weatherization must meet 10 CFR 440, Appendix A to Part 440—Standards for Weatherization Materials. This can be found at: [eCFR :: Appendix A to Part 440, Title 10 – Standards for Weatherization Materials](https://www.ecfr.gov/Appendix-A-to-Part-440,Title-10--Standards-for-Weatherization-Materials)

Grantee submitted the updated Arizona Success with Weatherization Field Guide to the Department of Energy for review and approval. The Arizona Success with Weatherization Field Guide was approved on 6/28/2021 and expires on 6/28/2026.

In order to ensure energy efficiency and health and safety goals are met, Sub-grantee will ensure and document proper removal and disposal of all replaced appliances and mechanical equipment from the residence. **All replaced appliances and mechanical equipment must be properly recycled and removed from the energy grid permanently. Weatherization Clients may not retain any equipment being replaced through the WAP, (this includes all gas and electric appliances and/or mechanical equipment).**

Weatherization Program Notices and Weatherization Program Memorandums can be accessed via the following link <https://www.energy.gov/eere/wap/weatherization-program-notices-and-memorandums>.

**Field guide types approval dates**

|                                 |
|---------------------------------|
| Single-Family: 6/28/2021        |
| Manufactured Housing: 6/28/2021 |
| Multi-Family:                   |

**V.5.2 Energy Audit Procedures**

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Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family  
Audit Name: REM  
Approval Date: 2/23/2022

Audit Procedure: Manufactured Housing  
Audit Name: REM  
Approval Date: 2/23/2022

Audit Procedure: Multi-Family  
Audit Name:  
Approval Date:

Comments

Audit Procedures and Dates Most Recently **Approved by ADOH and DOE for all fund sources**

1. Single Family: REM and OptiMiser as of 2/23/2022 and 12/19/2022 respectively
2. Manufactured Housing: REM and OptiMiser as of 2/23/2022 and 12/19/2022 respectively
3. Small Multi-family (5-25 units, each unit separately heated/cooled): Arizona WAP currently does not have an approved multifamily priority list and must go through DOE for approval, however, ADOH has concluded that multifamily projects consisting of 5 or more attached units shall not be completed with DOE funding as alternate Utility Multifamily funds are available to address such properties and to ensure the reduction of administrative burden per OMB guidance.
4. Large Multifamily (26 or more units): Arizona WAP currently does not have an approved multifamily priority list and must go through DOE for approval, however, ADOH has concluded that multifamily projects consisting of 5 or more attached units shall not be completed with DOE funding as alternate Utility Multifamily funds are available to address such properties and to ensure the reduction of administrative burden per OMB guidance. See multifamily section for further details.

The WAP Energy Audit Procedure must be used by all Sub-grantees to gather record and analyze data on structures. This data must be used to deliver weatherization materials/measures in a fashion that protects the health and safety of the client, increases the durability of the structure, reduces client energy costs, and increases client comfort in a cost effective manner. Sub-grantees or their designated service provider will complete an ADOH Residential Diagnostic Evaluation (RDE) Form or its equivalent, for the initial audit and testing. Incomplete RDE forms/Audits will be returned/rejected to the Sub-grantee for completion prior to approval of monthly reimbursement requests.

Additional guidance on the use and expectations of the REM and OptiMiser energy modeling software can be found in the ADOH WAP Policies and Procedures Manual as well as the AZ WAP Audit and Inspection Process and Procedures Manual. Both documents are available at the following location: <https://housing.az.gov/documents-links/handbooks> and will be working documents until the new Nexus/OptiMiser Software Suite information and detail has been solidified. Training for both REM and OptiMiser are and will be constantly available. Contact ADOH for additional information.

**\*\*\*Note, REM has been found to be out of compliance and as of 5.20.2024, REM will no longer be accepted for modeling of new projects after this date.\*\*\***

The following audit activities must be completed on all homes utilizing AZ WAP funds.

1. A site audit that meets WPN 23-06 requirements, and records all relevant data on the structure needed to perform cost effectiveness tests.
2. The Cost Effectiveness Procedure must be followed to determine cost effectiveness of potential weatherization materials/measures (N/A for LIHEAP)
3. The Pressure Diagnostic Procedure must be completed and the findings documented following the Reporting Procedures
4. A health and safety audit of the structure must be completed and the findings documented following the Reporting Procedures
5. A final inspection of the structure must be completed and findings documented following the Final Inspection Procedures (QCI for DOE only)

**Degrading Heating/Cooling Systems**

Unlike combustion appliances, air conditioners and heat pumps cannot be accurately measured for efficiency while on-site. When addressing a system that utilizes a compressed refrigerant cycle to provide heating or cooling, Sub-grantees may use the following degradation formula:

**Degraded Efficiency=Base EFF\* .99age**

Where:

1. Base EFF = Typical efficiency of Pre-Retrofit equipment when new (Seasonal Energy Efficiency Ratio (SEER), Energy Efficiency Ratio (EER), or Heating Seasonal Performance Factor (HSPF))
2. Age = Age of equipment in years.

**For Example: An existing HVAC unit that is 20 years old, was originally rated at 10 SEER**

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Degraded SEER =  $10 * .9920$

Degraded SEER =  $10 * .818$

Degraded SEER = 8.18

Any other variation of the de-rating process or formula is not allowed unless first approved by DOE in writing. Degradation of combustion appliances in lieu of testing for combustion efficiency is not allowed. Degradation does not apply to evaporative coolers.

**A site-specific computer energy modeling by OptiMiser or Residential Energy Model (REM) is required if:**

A site-specific computer energy model will be required if any of the following exist:

1. The home being weatherized does not meet the priority list assumptions square footage + or – fifty percent (50%).
2. Energy related incidental repairs of more than \$100 are included with the energy upgrades.

When preparing a site-specific energy model using the approved software detailed above, the measures listed for the respective climate zone and building type are modeled with any additional measures. The savings-to-investment report is then created ranking all measures by SIR from greatest return to least. Grantee will request and review by random selection twenty – five percent (25%) of each Sub-grantees' completed projects prior to approving payment for the submitted projects for the detailed month. Should errors or concerns be found, Sub-grantee will be required to adjust funding appropriately and the amount of required review will increase to a minimum of seventy-five percent (75%) and an Energy Model preauthorization waiver will be necessary for a minimum of six (6) months or until concerns are no longer found.

**Buy-Downs/Leveraging of Funds**

This guidance included in WPN 16-5, WPN 22-9, and DOE Memorandum 035, addresses how Grantees (or Sub-grantees administering the Program) can use investments from other sources to buy down measures in order to meet the program requirements that the SIR of the complete project is at least 1.0 or greater as required in section 440.21 for the WAP investment.

It is DOE's aim to bring as many non-federal resources as possible into the program to buy down measures that do not meet the individual SIR requirements in the initial model run. To create even greater flexibility, in addition to landlord contributions, Grantees may use other sources, including **Federal** sources to buy down measures provided the Grantee has permission from the other federal source(s). The LIHEAP State plan details that Weatherization Measures funded with LIHEAP are not subject to DOE Savings to Investment Ratio (SIR) Standards.

**NOTE:**

- All associated health and safety costs incurred on a dwelling unit are generally treated outside the SIR when determining cost-effectiveness. However, all energy-related incidental repair measures associated with weatherizing the dwelling units are a part of the SIR when determining cost-effectiveness.

It is DOE's intent to allow Grantees and Sub-grantees some flexibility in calculating the SIR for a specific measure when other funds can be used to offset some of the costs, thereby reducing the DOE investment and raising the SIR to 1.0 or greater on the remaining investment. When performing the energy model on an eligible dwelling unit, the total costs associated with the installation of eligible measures can be discounted by other resources leveraged for that particular measure in determining the SIR.

Sub-grantees utilizing this guidance will need to conduct an initial energy audit of the building to determine the cost-effectiveness of the DOE investment, including measures that are not cost-effective without leveraged resources. Those agencies that have non-DOE resources for use in the building will need to run the energy audit a second time with the necessary resources for any specified measure(s) to ensure the total package of measures remain at least with an SIR of 1.0 or greater. A second energy audit run can be eliminated by indicating what measures will need to utilize this flexibility and the amount of funds necessary to accomplish the buy-down.

Further, it is not DOE's intent to "leapfrog" measures that are already cost-effective in order to accommodate a measure that is included in the package of measures as a result of using the provisions of this guidance. All measures that were cost-effective after the initial energy model is conducted would remain a part of the list of measures to be completed on the building. Measures that did not attain the SIR of 1.0 can only be considered for buy down if all the cost-effective measures in the initial model are also installed. To clarify, these measures that fall below the 1:1 SIR in the original model but meet the 1:1 requirement after buy down, will be the "last measure(s)" to be installed in the package of measures. All measures meeting the 1:1 SIR in the original energy model **SHALL** be installed prior to any measures where a buy down has been applied.

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

1. Using the full, non-leveraged cost of all measures, conduct an initial energy audit of the building to determine the package of measures to be paid for using DOE funds having a combined SIR of 1.0 or greater, including measures that are not cost-effective without leveraged resources.
2. Determine whether sufficient funds from other resources are available to offset measures with individual SIRs below 1.0 in that package, up to at least an SIR of 1.0.
3. Apply (deduct from the measure total) those other funds to that measure and include it in the package of measures.
4. Document the inclusion of the leveraged measure into the weatherization statement of work/work performed page in the State Database, with the original energy audit and either



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- a. A summary of all costs associated with the weatherization of the building, including any or all resources to be used, or
- b. A revised audit in which the leveraged price of the additional measure is used as the measure cost. This documentation will become part of the building's customer file along with the inputs and results of both energy audits.

As the Grantee updates to the most current DOE approved Energy Modeling versions, communication will be sent to the Sub-grantee agencies through the Arizona WAP Technical Bulletin process to flow down updated requirements.

**Fuel Switching**

WAP does not permit the general practice of non-renewable fuel switching when replacing furnaces/appliances. The AZ WAP does allow the changing or converting of a furnace/appliance using one fuel source to another on a limited, case-by-case basis. These approvals will only be granted when all related costs demonstrate the effectiveness of the fuel switch over the life of the measure. Fuel switching **will NOT be permitted using DOE** funding under the AZ WAP.

To request consideration of a waiver for approval of fuel switching, the sub grantee must submit a request for approval that includes a site-specific Energy Model demonstrating cost effectiveness or a valid H&S explanation for fuel switching, to the ADOH Energy Specialist **PRIOR TO** any work being done. The waiver request and supporting documents will be reviewed by the ADOH Energy Specialist for approval. Failure to submit a waiver prior to work will result in disallowed cost.

**Multifamily Audit procedures**

Multifamily: As defined by DOE, multifamily buildings are five (5) or more units in a single building.

As multifamily units represent less than 20 percent of the state's dwelling type weatherized, Arizona is not required to, and currently does not have a multifamily audit process approved by DOE. The state will treat multifamily units as any other dwelling seeking weatherization. If the units meet both the client eligibility and building eligibility, weatherization may be permitted. The Sub-grantee must follow all applicable state laws when dealing with rental properties and the requirements put forth on the property owners.

Because Arizona does not have an approved multifamily audit process, staffing to accommodate additional requirements for multifamily properties, and to reduce administrative burden per OMB guidance, DOE funding will not be allowed for use on multifamily properties of 5 or more connected units. As noted above, Utility partners in Arizona have robust multifamily programs to address the qualified properties in need of weatherization and energy efficient improvements. These funds are separate from the standard WAP and are handled directly from the Utility Providers where applicable.

**V.5.3 Final Inspection**

A weatherized unit is a dwelling unit on which an approved energy audit or priority list has been applied and weatherization work has been completed. Sub-grantees and their contractors/vendors have an obligation to perform their work to the SWS and the Arizona Weatherization Field Guide. The use of DOE funds on a unit may include, but are not limited to: auditing, testing, measure installation, and all required inspections. Therefore, a dwelling unit meeting both the definition of a DOE weatherized unit and has DOE funds used directly on it, may be included in the DOE production numbers reported. In order to make sure these requirements are met, two separate inspections must be completed. A Sub-grantee Post Construction File Review and a Quality Control Final Site Inspection must occur and pass for all completed homes in order for them to be considered a completed DOE job and be reimbursed for expenditures. The Quality Control Site Inspection on DOE funded projects is to be considered the "final inspection" provided no corrections are required after the QCI is completed. If corrections are required after the final QCI, the same Quality Control Inspector will re-inspect the items in concern to ensure all detailed corrections have been made and no further concerns remain.

Note: Weatherization crews and/or individuals that install weatherization measures (perform any ECM work) on a unit, shall not perform the Sub-grantee Post Construction Review of the unit. DOE does not allow the Final Inspection to be performed by a person(s) directly associated with actual work that was performed on the DOE funded unit. In the event that this provision cannot be met due to staffing levels or budget constraints, Grantee must be notified immediately to assist with acquisition of qualified individuals necessary to perform the Final Inspection(s) meeting the above mentioned criteria.

A Post Construction File Review by the Sub-grantee or Sub-grantee designated service provider:

1. Shall be performed after all work is completed and final diagnostic test out has been performed.
2. Shall be performed on all DOE jobs before it can be counted as a DOE completed job.
3. Shall verify that all cost effective opportunities were completed.
4. Shall verify all invoices for the job are billed correctly and nothing is billed for services/work not performed.
5. Shall verify that the reported house characteristics are correct and accurate.
6. Shall include a review of the diagnostic result, both pressure and combustion safety, to verify that all applicable tests were completed.
7. Shall complete or be physically present for diagnostics on a minimum of ten percent (10%) of completed homes to compare with reported results.
8. Shall include a review of all measures listed on the Work Performed Report to verify installation has been completed in an effective manner following program requirements.
9. Shall also include an analysis of the energy audit to ensure that it was completed properly; all applicable areas of the audit have been addressed; and the scope of work reflects a comprehensive energy audit.

Once a Sub-grantee or their designated service provider has completed their Post Construction Review, the job must be turned over to a qualified Quality Control Inspector (QCI) for a Quality Control Inspection. A qualified QCI will be someone who has been certified by the Building Performance Institute (BPI) to perform Quality Control Inspections for weatherization. After the QCI has reviewed and passed the job, it may be reported as a DOE completed home to the Grantee and DOE. The Quality Control Inspector is not expected or required to ensure household/client qualification. This will be the responsibility of each Sub-grantee's designee during the Post Construction File Review.

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A Quality Control Inspection:

1. Shall be conducted after all work by the Sub-grantee is completed and their Post Construction Client File Review has been completed. (The Quality Control Inspector is not responsible for review or approval of Client Qualification documentation. This is the responsibility of the Individual from the Sub-grantee signing off on the file and submitting the reimbursement request to ADOH)
2. Shall be performed on all jobs before they can be counted as a DOE completed project.
3. Shall include an analysis of the energy audit to ensure that it was completed in an efficient manner with all areas of the audit having been addressed and the scope of work reflects a comprehensive energy audit.
4. Shall verify reported diagnostic numbers are correct.
5. Shall verify that all cost effective measures were completed.
6. Shall verify that all invoices for the job are invoiced properly, nothing billed incorrectly, or billed for services/work not performed.
7. Shall include a review of the diagnostic results for pressure and combustion safety to verify that all applicable tests were completed and pass.
8. Shall include a review of all measures listed on the Work Performed Report to verify installation has been completed in an effective manner, following program requirements.
9. Shall verify the work was performed to the SWS provided by the Department of Energy and the Arizona Weatherization Field Guide.
10. Shall fill out and sign the ADOH WAP QCI Checklist (this will become a digital document through the new Nexus/OptiMiser software), sign it and provide a copy for the file, stating the unit is complete and ready to be reported to ADOH WAP and DOE. The current Adobe QCI Checklist is available from the ADOH WAP website at: <https://housing.az.gov/documents-links/forms/weatherization>. The new checklist will be included in the Nexus/OptiMiser software.

There are two types of QCI Inspectors:

1. The independent QCI inspector is an inspector that was not involved in the job except for the Quality Control Inspections. The individual did not perform the initial audit or any work on the home. In this scenario, the Grantee Field and Technical Monitor/ Energy Specialist must field monitor for Quality Assurance, five percent (5%) of DOE completed jobs (no less than one (1)). The percentage of jobs to be field monitored will round up to the nearest whole number.
2. The Auditor/QCI Inspector is a person that performs the initial audit and develops the scope of work but is not involved with any of the construction or installation of energy conservation measures or materials performed on the home. This same individual performs the Quality Control Inspection. If this method is used by a Sub-grantee, they will be subjected to more oversight and the Grantee Field and Technical Monitor/ Energy Specialist will field monitor ten percent (10%) of DOE completed jobs (no less than two (2)). The percentage of jobs to be field monitored will round up to the nearest whole number. Several Sub-grantees for the Arizona WAP program have a designated service provider who has QCI certified staff. The designated service provider will be an acceptable Energy Auditor/QCI as long as the EA QCI Certified staff of the service provider did not perform any construction or installation of energy conservation measures or materials.

The State WAP program allows the Sub-grantee to select which type of QCI method they will follow for the program year thereby determining the level of Grantee oversight of the Sub-grantee.

**Lack of Compliance with QCI**

If a Sub-grantee is found to be in violation of the requirements of the Quality Control Inspection process, they will be formally notified in writing by the Grantee. The write-up will:

1. Indicate where the Sub-grantee is failing at following the required process.
2. Indicate where the Sub-grantee can find the state level or other guidance needed to help address the concern.
3. Request the Sub-grantee create a plan of action in writing on how they will fix the concerns, modify their process going forward and submit within 30 days of receipt of the non-compliance letter.
4. Require that the corrective plan is followed and the process is improved.
5. Require the Responsible Party of the Sub-grantee to attend training in the area where deficiencies are found, and provide documentation of said training.
6. Require Grantee to:
  - a. Reject jobs and hold funding to Sub-grantees if there were jobs that did not receive a Quality Control Inspection by the Sub-grantee.
  - b. Place the Sub-grantee on a 90-day probation period upon discovery of non-compliance.
  - c. Increase the frequency and percentage of field audits of the Sub-grantee until such time that the Grantee feels that the problems/concerns have been addressed to their satisfaction.
  - d. Mandate the Sub-grantee create a plan of action to fix concerns.

If Grantee does not receive the plan of action within the required timeframe or the deficiency is not corrected, the Sub-grantee will no longer be allowed to facilitate the weatherization program for their service area.

However, if the Sub-grantee approaches the Grantee for technical assistance, the Grantee will provide assistance to the Sub-grantee so they may address the Grantee's concerns. This request for assistance must be made by the Sub-grantee in a reasonable timeframe during the allowable follow-up period. (Refer to line 6c above)

If the Quality Control Inspector fails to inspect to the standards of the most recently approved Arizona WAP Field Guide, the Grantee Field and Technical Monitor/Energy Specialist will include this as a finding in the onsite Sub-grantee monitoring report. Additionally, the Grantee Field and Technical Monitor/Energy Specialist will provide technical assistance to the Quality Control Inspector to ensure understanding of the latest approved Arizona WAP Field Guide. At the discretion of the Grantee Field and Technical Monitor/Energy Specialist and if warranted, the QCI may be required to re-take the Energy Auditor with QCI Micro-credential training.

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**V.6 Weatherization Analysis of Effectiveness**

Quality assurance is ongoing through data analysis; monitoring; technical assistance and AZWAP Network communication.

Grantee has a process to establish measurable expected outcomes through a **performance-based contract with the WAP Sub-grantees. Sub-grantees are required to input data into the AZWAP database on a monthly basis by the 15th of the month following the month of completion. This is further detailed in Chapter 9 of the AZ WAP Policies and Procedures Manual.** Data includes housing types; measures installed; cost of installed measures; and pre and post energy audit diagnostics. Grantee analyzes this data on a monthly basis, which helps to determine both the training and technical assistance needs of the Sub-grantees as well as best practice installation trends across the network. This also ensures expenditure ratios are adequate and on track to meet contractual goals.

Monitoring visits help to identify what training a Sub-grantee and their contractors might need to improve the performance of the Sub-grantee and the program overall. Through monitoring activities, Grantee is able to make comparisons between the Sub-grantees for best practices, measure and installation costs, client education and other trends. Each Sub-grantee gets a minimum of one (1) annual monitoring visit with additional visits as necessary based on performance of the Sub-grantee. Monitoring visits are also used as an opportunity to provide one on one technical assistance as needed.

Constant communication with the WAP network in whole, is necessary for program effectiveness as it brings consistency and clarification of expectations, guidelines and regulations. Grantee participates in the WAP Network Peer-to-Peer meetings, which are held approximately four (4) times per year. Additionally, the Grantee uses a process for releasing Technical Bulletins to the WAP Sub-grantee network to maintain quality performance and regulatory compliance. When issues common to the network are identified during the Peer-to-Peer meeting, the Grantee is able to determine additional training needs.

ADOH has a contract in place with the Southwest Building Science Training Center (SWBSTC), the only IREC accredited DOE Training Center in Arizona, to track and provide training as required. The SWBSTC will provide, track, and document training needs as related to the QWP in WPN 22-4. ADOH and the SWBSTC will be working to increase the trained/skilled workforce especially in the underrepresented communities, through cooperation with the Sub-grantees and the Utility Providers through their community representatives.

ADOH is in the process of developing a new WAP database with a multitude of functions for quality assurance and data tracking/reporting. The new database will have the potential to extract applicable demographic information, detail energy savings, record ACPU in real-time, and much more.

The AZ WAP has always been an inclusive program following federal eligibility guidelines. To maintain equality and equity in the AZ WAP, services are provided in the same manner statewide following the WAP policies and procedures detailed by DOE. Priorities are given to the most vulnerable populations as detailed in section V1.1, and unless an emergency presents itself, eligible applicants are served on a first come first served basis throughout the WAP Network.

Sub-grantees are required to submit monthly expenditure reports and all applicable support documents detailing job completions in the AZWAP database for the month of the reimbursement request, which the Grantee uses as tools to determine Sub-grantee effectiveness in delivery of the WAP program.

Finally, the Grantee maintains a Policy and Procedures Manual indicating the Grantee's expectations for the performance of Sub-grantees including their client education, progress on completed units and expenditures, ability to follow DOE requirements; Field and Fiscal Monitoring reports; if concerns are found, how quickly they are addressed; and their billing practices. Sub-grantees submit quarterly progress reports as a performance review. This performance review is used on a monthly and quarterly basis to determine the Sub-grantees effectiveness in WAP. Any Sub-grantee experiencing high rates of staff turnover or difficulties managing the WAP will be allowed 30 calendar days to come into compliance with all existing processes, procedures, and regulations. If the Sub-grantee cannot meet these requirements, funding shall be removed and re-allocated as needed, to ensure service to their communities and production and expenditure goals are achieved in an expedient and timely fashion.

**V.7 Health and Safety**

Please see the approved PY2024 Arizona Department of Housing Weatherization Health and Safety Plan attached to the SF424 Application.

**V.8 Program Management**

**V.8.1 Overview and Organization**

The Arizona DOE Weatherization Program is located within the Arizona Department of Housing (ADOH). In addition to DOE funds for weatherization, ADOH manages Weatherization funds awarded by DES LIHEAP Weatherization Program and Public Utility funds. Full and complete Organization Charts are required from each WAP Sub-grantee in the same manner as the ADOH and must detail the title and roll each individual holds and is associated with the WAP. At the request of ADOH, specific requirements related to program titles and positions may be required to ensure adequate and appropriate experience meeting *The Core Competencies for the Weatherization Assistance Program* found on the NASCSP and DOE websites at: [Microsoft Word - WAP Core Competencies 12 02 09.docx \(nascsp.org\)](#) and [Core Competencies \(energy.gov\)](#). This is a flow-down requirement for program compliance.

An Organization Chart showing how the office is structured is attached to the SF-424. The responsibilities of the ADOH staff implementing the WAP program are outlined in the Budget Justification attached to this plan and are as follows:

**Assistant Deputy Director of Housing and Community Development** - provides executive leadership to the program; specific programmatic and policy direction; approval of

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procurement transactions; oversight of Public Hearing process, planning and reporting.

**Deputy Director** - provides budget oversight, including annual budget and monthly budget reviews; oversees Human Resources, Procurement, and legal assistance to program when needed.

**Program Administrator (Business Manager)** - supervises program staff, approves WAP contracts, recommends program and policy direction, reviews and approves Sub-grantee reimbursements.

**Weatherization Program Manager (Principle Investigator)** - directs day-to-day programmatic activities, assists with staff supervision, compiles and submits reports, recommends and drafts program and policy direction, participates in audits, provides program and technical advice as needed, and assists in WAP training and curriculum development.

**Administrative Assistant** - handles clerical issues relating to the WAP contracts, including file set-up, travel arrangements, and other duties as assigned.

**Energy Specialist (Field and Technical Monitor)** - provides database review, training, technical assistance and on-site Quality Assurance monitoring of Sub-grantees.

**Weatherization Program Specialist (Financial and Program Monitor)** - prepares WAP contracts, organizes Sub-grantee reporting, processes reimbursement documentation, and conducts desk monitoring and site monitoring of Sub-grantees client, programmatic and financial files.

**Finance & Accounting Administrator** - responsible for financial and accounting functions associated with financial draws against WAP funds, approves all draws, reviews monthly financial reports, reviews budget reports, participates in audits.

**Accountant** - responsible for the day-to-day accounting draws associated with WAP funds, submits draws for approval, compiles monthly financial/budget reports, and participates in audits.

**Mission**

The mission statement of the Weatherization Assistance Program is "To reduce energy costs for low-income families, particularly for the elderly, people with disabilities, families with children, and for families with a high energy burden by improving the energy efficiency of their homes while ensuring their health and safety."

## V.8.2 Administrative Expenditure Limits

10 CFR 440.18(e) requires that the combined amount for both Grantee and Sub-grantee administration be no more than fifteen percent (15%) of the total new funds to be awarded. However, the State Energy Efficiency Program Improvement Act of 1990 (SEEPA) Public Law 101-440, October 18, 1990, allowed an exception that supersedes the 10 CFR 440.18(e) rule, allowing up to an additional five percent (5%) of a Sub-grantee's award be used for administration if the Sub-grantee allocation is less than \$350,000.

Arizona will retain 7.5% of the allowable 15% for administration and apply the SEEPA allowed exception of up to an additional five percent (5%) of the Sub-grantee award to be used for administration. The maximum administrative funding that any Sub-grantee will receive is fifteen percent (15%) of their total awarded allocation.

## V.8.3 Monitoring Activities

The state has a responsibility to perform monitoring and oversight of the work performed by the Sub-grantee (this is further detailed in the AZ WAP P&P, section 11.3.2; Grantee Monitoring Expectations). DOE requires the state to perform a comprehensive monitoring of each Sub-grantee annually. DOE requires five percent (5%) field inspection of completed jobs for Quality Assurance and recommends performing inspection on in-progress homes. Virtual monitoring by ADOH may be allowed with prior approval from DOE if traditional on-site monitoring is not possible or feasible due to staffing constraints, illnesses, or other extenuating circumstances that may not allow for on-site monitoring.

There are two methods of Quality Assurance:

1. For completed units where there is an Independent QCI inspector that was not involved in the job except for the Quality Control Inspections and did not perform the initial audit or any construction or installation of energy conservation measures or materials performed on the home; the Grantee Field and Technical Monitor/Energy Specialist must field monitor a minimum of five percent (5%) of the completed jobs (no less than one (1)) for Quality Assurance. The percentage of jobs to be field monitored for Quality Assurance will round up to the nearest whole number,
2. For completed units where the Auditor/QCI is an individual that performs the initial audit and develops the scope of work but is not involved with any of the construction or installation of energy measures or materials performed on the home and this same Auditor/QCI performs the Quality Control Inspection; the Sub-grantee will be subjected to more oversight. In this scenario, the Grantee Field and Technical Monitor/Energy Specialist will field monitor a minimum of ten percent (10%) of the completed jobs (no less than two (2)) for Quality Assurance. The percentage of jobs to be field monitored for Quality Assurance will round up to the nearest whole number. Several Sub-grantees for the Arizona WAP program have a designated service provider who has QCI certified staff. The service provider will be an acceptable Auditor/QCI as long as the QCI Certified staff of the service provider did not perform any construction or installation of energy conservation measures or materials.

If the state discovers significant deficiencies (health and safety violations, poor quality installation of materials, major services missed, etc.), the state will elevate the number of completed jobs inspected to no more than 15% and will increase the frequency of visitation including review of units in progress until deficiencies are resolved.

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Interim inspections will not be counted as Quality Control or Quality Assurance inspections.

The Monitors for the state and certificates held will be:

| Name             | Type of Monitor  | % Funded by DOE |
|------------------|--|-----------------|
| Travis Ekenberg  | WAP Program Manager / BPI EA & QCI Certified                   | 30%             |
| Gloria Castro    | Financial & Program Monitoring/Administrative                  | 30%             |
| TBD              | Financial & Program Monitoring/Administrative                  | 30%             |
| Samantha Winslow | Financial & Program Monitoring Technical/BPI EA, QCI Certified | 15%             |
| David Underdonk  | Financial & Program Monitoring Technical/BPI EA, QCI Certified | 15%             |
| Kathy Blodgett   | Administrative (Business Manager)                              | 20%             |
| TBD              | Financial & Program Monitoring Technical/BPI EA, QCI Certified | 25%             |

ADOH currently receives funding from DES LIHEAP and three (3) of the state utilities to assist with the travel budget and funds for monitoring the ten-(10) weatherization Sub-grantees. Additional funding may be available from other utility partners in the future, for administrative and technological implementations to ensure the AZ WAP remains sustainable. ADOH estimates approximately 80% of the Grantee DOE T&TA/Admin fund totals above will be utilized for monitoring purposes as detailed, which will include 100% Desk Monitoring, as well as Annual Programmatic and Technical monitoring. The estimated 20% balance will be utilized for other training and technical assistance, and typical day-to-day tasks as needed.

**A. Role**

The Sub-grantees will be routinely monitored to:

1. Determine program compliance and accountability
2. Assist agencies in their program operations and compliance with DOE and state regulations
3. Analyze program performance
4. Analyze quality of work
5. Identify problems, deficiencies, training opportunities, areas that need improvement, and advise on how to correct
6. Analyze whether best possible program services are being delivered to low-income population
7. Assess T&TA needs
8. Improve program performance

**B. On-Site or Virtual Monitoring**

Program and fiscal monitoring will be used to determine the program and operational effectiveness of Sub-grantees. Customer files, and Sub-grantee financial systems, records and reports will also be routinely monitored to verify the Sub-grantee's ability to prudently deliver, support, and manage installations of allowable cost effective and energy efficient measures.

On-site or virtual monitoring of Sub-grantees is performed by technical and fiscal monitoring program staff to identify methods, deficiencies, and successes in program operations and to assess technical assistance needs to develop appropriate training courses.

Inspection of completed dwelling units is done to monitor prioritization of weatherization measures, accuracy of energy audit, job costs, quality of workmanship and material, and that the work completed is reflected in the job files. Inspection of warehouse if applicable is completed to insure adequate space and security are available at reasonable costs for the material inventory. In addition, material inventory itself and condition of materials are verified.

**B.1 On-Site or Virtual Technical**

On-site or virtual technical monitoring will be done by the Grantee's in-house Energy Specialist or a designee who has received their Quality Control Inspector certification and did not perform the Quality Control Inspection for the sub-grantee. The inspection will be of homes that have received a Quality Control Inspection by the sub-grantee's Quality Control Inspector have expended DOE funds and have been reported into the state's database as completed. Sub-grantee Quality Control Inspections will be performed by a qualified QCI Inspector who has been independent from work performed and is not a Grantee staff person.

Sub-grantees will be notified of on-site technical monitoring visits no less than two weeks prior to the visit. The Grantee responsibilities related to the on-site technical monitoring event include the following:

Grantee will meet weatherization Sub-grantees in-person or virtually at least once a year for monitoring, A ten percent (10%) random sampling of Client files will be reviewed to include the following:

1. Client File Checklist (required)
2. Eligibility Determination (including the required Annual Income Calculations Form) & Client Information including hard copy/digital evidence provided by the Sub-grantee that the client is income eligible to receive WAP services. This evidence may include, but is not limited to, third party verification from the source of income (employer, unemployment agency, social security office) of the family or source documentation for each income source listed on the application.
3. Certification of Zero Income Form (required if applicable)

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4. Proof of Ownership or Signed Rental Agreement
5. Deferral Information (if applicable)
6. State Historic Preservation Documentation (if applicable)
7. Previous Weatherization Checklist (required form)
8. Clients Rights and Responsibilities Form (required form)
9. Client Complaints and Documented Resolution (if applicable)
10. Progress Form; Includes client sign-off on:
  - a. Receipt of "Client Rights and Responsibilities Form"
  - b. Client Agreement (visits for quality assurance and funder monitoring)
  - c. Receipt of Warrantees
  - d. Statement of Completion
11. Household Action Plan (required form)
12. Client Health and Safety Evaluation Forms (2)
  - a. Client use (if client so chooses)
  - b. Auditor use (required form)
13. Work Agreement/Scope of Work
  - a. Form is supplied by Sub-grantee
  - b. Must be signed by Client
  - c. Must include any Low Cost/No Cost measures
14. Priority Checklist or Copy of the Energy Model with Field Waiver Request (if applicable), Health & Safety (HSD) Waiver
  - a. required if DOE/SWG HSD will exceed \$2,000
  - b. Must be approved and signed by ADOH Energy Specialist
15. Residential Diagnostic Evaluation Form (required form)
  - a. Initial Inspection and Diagnostics
  - b. Final Inspection and Diagnostics
  - c. Project Photos Pre-work and Post work (may be inserted into form or saved separately)
  - d. Photos of Appliances/HVAC before and after replacement (may be inserted into form or saved separately)
16. Quality Control Inspection Checklist (required form for DOE funded projects)
17. Hazard Disclosure Form; Includes client sign-off that information, notifications and release were given to them regarding:
  - a. Lead Paint
  - b. Mold Assessment and Release
  - c. Radon
18. Lead Safe Weatherization (if applicable)
  - a. Testing results showing no lead; or
  - b. Lead Safe Work Practices documentation per EPA requirements, Include Certified Renovator Documentation and photographs demonstrating proper practices were followed.
19. Materials and Labor Costs: including invoices and purchase orders (Contractor and crew based)
20. Bid/Equipment/Calculation/Specification Details
21. Inventory Sheets (if applicable)
22. Low-Cost/No-Cost Documentation
  - a. Cannot exceed \$250 per fund source
  - b. Notations must be made in the AZWAP database indicating what the actual low cost/no cost measure was and break out the amounts by funding source used for the measure.
23. Landlord/Tenant Agreement (required form if applicable)

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24. Refusal for Services, Indemnification & Waiver of Claims
25. Health & Safety (HSD), and WRF Waiver
  - a. Required if DOE or SWG HSD will exceed \$2,000
  - b. Must be approved and signed by ADOH Energy Specialist or WAP Staff
  - c. Required for all projects using DOE WRF
26. Sub-grantee Statement of Completion
27. Utility Information Release Authorization Form
28. Sub-grantee Contractor Oversight Form

Grantee will perform job site field monitoring audits on a minimum of five percent (5%) of weatherization completions for Sub-grantees using Independent QCI and 10% for Sub-grantees using Auditor/QCI (See Section V5.3 for definition). Grantee will inspect in-progress units as needed. The field monitoring will be an analysis of quality of field practices, including:

1. Audit procedures and compliance with audit protocols and work orders
2. Diagnostics
3. Overall effectiveness
4. Compliance with Arizona WAP Field Guide
5. Workmanship
6. Thoroughness
7. Health and safety issues
8. Agency final inspection procedures
9. Training needs

Grantee staff will randomly select the weatherization completions to be inspected by reviewing jobs submitted in the database, unless particular jobs are deemed to require review. The Sub-grantee will be notified of the homes selected for inspection prior to the visit to allow coordination with the homeowners.

1. Grantee will use the Arizona WAP Field Guide and/ or the Standard Work Specifications to evaluate the weatherization jobs.
2. Grantee may recommend re-works, re-inspections, and T&TA visits in response to findings.
3. Grantee will investigate legitimate customer complaints, which may result in the Sub-grantee being required to return to correct errors or omissions.
4. Grantee will note concerns about Sub-grantee operations on the inspection report.
5. Grantee will disallow costs and/or designate the Sub-grantee as high-risk and place the Sub-grantee on a Watch List in response to recurring major findings or persistent noncompliance with Arizona WAP policy.

The monitoring visit will be documented and a Field Monitoring Summary Report will be prepared and provided to the Sub-grantee within thirty (30) calendar days following the completion of the monitoring event. The summary report will serve as the written results of the on-site technical visit. The reports will be based on:

1. **Findings**—an issue that may be a violation of rules or standards and needs to be addressed.
2. **Concerns**—an issue that may not be in violation of rules or standards but needs to be addressed.
3. **Recommendations**—notation based on monitor’s experience and expertise on how to improve certain aspects of the program.

When Findings and/or Concerns are identified, Sub-grantees will be required to submit a Corrective Action Plan within thirty (30) calendar days of receipt of the Field Monitoring Summary Report. The submission must include a description of the corrective actions taken as well as a timeline for implementation of those actions. The Sub-grantees will submit their Corrective Action Plan to the ADOH WAP Energy Specialist who will review and approve the plan or require further actions to be taken. As detailed in section V1.2 “Use of WAP Funds for Add-on/Call-back Work” above, WAP funding shall not be allowed for use.

**B.2 On-Site or Virtual Fiscal**

In accordance with the State Plan, on-site or virtual fiscal monitoring visits are required to evaluate Sub-grantees’ general administration and program management systems at least once a year. ADOH WAP performs an annual review of the Financial Audits for all ten (10) Sub-grantees per the requirements of WPN 20-4.

Grantee will notify Sub-grantees of scheduled on-site or virtual fiscal monitoring event no less than two (2) weeks prior to the appointment. The visit or virtual review typically requires a minimum of two (2) days to complete and requires frequent interaction with Sub-grantee staff.

Key issues identified during the fiscal monitoring:

1. Procurement
2. Invoicing techniques and fiscal oversight practices
3. Accurate job costing
4. Proper designation of expenses between Administration and Program Operations
5. Property records and inventory control

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If a virtual fiscal monitoring will be conducted, Sub-grantees will be required to submit documentation to ADOH through a secure file transfer portal that ensures the protection and privacy of individual's information.

Following the on-site or virtual fiscal monitoring visit, a Summary of Findings Report will be prepared and typically provided to the Sub-grantee within thirty-(30) days following the completion of the monitoring event.

When Deficiencies are identified, Sub-grantees will be required to submit a Corrective Action Plan to ADOH within thirty-(30) days of receipt of the Summary of Findings Report. The submission must include a description of the corrective actions taken as well as a timeline for implementation of those actions. The Sub-grantees will submit their Corrective Action Plan to the ADOH WAP Contract Specialist who will review and approve the plan or require other actions to be taken.

**C. Desktop Monitoring**

ADOH reviews Sub-grantees' entries into the AZWAP database as well as monthly payment requests to determine if the Sub-grantee is meeting its goals and expenditures in compliance with expenditure schedules.

Every month, each agency will be desktop monitored through the AZWAP database on the completed jobs submitted for that month. The AZWAP database will be closed to completed jobs on the 15th of each month. Upon receipt of the Sub-grantee's request for reimbursement of expenses, 100% percent desktop review of diagnostic performance on the completed jobs will occur. Should ongoing diagnostic performance issues be identified through desk review, the ADOH Energy Specialist will increase on-site monitoring to determine training needs and refer the agency to acquire appropriate training to correct the issues found. 100% of the Sub-grantees' request for reimbursement of expenses for completed jobs will be desk monitored for eligible weatherization costs and expenditures.

The goals of desktop monitoring are:

1. Performance analysis of weatherization work in the home;
2. Review of weatherization expenditures (costs allocated to appropriate funding source);
3. Eligibility and compliance issues; and
4. Identify specific focus areas for an agency visit, including problematic jobs.

If a compliance issue occurs, Sub-grantees will be issued a desktop monitoring report that identifies items needing correction and the request for reimbursement will not be processed. The sub grantee will be given fifteen (15) days to comply with the necessary corrections. If the Sub-grantee fails to comply in the 15-day timeframe, funding may be withheld until compliance occurs. A final desk audit report will be sent to the agency after all issues have been addressed. If any of the identified issues are unable to be rectified, the Sub-grantee will not be reimbursed and the unit will not be considered a completed DOE or otherwise WAP funded unit. Sub-grantee may be liable for all associated costs for said project.

**D. Tracking**

The Grantee may, by giving reasonable written notice specifying the effective date, terminate the Sub-grantee contract for funding from this grant in whole or in part for cause, which shall include:

1. Failure, **for any reason**, of the Sub-grantee to fulfill in a timely and proper manner its obligation under this grant including compliance with the approved work program, contracts, and attached conditions, and such statutes, executive orders, and DOE and/or Grantee directives as may become generally applicable at any time;
2. Late submission by the Sub-grantee to the Grantee of DOE or other requested reports that are incorrect or incomplete;
3. Ineffective or improper use of funds provided under this grant;
4. Suspension or termination by DOE of the grant to the state under which this grant is made, or the portion thereof delegated by this grant. The state may also assign and transfer this grant as required by DOE directives.
5. If the Sub-grantee is unable or unwilling to comply with the terms of this grant or with additional conditions as may be lawfully applied by DOE to the grant, or the state, the Sub-grantee may terminate the grant by giving fifteen (15) days written notice to the state signifying the effective date thereof. Furthermore, the residual assets and property purchased by the Sub-grantee under this grant shall be transferred at the discretion of the state to an organization which is exempt from Federal income tax as an organization described in Section 501 (c)(3) of the Internal Revenue Code (1954) or to the appropriate federal, state or local government for exclusively public purposes. In such event, the state shall require the Sub-grantee to ensure that adequate arrangements have been made for the transfer of all property and finished or unfinished documents, data, studies, and reports purchased by the Grantee under this grant. The Sub-grantee shall be entitled to compensation for any unreimbursed expenses reasonably and necessarily incurred in satisfactory performance of the grant. Notwithstanding the above, the Sub-grantee shall not be relieved of liability to the state for damages sustained by the state by virtue of any reimbursement to the Sub-grantee for the purpose of set-off until such time as the exact amount of damages due the state is determined.
6. If the Sub-grantee is willing to relinquish all or a portion of the counties that they serve, the Sub-grantee must give at least ninety-(90) day's written notice prior to the end of the program year to the state signifying the effective date thereof. In such event, the state will notify the other Sub-grantees (CAAs, and other public and nonprofit entities) for the opportunity to manage the Weatherization Assistance Program in the said counties. Interested Sub-grantees must submit to the state within thirty-(30) days after notice by Grantee, a plan of action and budget to manage the counties up for award. Potential Sub-grantees must show experience and performance in weatherization or housing renovation activities, experience in assisting low-income persons in the area to be served, and capacity to undertake a timely and effective weatherization program per this State Plan and all it entails. Upon selection, the state will hold a public hearing, only if the new entity is not currently a Weatherization Assistance Program Provider, to identify the Sub-grantee(s) and amend the State Plan. Failure to relinquish prior to the ninety-(90) day deadline will result in the Agency having to maintain the grant for the remainder of current program year and will automatically make them a Sub-grantee of the next program year. Relinquishment can only occur between July 1st - February 28th.

**E. Analysis**

All Sub-grantees must develop and maintain fiscal and accounting procedures, which conform to both federal and state policy for grants administration. Sub-grantees must also submit monthly Financial Status Reports. In addition, Sub-grantees are governed by 2 CFR 200, which set forth principles for determining allowable costs of programs under grants,



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contracts, and cooperative agreements with the federal government.

The Grantee has established fiscal controls and fund accounting procedures to assure the proper disbursement of all federal funds received by the state. Additionally, the state has established procedures for monitoring the utilization of such funds by project operators.

The controls and procedures to be implemented are as follows:

The State will follow the established fiscal policies and procedures mandated by state law. To accomplish this, the State will coordinate these policies with various other branches of state government as needed. Financial areas addressed in these procedures consist of fiscal management controls, the accounting system, fund controls, personnel and payroll management, property management, procurement, and the disbursement of funds.

The financial standards set forth by the state establish an adequate accounting system with appropriate internal controls, which will safeguard assets, check the accuracy and reliability of accounting data, promote operating efficiency and encourage compliance with prescribed management policies.

#### V.8.4 Training and Technical Assistance Approach and Activities

After review of the ADOH WAP training policy and its compliance with 10 CFR 440.23 and WPN 22-4, ADOH has determined several changes to the Training and Technical Assistance Policies and Procedures should be made in order to be fully compliant with DOE requirements. DOE Monitoring indicated a lack of comprehensive training. However, after further review ADOH was able to demonstrate that comprehensive training was provided. However, the training provided was not sufficiently tracked per DOE requirements. ADOH is continuously working with the Southwest Building Science Training Center (SWBSTC) to re-organize and reinvigorate the Training and Technical Assistance Policies and Procedures to rectify this concern. SWBSTC is researching an effective tracking system for ADOH approval and the new system should be in place within the next year. Due to the COVID pandemic, in-person training had not been available however, ADOH and SWBSTC have been working together to develop virtual training and individualized training opportunities where applicable.

For training purposes, ADOH in partnership with SWBSTC will conduct an Audit and Energy Model Review training class (Weatherization for Admins 102) that will result in a certificate of completion. The course will be mandatory with refresher training every two (2) or three (3) years. All sub-grantees will be required to send at least one employee through the training along with all in house auditor staff. For Sub-grantees that use outside contractors, the contractor's employees that provide the audit service will be required to complete the training course. Sub-grantee completion of Audit and Energy Model Review training will provide the understanding and ability to effectively review audits and energy modeling to eliminate errors and omissions before the Energy Modeling is submitted to ADOH for review and/or approval by the Energy Specialist or Principle Investigator. The Auditing, Training, and Certification will primarily meet (Tier 2) Specific training requirements but will also include some (Tier 1) Comprehensive training curricula. Sub-grantees will complete the training first with their contractors to follow, provided adequate training funds and staffing are available, and budgets allow. Refresher training will ensure that the Sub-grantee and Contractor weatherization practitioners are receiving the most relevant training that is up to date with changing regulations and weatherization standards. ADOH is also working in partnership with SWBSTC to develop a better Comprehensive Training policy that will better address the needs of the state, sub-grantees, weatherization contractors, and will more closely align with the individual JTA's. The new policy will minimize removing contractors from the field to attend training not relevant to their specific expertise and position but still provide for JTA crossover training. A cycle of training offerings will be developed to go along with the new Comprehensive Training policy. Individual JTA training that does not cross over into other JTAs will be added into the schedule of training offerings.

ADOH current training policy was geared toward a previously more crew based weatherization program. The State now only has two (2) to three (3) Sub-grantees that provide the audit and one (1) Sub-grantee that completes audits plus the majority of the work in house. The State's remaining Sub-grantees use contractors to perform construction and installation of energy saving measures to the homes. Over the course of the next year or two (2), changes to the ADOH WAP Training and Technical Assistance Policies and Procedures will be made and will incorporate some existing training policy with new policy to ensure that Arizona WAP is in compliance with 10CFR440 and WPN 22-4. Policy will require that weatherization field staff (Sub-grantee and/or Contractor) be appropriately trained. ADOH will continue to promote Sub-grantee and Contractor attendance and participation at conferences like Energy Out West or Building Performance Association/Home Performance to gain knowledge of new technologies and best practices that could be incorporated into the State's Weatherization program.

Until the State's new Training and Technical Assistance Policies and Procedures are fully developed, ADOH in partnership will continue adherence to the following policies, which will be fully monitored and tracked:

T&TA activities are intended to maintain or increase the efficiency, quality and effectiveness of the Weatherization Program at all levels. Such activities shall be designed to maximize energy savings, minimize production costs, improve program management, crew and contractor quality of work, and reduce the potential for waste, fraud, abuse and mismanagement. The Grantee assesses the training needs of its Sub-grantees through monitoring visits and state meetings; plans for at minimum, one field monitoring per Sub-grantee, and quarterly meetings (funds permitting). Additionally, Grantee Desk Monitoring of completed job diagnostics and energy savings may also indicate training needs. Finally, additional trainings may be identified as necessary for implementation of the approved Health and Safety Plan.

##### Methods Used to Provide Training

1. Formal classroom
2. On-site training
3. Hands-on training
4. Certification Training
5. Virtual Training

##### Description of Activities to be undertaken:

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The ARIZONA WAP requires that the Sub-grantee and its contractors participate in weatherization related trainings that build or enhance their knowledge, skills and abilities to provide weatherization services/energy efficiency retrofits in accordance with the 10 CFR, Part 440 and guidelines set out by the U.S. Department of Energy for the Weatherization Assistance Program. Sub-grantee and Contractor Staff must not function unsupervised until certification requirements are met.

All Comprehensive training will be done at an IREC accredited training center. ARIZONA WAP IREC accredited formal training is carried out at the FSL South West Building Science Training Center (SWBSTC), which is operated by FSL Home Improvements, a non-profit organization. The SWBSTC is one of the 15 U.S. Department of Energy "Legacy" weatherization-training facilities in the country. Training curricula will reflect industry-wide initiatives and program requirements and will be updated as new program requirements or industry trends are identified.

The facility provides classroom and onsite laboratory based trainings with a specific emphasis on Weatherization activities and building knowledge, skills and abilities to perform work in the weatherization program. The SWBSTC is the only training facility in Arizona to provide a Weatherization Boot Camp course. The SWBSTC staff is comprised of industry leaders with decades of technical field experience. They are often recruited to present at regional and national conference training sessions.

**Current SWBSTC course offerings include:**

1. WAP Boot Camp w/BSP Option – This week long course combines Energy 101, Pressure Diagnostic 101, General Thermal Performance, Residential Retrofit Application 101, and Combustion Safety course into a weeklong training course that will provide weatherization professionals with an introduction to energy principles, thermal performance, health and safety standards, LSW, auditing, pressure diagnostics, and field repair. This course also trains Health and Safety concerns as indicated in the Grantee's Health and Safety Plan of Radon, Lead, Mold/Moisture, Electrical, Carbon Monoxide, the causes and effects of these concerns and mitigation. The WAP Boot Camp course provides a combination of classroom and hands-on instructions that will prepare candidates to perform the tasks required of weatherization technicians within the current Weatherization Program Guidelines.
2. WAP Admin 101
3. WAP Admin 102
4. Energy 101
5. Pressure Diagnostics 101
6. Combustion Safety
7. General Thermal Performance
8. Computerized Energy Modeling
9. Lead RRP Certification
10. BPI Certification for Building Analyst (BA-T and/or BA-P)
11. OSHA 10/30 Certifications
12. Energy Auditor Certification
13. Crew Chief Certification
14. Quality Control Inspector certification/re-certification
15. Success with Weatherization – Critical Details
16. Healthy Homes Assessor

Though SWBSTC offers these courses, training for OSHA, BPI and other necessary WAP training can be provided by any accredited provider for the required certificates.

For details on SWBSTC and courses visit the SWBSTC website at: [www.swbstc.org](http://www.swbstc.org)

Each Sub-grantee will be required to maintain training records for its employees and contractors participating in the weatherization program. The training record will list all their training courses they have attended, certifications they possess and date of expiration of those certifications. This information must be updated on an annual basis and provided to Grantee and may be required monthly if deemed necessary or upon request by ADOH due to program deficiencies or staff turnover, and shall be provided to the ADOH WAP Staff. Certifications are tracked through 2 forms that are updated annually in July or at the time of monitoring and submitted by the Sub-grantees to the Grantee. These forms can be downloaded from the ADOH website at: <https://housing.az.gov/documents-links/forms/weatherization> and are as follows:

1. Employee Certification and Verification Form
2. Sub-grantee/Contractor Certification Verification Form

ADOH WAP Staff will periodically review training performance of Sub-grantees by way of Sub-grantee self-assessment surveys, on-site monitoring and communication with SWBSTC on specific training deficiencies and needs.

**Required Training**

**Sub-grantee Program Administrator(s) (New Employees to WAP)**

1. WAP Boot Camp w/BSP
2. Weatherization for Admins 101, Documentation and Admin
3. Weatherization for Admins 102, Understanding Energy Audits, Data Collection, and Energy Modeling
4. Understanding Procurement (available at: <https://wap.litmos.com>)
5. Success with Weatherization (Critical Details)
6. Energy Modeling/Optimiser or REM
7. DOE WAP Administrative Trainings for Sub-grantees (available at: <https://wap.litmos.com>)

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**Crew Leader**

1. Renovation, Repair and Painting Rule (RRP)
2. OSHA 30-hour training
3. Building Performance Institute (BPI) Building Analyst Certification (BA-T & BA-P)
4. Energy Modeling/OptiMiser or REM
5. Success with Weatherization (Critical Details)
6. WAP Boot Camp w/BSP

**Auditor and Inspectors**

1. Renovation, Repair and Painting Rule (RRP)
2. OSHA 10-hour training
3. Building Performance Institute (BPI) Building Analyst Certification (BA-T & BA-P)
4. Success with Weatherization (Critical Details)
5. WAP Boot Camp w/BSP

**Energy Auditor/Quality Control Inspectors**

1. Renovation, Repair and Painting Rule (RRP)
2. OSHA 10-hour training
3. Success with Weatherization (Critical Details)
4. WAP Boot Camp w/BSP
5. Energy Auditor (BPI EA)
6. Quality Control Micro-Credential (Only available after passing the BPI EA)
7. Energy Modeling/OptiMiser or REM

**Required- New Field Employees and/or Contractors**

**Within 6 months of Employment (~~All WAP Direct Service Related Employees~~)**

1. WAP Boot Camp w/BSP
2. Renovation, Repair and Painting Rule (RRP)
3. OSHA 10 or 30-hour training (Depending on position held)

**Within 1 year of employment**

1. Combustion Safety
2. Success with Weatherization (Critical Details)

**Comprehensive Training (aka Tier 1)**

Comprehensive training requires all WAP workers, including contractors, to go through a comprehensive training for their specific occupation of work, i.e. Auditor, Crew Chief, etc., which follows a curriculum that is in line with the Job Task Analysis (JTA) for their occupation. This training will be required to be taken at an IREC Accredited Training Facility with a DOE approved accredited training program for the JTA being taught

Energy modeling training classes are also currently provided through the Southwest Building Science Training Center and the first virtual class took place on November 4th, 2021 and had 35 attendees. This session was quite successful and allowed safe and easy access for individuals in remote locations.

Comprehensive training will be based on a rotating once every three-year training schedule for each JTA: Auditor and Crew Chief, etc. The Comprehensive schedule began with the Auditor training in Mid Program Year 22. The following year will be Crew Chief training and will rotate back to Auditor training, etc. EA and QCI certification will occur every three years with the next required training in the fall of 2024, Or as needed for specific individual certification.

**Specific Training (aka Tier 2)**

Specific training does not require an accredited program and is made up of both field and classroom training. Specific Training is not a pre-scheduled training. Rather, the training will be done when concerns arise during a Grantee Field monitoring, Quality Assurance visit, desk audit, internal audit, database or energy audit review, DOE monitoring or IG reports etc. If there are consistent issues, the Sub-grantees must send workers to training that will address the issues.

The Arizona WAP Grantee is provided and provides Sub-grantees with T&TA funding to support attendance and participation at weatherization training events such as the HPC National and Energy Out West weatherization conferences. It is **expected** that essential program personnel, both Grantee and Sub-grantee, as well as **Sub-grantee staff holding BPI certifications** attend these conferences to stay current with new regulations, processes and technologies and obtain necessary CEU's to retain the required certifications. Arizona WAP is aware that some Sub-grantees might have travel restrictions due to budget constraints however, it should be noted that funds to pay for Sub-grantee travel are provided as part of the Weatherization grant award and proper usage of these funds will be closely monitored by Arizona WAP. Sponsorships to/for these conferences may be provided to

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allow additional personnel to attend at reduced registration rates or at no cost. ADOH may also allow for the continued success of the AZ WAP, funding of future conferences/classes which align with the DOE training and certification requirements to ensure program sustainability in years to come and encourage an increased knowledgeable workforce.

Attendance at state-sponsored training may be required based on the importance of the topic and information to help correct program deficiencies or to ensure competence in specific areas. In such cases, Sub-grantee and delegate attendance will be required as a matter of program compliance.

**Contractor Training**

Training of contractors is an allowable cost through T&TA funds, though any costs associated with training contractors shall be preceded with a retention agreement in exchange for the training as well as an approved T&TA Request from ADOH (when applicable). Reimbursement of labor, mileage, meals and lodging costs for contractors attending trainings is **allowable and shall follow the guidelines below:**

- As applicable, Contractor must be selected in accordance with 2 CFR 200 compliant procurement policies and procedures.
- Sub-grantees must clearly communicate how training will be paid for during procurement process so contractors know what costs to exclude and include in the bid. Training must either be included in the contractor overhead or reimbursed per the approved T&TA Plan, not both.
- Sub-grantees must clearly communicate the T&TA reimbursement policies and procedures in a binding agreement with the contractor.
- All funds used for contractor reimbursements must be from T&TA budget line item.
- Reimbursement for the time to attend training must be reasonable and based on Sub-grantee specific labor rates or other available data provided by ADOH and potentially DOL
- Travel reimbursements must be based on actual costs, the Federal GSA Per Diem Rates and Regulations, or equivalent Grantee or Sub-grantee-specific policy provided they meet or exceed the Federal GSA provisions.
- The plan should set limits and thresholds for contractor reimbursements, for example:
  - A fixed dollar amount per day of training or per training course.
  - Total dollars to a contractor firm.
  - Course or exam fees per trainee.
  - Limits on the number of exam retakes that will be reimbursed. Apply an exam retake policy consistently to Sub-grantee employees and contractors.
- All applicable pre-requisites are required to challenge the Energy Auditor and Quality Control Inspector exams.

Sub-grantees shall consider whether the term of the retention agreement aligns with the cost of training provided. Sub-grantees will be responsible to ensure their contractors are meeting the requirements for Comprehensive and Specific training. On an annual basis, Sub-grantees must provide a completed WAP Sub-grantee/Contractor Certification Verification Form to the Grantee for desk monitoring purposes to assist with determining if DOE training requirements per WPN 22-4 are being met.

Whenever possible, the term of a retention agreement shall coincide with the one-year contract (between the Agency and the Contractor) or one-year renewal period. Otherwise, the retention agreement shall be for the duration of the contract from the time the training is provided, not to exceed one year. Training, but not certification as a Lead or Asbestos Company or maintenance of any certifications, may be provided to subcontractors meeting retention requirements. Note that the retention agreement requirement does not apply to Grantee or contractor orientation sessions or when grantees provide instruction to contractors on improving technique as needed.

**Certified Quality Control Inspectors**

Arizona Department of Housing (ADOH) Weatherization Policies and Procedures require each Sub-grantee to have a Certified Quality Control Inspector on staff or have a contractual agreement with a third party Certified QCI Inspector. There are currently three (3) third party QCI inspectors working with six (6) out of 10 of the Sub-grantees serving rural Arizona. Four (4) metropolitan Sub-grantees have a designated service provider with QCI staff. Arizona has not experienced a reported delay in obtaining a QCI for completed DOE units. However, through a contractual agreement, ADOH has the ability to make the three Certified QCI inspectors from Foundation for Senior Living available to the Sub-grantee network should there become a backlog. This makes up to five (5) third party Certified QCI available to the Sub-grantee network.

**Client Education**

Client education activities are highly encouraged. Sub-grantees have received technical assistance regarding client education techniques and opportunities. This is reinforced during field monitoring visits as the monitor is trained to speak with clients about various energy saving (and some non-energy savings) steps they can take such as; changing filters once a month, using CFLs or LEDs, responsible management of their thermostats, water heater temperature usage and settings, combustion appliance safety, moisture control, and lead safety. Sub-grantees are required to distribute the lead booklet/pamphlet; "Renovate Right" (when potential for hazard exists), and mold and moisture awareness pamphlet; "A Brief Guide to Mold, Moisture, and Your Home", and the Radon pamphlet; The EPA Consumer's Guide to Radon, to clients prior to weatherization. Client education can occur at different times throughout the process and can include distribution of client educational material at the time of application as well as one-on-one during and post weatherization work by the energy auditor and/or field crew staff. Each Sub-grantee must determine the best method of ensuring energy education is performed. Sub-grantees must have the client sign the Hazard Disclosure Form acknowledging receipt of the lead, mold, and radon materials. Additionally, Sub-grantees should complete the Household Action Plan Form, have the client sign and provide a copy to the client. The Original signed form should be retained in the Client's file. All forms are currently available on the ADOH WAP website at: <https://housing.az.gov/documents-links/forms/weatherization>.

Additionally, Arizona Utilities (APS, SRP, SWG, TEP and Unisource Energy) all use the same brochure available in English and Spanish called "Home Energy Saving Checklist". This brochure is free and available to any community partner from <https://energypassistaz.com/secure/ContactForm.aspx> and lists no cost and low cost ways to save energy and reduce utility bills.

Percent of overall trainings

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|                          |      |
|--------------------------|------|
| Comprehensive Trainings: | 50.0 |
| Specific Trainings:      | 50.0 |

Breakdown of T&TA training budget

|  |      |
|--|------|
| Percent of budget allocated to Auditor/QCI trainings:          | 40.0 |
| Percent of budget allocated to Crew/Installer trainings:       | 40.0 |
| Percent of budget allocated to Management/Financial trainings: | 20.0 |

**V.9 Energy Crisis and Disaster Plan**

**The use of weatherization funds to address disaster relief activities are allowed under the following conditions should a federal declaration be issued:**

1. The dwelling receiving services has an income eligible client/s for weatherization services
2. Dwelling must be in sound and safe condition for the occupant and workers to perform services
3. All work must meet weatherization standards
4. Scope of work must be developed from the energy audit performed on the home.
5. All policies for weatherization must be followed, i.e. client priority, income verification, testing procedures, etc.
6. Health and safety hazard eliminations are allowed only if needed to perform weatherization work
7. Usage of personnel to secure weatherization materials, tools, equipment, weatherization vehicles, or protection of weatherization files during the initial phase of the disaster response

Weatherization vehicles and/or equipment may be used for disaster relief purposes other than weatherization services, as long as WAP is reimbursed according to the 2 CFR 200.

Weatherization funds cannot be used for any activities that will not meet WAP policies and regulations, which would include but are not limited to:

1. Providing WAP personnel to assist with disaster relief recovery activities using WAP funds other than weatherization services
2. Removal of debris from dwellings that will not receive weatherization work

The average cost for disaster relief of the dwelling units cannot exceed the current program year ACPU. Further guidance is available through Weatherization Program Notice 24-1 and additional items/issues may be granted on a case by case basis with prior approval from ADOH. Sub-grantees may also contact the Grantee with questions.