

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

1. Type of Submission:

- Preapplication
- Application
- Changed/Corrected Application

2. Type of Application:

- New
- Continuation
- Revision

If Revision, select appropriate letter(s)

Other (specify):

3. Date Received

12/16/2022

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

DE-EE0009909

State Use Only:

6. Date Received by State:

12/16/2022

7. State Application Identifier:

8. APPLICANT INFORMATION:

a. Legal Name: State of Michigan

b. Employer/Taxpayer Identification Number (EIN/TIN):
386000134c. UEI:
C2AQVDYYUAS7

d. Address:

Street 1: P.O. Box 30195

Street 2: 333 S Grand Ave

City: Lansing

County: INGHAM County

State: MI

Province:

Country: U.S.A.

Zip / Postal Code: 489097695

e. Organizational Unit:

Department Name:
Michigan Department of Health and Human Services

Division Name:
Bureau of Community Action & Economic Opportunity

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Ms First Name: Kris

Middle Name:

Last Name: Schoenow

Suffix:

Title: Bureau Director

Organizational Affiliation: Michigan Department of Health and Human Services

Telephone Number: 5173883085

Fax Number:

Email: Schoenowk@michigan.gov

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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.):

Michigan - Statewide

15. Descriptive Title of Applicant's Project:

The Weatherization Assistance Program enables low-income families to permanently reduce their energy bills while making their homes more energy efficient, safe, and healthy.

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16. Congressional District Of:

a. Applicant: Michigan Congressional District 07

b. Program/Project: MI-Statewide

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	21,860,318.00
b. Applicant	0.00
c. State	0.00
d. Local	0.00
e. Other	0.00
f. Program Income	0.00
g. TOTAL	21,860,318.00

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
- 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: Mr First Name: Daniel

Middle Name:

Last Name: Lance

Suffix:

Title: Financial Analyst

Telephone Number: 5172844255

Fax Number:

Email: lanced@michigan.gov

Signature of Authorized Representative: Signed Electronically

Date Signed: 06/28/2024



BUDGET JUSTIFICATION FOR FORMULA GRANTS

Applicant: State of Michigan
 Award number: EE0009909

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>
Bureau Executive Director SAM 17	As required in state legislation, the executive director supervises and coordinates: state activities to reduce poverty, implement community social and economic programs, designate community action agencies pursuant to Section 8 of the CSBG Act. The Executive Director oversees the Weatherization Assistance Program for Michigan by directing and managing the weatherization staff, monitoring staff (financial, programmatic, and technical), grant managers, weatherization training center, and support/admin staff within Bureau. The Executive Director reviews all monitoring reports and provides leadership for the weatherization assistance program directors and executive directors. 45% of the executive director's salary is charged to DOE in the Grantee Admin Line Item. The remaining portion of the executive director's salary is charged to BIL, CSBG and LIHEAP grants.
Bureau Deputy Director	The deputy director supervises and coordinates: state activities to reduce poverty, implement community social and economic programs, designate community action agencies pursuant to Section 8 of the CSBG Act. The Deputy Director assists the Executive Director in overseeing the Weatherization Assistance Program for Michigan by managing state programmatic monitoring staff, grant managers, and support staff within the Bureau. The Deputy Director holds an alternate regional representative position on the NASCSP weatherization board. A total of 30% is charged to DOE Admin costs. The rest is charged to BIL, CSBG and LIHEAP grants.
Financial Manager	Assists with fiscal aspects of monitoring. Provides support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.
Weatherization Program Specialist	Works with the Policy Advisory Council (PAC) in recommending policy to the MDHHS with respect to the development and implementation of the MI weatherization program. Functions as the co-chair of the PAC Training Committee. Develops and prepares the state plan and all subsequent amendments; responsible for federal reporting, policy clarification, and general oversight of the program; oversees the activities of the programmatic compliance; evaluates statutes, program needs, problems and opportunities that would provide a more comprehensive view of the program. The specialist plans the annual weatherization conference and coordinates training for the network. The specialist reviews WAP monitoring and monitoring reports to ensure follow up and timelines are met. Lead on all special assignments related to WAP. 50% to admin and 0% to T & TA. Balance of time to DOE BIL.

Weatherization Technical Quality Assurance Coordinator	Review program compliance, on-site and among assigned local weatherization operators. Provides training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship. This position provides support to the Weatherization Specialist with providing training, scheduling training, monitoring trends in training, documenting training by subgrantee request, training required based on risk assessments or monitoring, and training of those working in the WAP program for subgrantees. Additionally, the analyst provides assistance with reporting, data tracking, trend analysis, and special projects for the MI WAP program. The analyst also works directly with LWOs to assist in training support/coordination. 50% to T/TA. Balance of time charged to DOE BIL.
Weatherization Technical Monitor 1	Review program compliance, on-site and among assigned local weatherization operators. Provides training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship. 50% to T/TA. Balance of time charged to DOE BIL.
Weatherization Technical Monitor 2	Review program compliance, on-site and among assigned local weatherization operators. Provides training and technical assistance in the sphere of weatherization to ensure the maintenance of standards and workmanship. 50% to T/TA. Balance of time charged to DOE BIL.
Fiscal Analyst 1	Assists with fiscal aspects of monitoring. Provides support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.
Fiscal Analyst 2	Assists with fiscal aspects of monitoring. Provides support and technical assistance to agencies experiencing financial crisis and/or agencies that have new fiscal staff at the local level. Assists with the review and comment on audit resolutions, and review the Form 990s submitted by the CAAs. Participates in a full on-site review/assessment of CAAs. Performs all financial monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.
Department Analyst I (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and BIL grants.

Department Analyst 2 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 40% of total salary (40% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and BIL grants.
Department Analyst 3 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Department Analyst 4 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and BIL grants.
Department Analyst 5 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and BIL grants.
Department Analyst 6 (Grant Manager)	"Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.

Department Analyst 7 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Department Analyst 8 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and BIL grants.
Department Tech	Provides support to the Bureau director and Bureau staff including Grant Management document processing and monitoring reports for all monitors. Performs grant related administrative duties. 30% of salary is charged to DOE Admin. The remaining salary is charged to CSBG and BIL.
Department Analyst 9 (Grant Manager)	Reviews all budgets/plans for compliance with DOE regulations, and MDHHS policy and procedure for all assigned local weatherization operators. Monitors all billings, plan change requests, and production throughout program year. Conducts comprehensive monitoring on-site visits to each LWO each program year. Provides written monitor report for each LWO. Makes recommendations on policy clarifications and trainings that would serve best to address shortfalls observed during monitoring process 30% of total salary (30% Admin and 0% T&TA) is charged to DOE. The rest of salary is charged to CSBG and LIHEAP grants.
Programmatic Compliance Manager	Assists with programmatic aspects of monitoring. Provides support and technical assistance to agencies as needed. Assists with the review and comment on intake procedures. Participates in a full on-site review/assessment of CAAs. Performs all programmatic monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.
Training Specialist	Provides Training support for MiTEC, Weatherization Training Center. 50% of salary is charged to DOE Admin. Remaining salary is charged to BIL.
Department Analyst I (Program Monitor)	Assists with programmatic aspects of monitoring. Provides support and technical assistance to agencies as needed. Assists with the review and comment on intake procedures. Participates in a full on-site review/assessment of CAAs. Performs all programmatic monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.

Department Analyst 2 (Program Monitor) Assists with programmatic aspects of monitoring. Provides support and technical assistance to agencies as needed. Assists with the review and comment on intake procedures. Participates in a full on-site review/assessment of CAAs. Performs all programmatic monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.

Department Analyst 3 (Program Monitor) Assists with programmatic aspects of monitoring. Provides support and technical assistance to agencies as needed. Assists with the review and comment on intake procedures. Participates in a full on-site review/assessment of CAAs. Performs all programmatic monitoring functions related to the Bureau. 30% of salary charged to DOE Admin Line Item. The remaining salary is charged to CSBG and BIL grants.

Weatherization Manager The Weatherization Manager oversees the Weatherization Policy work, Technical Monitoring, PAC, and Training and Technical Assistance. Provides guidance and oversight of the the state plan process and all subsequent amendments; responsible for federal reporting, policy clarification, and general oversight of the program; oversees the activities of the programmatic compliance; evaluates statutes, program needs, problems and opportunities that would provide a more comprehensive view of the program. Lead on all special assignments related to WAP. 30% to admin and 0% to T & TA. Balance of time to DOE BIL

Weatherization Technical Specialist Works with the technical monitoring teams as well as recommending technical policy to the MDHHS with respect to the development and implementation of the MI weatherization program. Functions as part of the BCAEO's internal Weatherization Leadership Team to coordinate with the development of the state plan and all subsequent amendments; responsible for policy clarification, and general oversight of the technical portion of the program; oversees the activities of technical compliance; evaluates statutes, program needs, problems and opportunities that would provide a more comprehensive view of the program. The specialist plans the annual weatherization conference and coordinates training for the network. The specialist reviews WAP monitoring and monitoring reports to ensure follow up and timelines are met. Lead on all special assignments related to WAP. 50% to admin and 0% to T & TA. Balance of time to DOE BIL

Direct Personnel Compensation:

Position	Salary/Rate	Time	Direct Pay
Bureau Executive Director SAM 17	\$147,933.00	45.0001 % FT	\$66,570.00
Bureau Deputy Director	\$125,721.00	30.0000 % FT	\$37,716.30
Financial Manager	\$101,192.00	30.0001 % FT	\$30,357.70
Weatherization Program Specialist	\$91,832.00	50.0000 % FT	\$45,916.00
Weatherization Technical Quality Assurance Coordinator	\$84,115.00	50.0000 % FT	\$42,057.50
Weatherization Technical Monitor 1	\$86,840.00	50.0001 % FT	\$43,420.09
Weatherization Technical Monitor 2	\$78,166.00	50.0000 % FT	\$39,083.00
Fiscal Analyst 1	\$84,115.00	30.0001 % FT	\$25,234.58
Fiscal Analyst 2	\$60,902.00	30.0001 % FT	\$18,270.66
Department Analyst 1 (Grant Manager)	\$84,115.00	30.0000 % FT	\$25,234.50

Department Analyst 2 (Grant Manager)	\$84,115.00	40.0001 % FT	\$33,646.08
Department Analyst 3 (Grant Manager)	\$84,115.00	30.0000 % FT	\$25,234.50
Department Analyst 4 (Grant Manager)	\$84,115.00	30.0000 % FT	\$25,234.50
Department Analyst 5 (Grant Manager)	\$51,085.00	30.0001 % FT	\$15,325.55
Department Analyst 6 (Grant Manager)	\$84,115.00	30.0000 % FT	\$25,234.50
Department Analyst 7 (Grant Manager)	\$57,658.00	30.0001 % FT	\$17,297.46
Department Analyst 8 (Grant Manager)	\$64,064.00	30.0001 % FT	\$19,219.26
Department Tech	\$61,360.00	30.0001 % FT	\$18,408.06
Department Analyst 9 (Grant Manager)	\$64,064.00	30.0001 % FT	\$19,219.26
Programmatic Compliance Manager	\$101,192.00	30.0000 % FT	\$30,357.60
Training Specialist	\$91,832.00	50.0000 % FT	\$45,916.00
Department Analyst 1 (Program Monitor)	\$78,666.00	30.0000 % FT	\$23,599.80
Department Analyst 2 (Program Monitor)	\$73,570.00	30.0000 % FT	\$22,071.00
Department Analyst 3 (Program Monitor)	\$69,035.00	30.0001 % FT	\$20,710.57
Weatherization Manager	\$101,192.00	30.0000 % FT	\$30,357.60
Weatherization Technical Specialist	\$91,832.00	50.0000 % FT	\$45,916.00
		Direct Pay Total	\$791,608.07

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.

Attached to SF424 is the Michigan Department of Health and Human Services' (MDHHS) Public Assistance Cost Allocation Plan (PACAP) amendment effective January 1, 2021. The PACAP narrative amendment includes the following changes:

1. Minor organizational Changes in Organizational Unit 9: Children's Services Agency, Organizational Unit 18: Public Health Administration, and Organizational Unit 21: Aging and Adult Services Agency
2. Consolidation of certain functions allocated using the same method to simplify the CAP narrative
3. Addition of time tracking allocation methods where additional staff are time tracking to grants and information technology projects under an approved advance planning document
4. Updates to Part II: Accounting System Chart of Accounts to simplify the list of time tracking codes
5. Minor update to the FIS-ES Random Moment Time Study Funding Matrix

Additional changes in the PACAP include updates to cost pools and allocation methods due to organizational changes or changes in functions performed by staff and various formatting updates.

Changes are indicated in red font (additions) and strike-out (deletions) for easy identification. MDHHS does not foresee a material change in federal funding with any of these changes. DHHS is requesting that all changes in the PACAP Amendment become effective January 1, 2020 except as where noted otherwise in red font throughout the PACAP. A list of the changes DHHS is requesting be effective retroactive to a prior date is provided in Appendix E. At the time of the development of this State Plan, our budget manager shared that the 1st quarter cost allocation has not been posted.

The fringe benefit rate includes all retirement and insurance costs for each employee. Which includes social security + Medicare + retirement + person healthcare Fund + other employee retirement contributions + insurance costs. A fringe benefit rate of is based on the time (hours) each person will work in weatherization. The Bureau has four employees that work directly in the Weatherization Assistance Program. Other staff members split their time between other programs. Coding in the payroll system is used to track the amount of time each employee dedicates to the weatherization assistance program. This rate is applied to estimate budget amounts. https://www.michigan.gov/leo/0,5863,7-336-94422_59886_27856-101032--,00.html

Fringe Benefits Calculations

Position	Direct Pay	Rate	Benefits
Bureau Executive Director SAM 17	\$66,570.00	64.9892 %	\$43,263.31
Bureau Deputy Director	\$37,716.30	55.6788 %	\$20,999.98
Financial Manager	\$30,357.70	60.2814 %	\$18,300.05
Weatherization Program Specialist	\$45,916.00	54.4589 %	\$25,005.35
Weatherization Technical Quality Assurance Coordinator	\$42,057.50	53.4981 %	\$22,499.96
Weatherization Technical Monitor 1	\$43,420.09	52.9291 %	\$22,981.86
Weatherization Technical Monitor 2	\$39,083.00	51.1729 %	\$19,999.90
Fiscal Analyst 1	\$25,234.58	68.6250 %	\$17,317.23
Fiscal Analyst 2	\$18,270.66	79.3993 %	\$14,506.78
Department Analyst 1 (Grant Manager)	\$25,234.50	74.2887 %	\$18,746.38
Department Analyst 2 (Grant Manager)	\$33,646.08	65.3033 %	\$21,972.00
Department Analyst 3 (Grant Manager)	\$25,234.50	67.7083 %	\$17,085.85
Department Analyst 4 (Grant Manager)	\$25,234.50	71.0429 %	\$17,927.32
Department Analyst 5 (Grant Manager)	\$15,325.55	119.2409 %	\$18,274.32
Department Analyst 6 (Grant Manager)	\$25,234.50	64.0219 %	\$16,155.61
Department Analyst 7 (Grant Manager)	\$17,297.46	103.6426 %	\$17,927.54
Department Analyst 8 (Grant Manager)	\$19,219.26	84.0600 %	\$16,155.71
Department Tech	\$18,408.06	56.5434 %	\$10,408.54
Department Analyst 9 (Grant Manager)	\$19,219.26	75.8433 %	\$14,576.52
Programmatic Compliance Manager	\$30,357.60	60.2814 %	\$18,299.99
Training Specialist	\$45,916.00	44.0086 %	\$20,206.99
Department Analyst 1 (Program Monitor)	\$23,599.80	73.3790 %	\$17,317.30
Department Analyst 2 (Program Monitor)	\$22,071.00	66.0439 %	\$14,576.55
Department Analyst 3 (Program Monitor)	\$20,710.57	70.3818 %	\$14,576.47
Weatherization Manager	\$30,357.60	60.2814 %	\$18,299.99
Weatherization Technical Specialist	\$45,916.00	66.4256 %	\$30,499.98
		Fringe Benefits Total	\$507,881.48

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.

Purpose of Trip	Number of Trips	Cost Per Trip	Total
The Bureau will hold a Weatherization Conference in the fall of 2024. Approximately 14 staff will attend. The State of Michigan has travel reimbursement guidelines that the Bureau must adhere to when in travel status. The guidelines never exceed federal guidelines. Expenses will be charged to T&TA.	14	\$600.00	\$8,400.00
Weatherization Program Management Training: It is expected that 2 to 3 staff will provide training throughout the program year at various locations. Approximately 4 trainings will be held. Expenses will be charged to T&TA.	8	\$197.00	\$1,576.00

<p>Programmatic, financial, and technical quality assurance monitoring of 23 subgrantees: Monitoring visits are combined with other grant monitoring when possible to reduce the travel costs. Travel costs may vary due to the location of the agencies and homes being monitored. All travel costs are approved by the monitors supervisor to ensure accurate costs are charged to the grant. Monitors conduct desk reviews when possible. Monitors may visit an agency more than once if deficiencies are identified. The number of days per agency will vary on the size of the agency and their production levels. The budget is an estimate of the costs will be based on 30 agency visits at 7+ days for the following types of monitoring (average 2.25 days per monitoring type for each agency). BCAEO Monitoring Staff: 1. Programmatic monitors (1 Manager and 3 staff) 2. Financial monitors/manager (1 Manager and 2 staff) 3. Quality Control Inspectors (1 Technical Specialist and 3 staff) Expenses will be charged to T&TA.</p>	210	\$200.00	\$42,000.00
<p>Weatherization National Conferences for the 2 key staff members: 1. Building Professional Association (BPA) 2. Energy Out West Conference 3. National Association for State Community Services Programs Conferences Annual Conference 4. National Association for State Community Services Programs Conferences Annual Conference 5. National Association for State Community Services Programs Conferences Mid Winter Conference 5 Conferences for all 5 staff at \$2,500 per conference Expenses will be charged to Grantee Admin and T&TA.</p>	10	\$2,500.00	\$25,000.00
<p>The Bureau will hold a training day for energy auditors and a training day for quality control inspectors. Approximately 5 staff will attend. Expenses will be charged to T&TA.</p>	10	\$200.00	\$2,000.00
<p>In State Weatherization Meetings: 1. Weatherization Regional Meetings (8 meetings, 8 staff) 2. State Association Meetings (6 meetings, 1 staff) 3. All Manager Annual Meeting (1 meeting, 6 staff) 4. Weatherization System Planning Meetings (5 meetings, 5 staff) 5. Weatherization Leadership Meetings (4 meetings, 4 staff) 6. WAWEB Transition Meetings and Training (5 meetings, 5 staff) 7. Multi-Family Planning Meetings (1 meeting, 3 staff) 8. Other Meetings rescheduled from prior program year (28 meetings, 8 staff) Expenses will be charged to Grantee Admin.</p>	306	\$150.00	\$45,900.00
Travel Total			\$124,876.00

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

DOE expects Grantees to budget adequate funds to allow key staff to participate in national and regional conferences, as well as participate on related planning committees, task forces, and other scheduled and related meetings.

The state of Michigan has travel regulations that must be adhered to by state employees when in travel status. The regulations provide state rates for reimbursement for meals, mileage, and accommodations. These rates never exceed federal travel regulation limits.

BCAEO employees submit travel through the online state travel system, MI HR Self-Service. Details of the travel such as mileage, travel locations, meals, overnight accommodations, tolls, etc. are added individually into the system. Once entered, the employee submits the travel reimbursement request. The request is then reviewed by the Bureau Director and approved then sent to the MDHHS Accounting for review and approval. Receipts for all meals, accommodations, and any other charges must be submitted to the MDHHS Accounting office via email before the final approval for reimbursement is approved.

All travel costs are consistent with the State of Michigan Standard Travel Regulations. These regulations are available at http://www.michigan.gov/dtmb/0,5552,7-150-9141_13132---,00.html

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.

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

5. SUPPLIES - Supplies are generally defined as an item with an acquisition cost of \$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.

General Category	Cost	Justification of Need
Office supplies and materials	\$30,000.00	Office supplies and materials to support the operations of the Bureau. Ordinary and historical costs of program operations. (\$30,000 Admin)
Computer hardware and software	\$47,036.00	Computer hardware and software upgrades to reduce non-essential face to face meetings. BCAEO staff are 100% remote workers. Upgrades will improve the quality of services the Bureau offices the LWO in administering the weatherization assistance program. Admin expenditures (upgrades for 4 staff \$47,036 split costs with other programs.)
Materials and Supplies Total	\$77,036.00	

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

Historical pricing has determined the costs for the day to day office supplies used in the Weatherization Assistance Program. Additional office supplies will be for the Weatherization Conferences and regional trainings. The State of Michigan follows OMB rules and regulations. All costs included in the Supplies line item are properly segregated from indirect costs to ensure there are not duplicate charges. All costs proposed are only being used of the WAP program and are allocated when relevant and possible among other funding sources. Technology upgrades and/or new systems will be procured using the State of Michigan contracting rules and regulations.

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

Name of Proposed Sub	Total Cost	Basis of Cost*
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Subgrantee Health & Safety	\$4,095,394.20	To cover energy-related health and safety expenses. MI currently has LIHEAP funds which will be shared with DOE funding on weatherized homes. Any unspent Health & Safety will be used toward Program Operations. MI does not regularly receive LIHEAP WAP funds and often the funding timeframe is different than DOE WAP funds. Based on past history, it is estimated that MI will utilize 35% of total program operations for Health and Safety.
Weatherization System Development	\$423,206.00	"CSST Empower will replace the core functionalities of FACSPRO Weatherization module starting 7/1/2024. The weatherization application system development will continue into PY24 and will be implemented by July 1, 2025 to replace the current FACSPRO system. The Weatherization Leadership workgroup will develop recommendations for the weatherization development to ensure the new system will meet all our needs. Both an RFI and RFP was conducted to identify the vendor and product for this work. The budget amount is a base total to start the process but it is expected that additional funds will be needed for the full weatherization package. (\$300,000 Admin, \$123,206 T&TA) expenditures

Michigan Weatherization Training Center - MPH
Training Center

\$2,002,500.16

Michigan Training and Education Center (MiTEC) is an Interstate Renewable Energy Council (IREC) accredited weatherization training center. The following Weatherization Job Task Analyses represent the core curriculum to be offered by the MiTEC. Retro Fit Installer Technician, Energy Auditor, Crew Leader, and Quality Control Inspector. The training center is mobile and uses facilities in many part of the state. To increase the number of students being trained, key areas have been identified to hold regular training programs. The counties for the training center sites include Detroit, Farwell, Lansing, and Marquette. A year round training schedule and opportunities including certification testing, special props/tools for the classroom, and hands-on learning is a signature of the training center. Demo houses for students to experience learning from the field enhances the experience. Policies and Procedures that meet IREC standards are followed by the Weatherization Training Center's staff. Staff includes the following full time affiliate positions: 1 Technical Manager, 3 Instructors, 7 Weatherization Coordinators, and 4 Program Assistants as well as contracted trainers. Additional partnerships have been forged that has brought multifamily training to Michigan. The training center staff will participate in all Weatherization Assistance Program's committees, team projects, field guide and audit tool reviews, conferences, webinars, and meetings that will support implementation of the annual U.S. Department of Energy's approved State Plan. Training center staff will either participate in or have knowledge of annual risk assessments, monitoring, corrective action, follow-up activities, policy updates, state plan, and technical assistance that is managed by BCAEO. Information from these activities are the basis for annual curriculum development, course work enhancements, and new classes. The training center staff will be known as and considered as a BCAEO state employee. All computer equipment, email ids, cell phone, and access to systems will be provided by the Michigan Department of Health and Human Services. Each staff person will have a State of Michigan title and will represent BCAEO's Weatherization Program. Most training staff members will be very mobile and will complete work assignment in multiple locations including their home work station. In addition, their official work location is defined as the Grand Tower in Lansing. Training is provided in Michigan and also out of state as needed. Training will include Quality Control Inspector, Energy Auditor, Crew Leader, and Retrofit Installer. Specific training will include any training identified, requests from agencies, and

		T/TA needs identified based on Monitoring findings. These can include CAZ training, WA8, Blower Door Training, SWS training, Client Education/interaction, ASHRAE 62.2 2016, JTA's, and Health & Safety, CSPM policy updates, (statewide database training, Quality Control Checklist, IAQ, LSW, Income Eligibility, Monitoring training and any other training identified. BCAEO will purchase online training programs as needed.
Subgrantee Weatherization Readiness	\$2,880,634.00	State allocation formula to provide weatherization readiness funds to each implementation agency to ensure homes are weatherization ready and reduce deferrals.
Subgrantee Administrative Funds	\$2,039,523.80	The base amount of admin (7.5%) is allocated using the funding formula among all subgrantees.
Subgrantee Vehicle Purchase	\$115,000.00	Estimated two subgrantees will purchase a vehicle during PY24 for use in the WAP. 2x\$57,500
Financial Audits	\$31,802.84	Single Audit requirement for subgrantees as required per OMB Regulations. 23 subgrantees x approximately \$1,382.73.
Subgrantee Training and Technical Assistance	\$1,400,000.00	Distributed using the funding formula Percent for each subgrantee. Funding used to meet WPN 22-4 and WPN 23-6 requirements and assist with training costs to out of state IREC accredited training centers. Dollars also used to attend national conferences that will strengthen the WAP in MI. Subgrantees are instructed to put any unused funds back into Program Operations. Additional training will be needed to accomodate the weatherization workforce expansion.
Liability Insurance	\$76,041.00	Subgrantee Liability Insurance. 23 subgrantees x \$3,306.13
Subgrantee Program Operations Funds	\$11,717,866.00	State allocation formula to provide weatherization services by county taking into account census information. Please refer to section II.3 of the annual file for individual agency DOE funding amounts.
Contractor Stipend and Workforce Pipeline for Students in the Weatherization Program	\$100,000.00	The Weatherization workforce development and performance improvement planning includes two programs one is the contractor stipend plan and the workforce pipeline for students to work in the Weatherization Program that is outlined in the Training and Technical Assistance Plan. The contractor stipend is based on the number of retrofit installers, energy auditors, and quality control inspectors that are currently working in the Weatherization Program as well as the number of classes to be offered this year. The workforce pipeline is based on another state's model and will begin with training and paying stipends for a retrofit installer pilot cohort before expanding. (\$100,000 T&TA) expenditures
	<hr/>	
Contracts and Subgrants Total	\$24,881,968.00	

*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>
Printing	\$11,097.00	Printing brochures, sessions descriptions, field guides, policy, and handouts for conferences and regional meetings.
Telecommunications	\$33,000.00	Costs related to cellular phone services, conference calls, and other cellular services to manage a remote work force. Upgrades to support social distancing. Grantee Admin will cover 100% of costs. (Increased number of staff members from expansion efforts)
Program promotion	\$20,000.00	Items for Weatherization Day, Conferences, Events, and Public Information Campaigns.
Dues and subscriptions	\$25,545.00	NASCSP (\$2,500), Energy Efficiency (\$500), Power Apps (\$10,000), Survey Monkey (\$500), Home Energy Magazine (\$45), Efficiency First (as needed), and CSST (\$12,000).
Public Hearing Posting	\$5,000.00	Cost of media company to post public hearing announcement in multiple newspapers throughout the state at least 10 days prior to the hearing to meet DOE regulations.
Other Direct Costs Total		\$94,642.00

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

Historical pricing has determined the costs for printing information for the Weatherization Conferences and regional trainings, program promotion, and dues and subscriptions. The cellular phone service company is chosen by the State of Michigan following OMB rules and regulations. All costs included in Other Direct Costs are properly segregated from indirect costs to ensure there are not duplicate charges. All costs proposed are only being used of the WAP program and are allocated when relevant and possible among other funding sources.

8. **INDIRECT COSTS**

a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.

b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

The indirect cost rate includes DHHS central office functions benefiting the DOE program, including: Central Office Administration, Office of Monitoring & Internal Control, Contract Management, Central Office Facilities, and IT services. The MDHHS Bureau of Community Action & Economic Opportunity (BCAEO) administers the DOE weatherization assistance program grant. The indirect cost rate paid by Weatherization is .88% for PY22 of total expenditures. BCAEO staff charges time directly to the grant via time tracking so the only indirect costs is what gets allocated in the cost allocation process. So in order to get the indirect rate simply divide the cost allocation results by the direct charges.

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

Name: Susan Kangas

Phone Number: 5173737787

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009909		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695		4. Program/Project Start Date 07/01/2024	5. Completion Date 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. Federal	81.042	\$ 4,617,693.00		\$ 21,860,318.00		\$ 26,478,011.00
2.						
3.						
4.						
5. TOTAL		\$ 4,617,693.00	\$ 0.00	\$ 21,860,318.00	\$ 0.00	\$ 26,478,011.00

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	\$ 667,047.00	\$ 0.00	\$ 124,561.00	\$ 0.00	\$ 791,608.00
b. Fringe Benefits	\$ 442,399.00	\$ 0.00	\$ 65,482.00	\$ 0.00	\$ 507,881.00
c. Travel	\$ 58,400.00	\$ 0.00	\$ 66,476.00	\$ 0.00	\$ 124,876.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 77,036.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 77,036.00
f. Contract	\$ 299,998.00	\$ 2,039,523.00	\$ 2,225,706.00	\$ 1,400,000.00	\$ 24,881,968.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 94,642.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 94,642.00
i. Total Direct Charges	\$ 1,639,522.00	\$ 2,039,523.00	\$ 2,482,225.00	\$ 1,400,000.00	\$ 26,478,011.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 1,639,522.00	\$ 2,039,523.00	\$ 2,482,225.00	\$ 1,400,000.00	\$ 26,478,011.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009909		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695		4. Program/Project Start Date 07/01/2024	5. Completion Date 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.						
2.						
3.						
4.						
5. TOTAL		\$ 4,617,693.00	\$ 0.00	\$ 21,860,318.00	\$ 0.00	\$ 26,478,011.00

SECTION B - BUDGET CATEGORIES						
6. Object Class Categories	Grant Program, Function or Activity					Total (5)
	(1) PROGRAM OPERATIONS	(2) HEALTH AND SAFETY	(3) LIABILITY INSURANCE	(4) FINANCIAL AUDITS		
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 791,608.00	
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 507,881.00	
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 124,876.00	
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 77,036.00	
f. Contract	\$ 11,728,983.00	\$ 4,099,280.00	\$ 76,041.00	\$ 31,803.00	\$ 24,881,968.00	
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 94,642.00	
i. Total Direct Charges	\$ 11,728,983.00	\$ 4,099,280.00	\$ 76,041.00	\$ 31,803.00	\$ 26,478,011.00	
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	
k. Totals	\$ 11,728,983.00	\$ 4,099,280.00	\$ 76,041.00	\$ 31,803.00	\$ 26,478,011.00	
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009909		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address State of Michigan P.O. Box 30195 Lansing, MI 489097695		4. Program/Project Start Date 07/01/2024	5. Completion Date 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.						
2.						
3.						
4.						
5. TOTAL		\$ 4,617,693.00	\$ 0.00	\$ 21,860,318.00	\$ 0.00	\$ 26,478,011.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) VEHICLES AND EQUIPMENT	(2) LEVERAGING	(3) Weatherization Readiness	(4)	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 791,608.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00		\$ 507,881.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00		\$ 124,876.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00		\$ 77,036.00
f. Contract	\$ 100,000.00	\$ 0.00	\$ 2,880,634.00		\$ 24,881,968.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 94,642.00
i. Total Direct Charges	\$ 100,000.00	\$ 0.00	\$ 2,880,634.00		\$ 26,478,011.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00
k. Totals	\$ 100,000.00	\$ 0.00	\$ 2,880,634.00		\$ 26,478,011.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00		\$ 0.00

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
 State: MI Grant Number: EE0009909 Program Year: 2024

<p>Name: Baraga-Houghton-Keweenaw CAA</p> <p>Address: 926 Dodge Street Houghton, MI 49931-0000</p> <p>Counties served: HOUGHTON County KEWEENAW County BARAGA County</p>	<p>Contact: Mr. Paul Hannula UEI: JJ1TJNHFQJB9 DUNS: 153462288 Phone: (906) 482-5528 Fax: (906) 482-5512 Email: bhkcaawx@att.net</p> <p>Tentative allocation: \$ 468,883.00 Planned units: 28 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-01</p>
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<p>Name: Blue Water Community Action</p> <p>Address: 302 Michigan St. Port Huron, MI 48060-0000</p> <p>Counties served: ST. CLAIR County</p>	<p>Contact: Ms Marcie Goodwin UEI: UC52HNS3VJZ3 DUNS: 062876743 Phone: (810) 455-6454 Fax: (810) 982-7233 Email: mgoodwin@bwcaa.org</p> <p>Tentative allocation: \$ 466,008.00 Planned units: 28 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-09</p>
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<p>Name: Capital Area Community Services Inc</p> <p>Address: 101 East Willow Street Lansing, MI 48906-0000</p> <p>Counties served: SHIAWASSEE County INGHAM County EATON County CLINTON County</p>	<p>Contact: Mr. Bob Liss UEI: EH1KNVDP9GA9 DUNS: 076389618 Phone: (517) 393-1780 Fax: (517) 393-6631 Email: bliss@cacs wx.org</p> <p>Tentative allocation: \$ 1,034,076.00 Planned units: 65 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-07 MI-02</p>
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<p>Name: Chippewa-Luce-Mackinac Community Action and</p> <p>Address: P. O. Box 70 524 Ashmun Street Sault Ste Marie, MI 49783-0000</p>	<p>Contact: Ms. Bobbi Palmer UEI: G4TEAHYL63E6 DUNS: 116103888 Phone: (906) 632-3363 Fax: (906) 632-4255 Email: bpalmer@clmcaa.com</p>	
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U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
 State: MI Grant Number: EE0009909 Program Year: 2024

Counties served:	LUCE County CHIPPEWA County MACKINAC County	Tentative allocation: \$ 457,813.00 Planned units: 27 Type of organization: Non-profit organization Source of labor: Contractors	Congressional districts served: <u>CD</u> MI-01
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Name: Community Action Agency of South Central Michigan	Contact: Mr. Jeffrey Short
	UEI: TJGJMAHY1NK9
	DUNS: 020899480
Address: PO Box 1026	Phone: (269) 441-1634
175 Main Street	Fax: (269) 966-4170
Battle Creek, MI 49016-0000	Email: jeffreys@caascm.org
Counties served:	Congressional districts served: <u>CD</u>
ST. JOSEPH County	MI-04
BRANCH County	MI-02
BARRY County	MI-05
KALAMAZOO County	
CALHOUN County	
	Source of labor: Contractors

Name: Community Action of Allegan County	Contact: Mr. Darrell Oakley
	UEI: U1Q6JDFBNJS1
	DUNS:
Address: 323 Water Street	Phone: (269) 673-547272
Allegan, MI 49010-0000	Fax: () -
	Email: doakley@communityactionallegan.org
Counties served:	Congressional districts served: <u>CD</u>
ALLEGAN County	MI-04
	Source of labor: Agency and Contractors

Name: Dickinson-Iron Community Services Agency	Contact: Mr Don Tramontin
	UEI: DZCWABQQ7YA3
	DUNS: 556499234
Address: 1238 Carpenter Ave	Phone: (906) 774-2256
Iron Mountain, MI 49801-0000	Fax: (906) 774-2257
	Email: dtramontin@dicsami.org
Counties served:	Congressional districts served: <u>CD</u>
IRON County	MI-01
DICKINSON County	
	Source of labor: Contractors

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
State: MI Grant Number: EE0009909 Program Year: 2024

Name: EightCAP Inc	Contact: Mr. Devin Cavendish	
	UEI: H856QY5A3VL5	
	DUNS: 020892659	
Address: 5827 Orleans Road	Phone: (616) 255-6543	
Orleans, MI 48865-0000	Fax: (616) 225-8761	
	Email: DevinC@8cap.org	
Counties served: ISABELLA County	Tentative allocation: \$ 753,098.00	Congressional districts served: <u>CD</u>
MONTCALM County	Planned units: 46	MI-02
IONIA County	Type of organization: Non-profit organization	
GRATIOT County	Source of labor: Agency and Contractors	

Name: FiveCAP Inc	Contact: Ms. Mary Trucks	
	UEI: W1YGJQLWYP38	
	DUNS: 047673603	
Address: 302 North Main Street	Phone: (231) 757-3785	
P. O. Box 37	Fax: (231) 757-9669	
Scottville, MI 49454-0000	Email: fivecap@fivecap.org	
Counties served: MANISTEE County	Tentative allocation: \$ 0.00	Congressional districts served: <u>CD</u>
NEWAYGO County	Planned units: 0	MI-02
LAKE County	Type of organization: Non-profit organization	MI-01
MASON County	Source of labor: Contractors	

Name: Genesee County Community Action Resource Department	Contact: Mr. Jason Jones	
	UEI: T4PBKKNREJW7	
	DUNS:	
Address: 601 N. Saginaw Street	Phone: (810) 787-0199	
Suite 1B	Fax: () -	
Flint, MI 49502-0000	Email: jjones2@co.genesee.mi.us	
Counties served: GENESEE County	Tentative allocation: \$ 903,146.00	Congressional districts served: <u>CD</u>
	Planned units: 56	MI-08
	Type of organization: Unit of local government	
	Source of labor: Agency	

Name: Gogebic-Ontonagon CAA	Contact: Mr. Paul Janczak
	UEI: YZ97THHNXZM1
	DUNS: 096826656
Address: 100 S. Mill St.	Phone: (906) 667-0283
Bessemer, MI 49911-1354	Fax: (906) 663-0356
	Email: janczakp@gocaa.org

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
 State: MI Grant Number: EE0009909 Program Year: 2024

Counties served:	GOGEBIC County ONTONAGON County	Tentative allocation: \$ 399,882.00 Planned units: 23 Type of organization: Non-profit organization Source of labor: Contractors	Congressional districts served:	<u>CD</u> MI-01
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Name: Human Development Commission	Contact: Mr. Dave Ertman
	UEI: YTA8LNEB1GU7
	DUNS: 039630793
Address: 429 Montague Avenue	Phone: (989) 672-1779
Caro, MI 48723-0000	Fax: (989) 673-0646
	Email: davee@hdc-caro.org

Counties served:	SANILAC County TUSCOLA County LAPEER County HURON County	Tentative allocation: \$ 683,182.00 Planned units: 42 Type of organization: Non-profit organization Source of labor: Agency	Congressional districts served:	<u>CD</u> MI-09 MI-08
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Name: International Center for Appropriate & Sustainable Technology	Contact: Ryan Kristoff
	UEI: LFSCUPM9TZX9
	DUNS:
Address: 7400 W 14th Ave	Phone: (203) 907-6371
#101	Fax: () -
Lakewood, CO 80214-0000	Email: ryank@icastusa.org

Counties served:	WAYNE County OAKLAND County MACOMB County	Tentative allocation: \$ 0.00 Planned units: 0 Type of organization: Non-profit organization Source of labor: Contractors	Congressional districts served:	<u>CD</u> MI-Statewide
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Name: KENT, COUNTY OF (INC)	Contact: Roger Strickfaden
	UEI: QWTKLRW2HD4
	DUNS: 187501866
Address: 121 Franklin Street SE	Phone: (616) 632-7950
Suite 110	Fax: (616) 632-7955
Grand Rapids, MI 49507-0000	Email: roger.strickfaden@kentcountymi.gov

Counties served:	KENT County	Tentative allocation: \$ 999,230.00 Planned units: 62 Type of organization: Unit of local government Source of labor: Contractors	Congressional districts served:	<u>CD</u> MI-02 MI-03
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U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION
 State: MI Grant Number: EE0009909 Program Year: 2024

<p>Name: Macomb Community Action</p> <p>Address: 21885 Dunham Road Suite 10 Clinton Township, MI 48036-0000</p> <p>Counties served: MACOMB County</p>	<p>Contact: Mr. Joe Manzella UEI: MUN5FKTBJLQ5 DUNS: Phone: (586) 469-6329 Fax: () - Email: joe.manzella@macombgov.org</p> <p>Tentative allocation: \$ 1,248,438.00 Planned units: 78 Type of organization: Unit of local government Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-09 MI-10</p>
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<p>Name: Menominee-Delta-Schoolcraft Community Action Agency and</p> <p>Address: 507 First Avenue North Escanaba, MI 49829-3998</p> <p>Counties served: ALGER County MENOMINEE County DELTA County SCHOOLCRAFT County MARQUETTE County</p>	<p>Contact: Ms. Brenda Moya UEI: MELAWJKQV1E3 DUNS: 192300858 Phone: (906) 786-7080 Fax: (906) 786-9423 Email: bmoya@mdscaa.org</p> <p>Tentative allocation: \$ 670,749.00 Planned units: 41 Type of organization: Non-profit organization Source of labor: Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-01</p>
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<p>Name: Mid Michigan CAA Inc</p> <p>Address: 1574 East Washington Road P.O. Box 768 Farwell, MI 48622-0768</p> <p>Counties served: GLADWIN County LAKE County SAGINAW County BAY County MECOSTA County NEWAYGO County MIDLAND County OCEANA County MASON County CLARE County OSCEOLA County MUSKEGON County</p>	<p>Contact: Mr. Johnny Mills UEI: D2KANZUMH565 DUNS: 069468080 Phone: (989) 418-0937 Fax: (989) 386-3277 Email: jmills@mmcaa.org</p> <p>Tentative allocation: \$ 1,900,428.00 Planned units: 121 Type of organization: Non-profit organization Source of labor: Agency and Contractors</p>	<p>Congressional districts served: <u>CD</u> MI-02 MI-03 MI-08</p>
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SUBGRANTEE INFORMATION
State: MI Grant Number: EE0009909 Program Year: 2024

Name: **Monroe County Opportunity Program** Contact: Ms. Sandra Wilson
UEI: WXD1J5TKSNB9
DUNS: 097226690
Address: 1140 South Telegraph Road Phone: (734) 241-2775
Monroe, MI 48161-4006 Fax: (734) 457-0630
Email: swilson@monroecountyop.org

Counties served: JACKSON County Tentative allocation: \$ 923,685.00 Congressional districts served: CD
MONROE County Planned units: 57 MI-05
LENAWEE County Type of organization: Non-profit organization
HILLSDALE County Source of labor: Contractors

Name: **Northeast Michigan Community Action Agency** Contact: Mr. Douglas Tallant
UEI: CEG3V4ZVRDU4
DUNS: 020905642
Address: 2375 Gordon Road Phone: (989) 329-3664
Alpena, MI 49707-0000 Fax: (989) 471-2700
Email: tallantd@nemcsa.org

Counties served: MONTMORENCY County Tentative allocation: \$ 959,622.00 Congressional districts served: CD
ALCONA County Planned units: 60 MI-01
OGEMAW County Type of organization: Non-profit organization
PRESQUE ISLE County
OTSEGO County
CRAWFORD County
ARENAC County
ALPENA County
CHEBOYGAN County
OSCODA County
IOSCO County Source of labor: Contractors

Name: **Northwest Michigan Community Action Agency** Contact: Ms. Tish Stave
UEI: LZWJEHLF8724
DUNS:
Address: 3963 Three Mile Rd. Phone: (231) 346-2185
Traverse City, MI 49686-0000 Fax: () -
Email: tstave@nmcaa.net

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Counties served:	BENZIE County WEXFORD County GRAND TRAVERSE Coun LEELANAU County EMMET County KALKASKA County ROSCOMMON County CHARLEVOIX County MANISTEE County MISSAUKEE County ANTRIM County	Tentative allocation: \$ 1,050,202.00 Planned units: 66 Type of organization: Non-profit organization	Congressional districts served:	<u>CD</u> MI-01 MI-02
Source of labor: Contractors				

Name:	Oakland Livingston Human Services Agency	Contact:	Mr. Douglas Symons	
		UEI:	J25FVSQGPKM1	
		DUNS:	088746458	
Address:	196 East Cesar E. Chavez Pontiac, MI 48343-0598	Phone:	(248) 209-2760	
		Fax:	() -	
		Email:	dougs4@olhsa.org	
Counties served:	OAKLAND County LIVINGSTON County	Tentative allocation:	\$ 1,633,110.00	<u>CD</u> MI-10 MI-06 MI-11 MI-07 MI-12
		Planned units:	103	
		Type of organization:	Non-profit organization	
Source of labor: Contractors				

Name:	Ottawa County CAA	Contact:	Ms. Barbara Koning	
		UEI:	EZE8NUD6HSQ7	
		DUNS:	085899011	
Address:	12251 James Street Suite 300 Holland, MI 49424-9661	Phone:	(616) 393-4433	
		Fax:	(616) 393-5612	
		Email:	bkoning@miottawa.org	
Counties served:	OTTAWA County	Tentative allocation:	\$ 508,459.00	<u>CD</u> MI-03 MI-04
		Planned units:	30	
		Type of organization:	Unit of local government	
Source of labor: Contractors				

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Name: Saginaw County Community Action Committee		Contact: Mr. Hurley Coleman
Address: 2824 Perkins		UEI: NF18MW7E78D6
Saginaw, MI 48601-0000		DUNS: 138775994
Counties served: SAGINAW County		Phone: (989) 753-7741
Tentative allocation: \$ 0.00		Fax: (989) 753-2439
Planned units: 0		Email: hcoleman@saginawcac.org
Type of organization: Non-profit organization		Congressional districts served: <u>CD</u>
Source of labor: Agency		MI-08

Name: Southwest Michigan CAA		Contact: Ms. Sandra Klank
Address: 185 East Main Street		UEI: LD15GLQVWY7
Suite 200		DUNS: 002009442
Benton Harbor, MI 49022-0000		Phone: (269) 925-9077
Counties served: VAN BUREN County		Fax: (269) 925-9271
Tentative allocation: \$ 792,270.00		Email: sklank@smcaa.com
Planned units: 49		Congressional districts served: <u>CD</u>
Type of organization: Non-profit organization		MI-05
Source of labor: Contractors		MI-04

Name: Washtenaw County		Contact: Mr. Aaron Kraft
Address: 301 West Michigan Ave.		UEI: M5WKMFUV9GA4
Suite 400		DUNS:
Ypsilanti, MI 48197-0000		Phone: (734) 544-3022
Counties served: WASHTENAW County		Fax: () -
Tentative allocation: \$ 606,269.00		Email: krafta@washtenaw.org
Planned units: 37		Congressional districts served: <u>CD</u>
Type of organization: Unit of local government		MI-06
Source of labor: Agency		

Name: Wayne Metropolitan Community Action Agency		Contact: Mr. John Carmody
Address: 7310 Woodward Ave		UEI: LJSGHKVJLBU4
Suite 800		DUNS: 053258109
Detroit, MI 48202-0000		Phone: (313) 463-5468
Counties served: WAYNE County		Fax: (313) 873-6066
Tentative allocation: \$ 1,000,000.00		Email: jcarmody@waynemetrometro.org
Planned units: 10		
Type of organization: Non-profit organization		
Source of labor: Agency		

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Counties served:	WAYNE County	Tentative allocation:	\$ 3,888,413.00	Congressional districts served:	<u>CD</u>
		Planned units:	251		MI-13
		Type of organization:	Non-profit organization		MI-12
					MI-06
		Source of labor:	Contractors		

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IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Baraga-Houghton-Keweenaw CAA (Houghton)	\$468,883.00 28
Blue Water Community Action (Port Huron)	\$466,008.00 28
Capital Area Community Services Inc (Lansing)	\$1,034,076.00 65
Chippewa-Luce-Mackinac Community Action and (Sault Ste Marie)	\$457,813.00 27
Community Action Agency of South Central Michigan (Battle Creek)	\$1,195,156.00 75
Community Action of Allegan County (Allegan)	\$396,050.00 23
Dickinson-Iron Community Services Agency (Iron Mountain)	\$418,093.00 25
EightCAP Inc (Orleans)	\$753,098.00 46
FiveCAP Inc (Scottville)	\$0.00 0
Genesee County Community Action Resource Department (Flint)	\$903,146.00 56
Gogebic-Ontonagon CAA (Bessemer)	\$399,882.00 23
Human Development Commission (Caro)	\$683,182.00 42
International Center for Appropriate & Sustainable Technology (Lakewood)	\$0.00 0
KENT, COUNTY OF (INC) (Grand Rapids)	\$999,230.00 62
Macomb Community Action (Clinton Township)	\$1,248,438.00 78
Menominee-Delta-Schoolcraft Community Action Agency and (Escanaba)	\$670,749.00 41
Mid Michigan CAA Inc (Farwell)	\$1,900,428.00 121
Monroe County Opportunity Program (Monroe)	\$923,685.00 57
Northeast Michigan Community Action Agency (Alpena)	\$959,622.00 60
Northwest Michigan Community Action Agency (Traverse City)	\$1,050,202.00 66
Oakland Livingston Human Services Agency (Pontiac)	\$1,633,110.00 103
Ottawa County CAA (Holland)	\$508,459.00 30
Saginaw County Community Action Committee (Saginaw)	\$0.00 0
Southwest Michigan CAA (Benton Harbor)	\$792,270.00 49

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Washtenaw County (Ypsilanti)	\$606,269.00 37
Wayne Metropolitan Community Action Agency (Detroit)	\$3,888,413.00 251
Total:	\$22,356,262.00 1,393

IV.2 WAP Production Schedule

Weatherization Plans	Units
Total Units (excluding reweatherized)	1,383
Reweatherized Units	10
Average Unit Costs, Units subject to DOE Project Rules	
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)	
A Total Vehicles & Equipment (\$5,000 or more) Budget	\$100,000.00
B Total Units Weatherized	1,383
C Total Units Reweatherized	10
D Total Dwelling Units to be Weatherized and Reweatherized (B + C)	1,393
E Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$71.79
AVERAGE COST PER DWELLING UNIT (DOE RULES)	
F Total Funds for Program Operations	\$11,728,983.00
G Total Dwelling Units to be Weatherized and Reweatherized (from line D)	1,393
H Average Program Operations Costs per Unit (F divided by G)	\$8,419.94
I Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$71.79
J Total Average Cost per Dwelling (H plus I)	\$8,491.73

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	1393	29.3	40815
Prior Year Estimate	1244	29.3	36449
Prior Year Actual	1194	29.3	34984
Method used to calculate savings description:			
<p>The WAP algorithm that Michigan uses is based on the most recent meta evaluation of the national DOE Weatherization Assistance Program. The report indicates the annual energy savings for gas-heated homes nationwide is estimated to be 29.3 million site BTUs.</p> <p>The Program Year (PY) 2024 estimate of energy savings for the DOE funding (PY24 funding) is: 1,393 homes x 29.3 million site BTUs per home = 40,815 million site BTUs.</p>			

IV.4 DOE-Funded Leveraging Activities

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IV.5 Policy Advisory Council Members

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

Community Action Agency of South Central Michigan	Type of organization: Non-profit (not a financial institution) Contact Name: Mr. Jeffrey Short Phone: 2694411634 Email: jeffreys@caascsm.org
Consumers Energy	Type of organization: Utility Contact Name: Ms. Yvonne K. Lewis Phone: 5172626245 Email: Yvonne.Lewis@cmsenergy.com
International Center for Appropriate & Sustainable Technology	Type of organization: Non-profit (not a financial institution) Contact Name: Keesha Johnson Phone: 3034821096 Email: keeshaj@icastusa.org
Michigan Community Action Agency Association Weatherization Committee	Type of organization: Non-profit (not a financial institution) Contact Name: Mr. Brian McGrain Phone: 5176796400 Email: bmcgrain@micommunityaction.org
Michigan League for Public Policy	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Julie Cassidy Phone: 5172146006 Email: jcassidy@mlpp.org
Mid Michigan CAA Inc	Type of organization: Non-profit (not a financial institution) Contact Name: Mr. Johnny Mills Phone: 9894180937 Email: jmills@mmcaa.org
Monroe County Opportunity Program	Type of organization: Non-profit (not a financial institution) Contact Name: Ms. Sandra Wilson Phone: 7342412775 Email: swilson@monroecountyop.org
State of Michigan	Type of organization: Unit of State Government Contact Name: Brad Banks Phone: 5172848118 Email: BanksB1@michigan.gov
State of Michigan	Type of organization: Unit of State Government Contact Name: Ms. Nicole Denson-Sogbaka Phone: 5178973345 Email: densonsogbakan@michigan.gov
State of Michigan	Type of organization: Unit of State Government Contact Name: Kris Schoenow Phone: 5173738896 Email: Schoenowk@Michigan.gov
State of Michigan	Type of organization: Unit of State Government Contact Name: Carin Speidel Phone: 5172844819 Email: SpeidelC@michigan.gov
State of Michigan	Type of organization: Unit of State Government Contact Name: Julie Mclaughlin Phone: 2317333753 Email: mclaughlinj@michigan.gov
The Upper Peninsula Power Company	Type of organization: Utility Contact Name: Mr. Andrew McNeally Phone: 9064492013 Email: amcneally@upppo.com
Walker Miller Energy Services	Type of organization: For-profit or Corporate (not a financial institution or utility) Contact Name: Mr. Ben Dueweke Phone: 3133668535 Email: dueweke@wmenergy.com

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Wayne Metro Community Action Agency	Type of organization: Non-profit (not a financial institution) Contact Name: Mr. John Carmody Phone: 7342462280 Email: jcarmody@waynemetrol.org
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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
04/16/2023	Lansing State Journal: 3/10/23 Marquette Mining Journal: 3/9/23 Oakland Press: 3/10/23

IV.7 Miscellaneous

Recipient Business Officer
 Kris Schoenow, Executive Director
 Bureau of Community Action and Economic Opportunity
 Michigan Department of Human Services
 235 S Grand Ave. Ste. 204
 Lansing, MI 48933
 (517)388-3085
SchoenowK@michigan.gov

Recipient Principal Investigator
 Alexandria Mehls, Weatherization Specialist
 Bureau of Community Action and Economic Opportunity
 Michigan Department of Human Services
 235 S Grand Ave. Ste. 204
 Lansing, MI 48933
 517-898-2098
MehlsA@michigan.gov

Subgrantee Allocation / Territory Notes:

FiveCAP opted to relinquish the WAP during PY22, after the MI State Plan was submitted. FiveCAP is listed as \$0 in the annual file rather than removing the subgrantee during the project period. FiveCAP did not operate the WAP in PY23. FiveCAP CAA operates in four counties, Mason, Manistee, Lake and Newaygo. Weatherization services in Mason, Lake and Newaygo are provided by Mid-Michigan CAA and services in Manistee are provided by Northwest Michigan CAA.

Saginaw County CAC opted to relinquish running the WAP during PY23. Mid-Michigan CAA was selected as the interim provider for the territory, and has begun providing services in Saginaw County in PY23 and will continue in PY24. Saginaw County CAC is listed as \$0 in the annual file rather than removing the subgrantee during the project period.

GCCARD is currently in transition to move to an outreach and intake program model while the job management and wx services will be completed by a neighboring CAA for an interim period. This interim plan will likely be in place for 3 years in order to determine what the long term plan will be for the WAP in Genesee County.

There are no new subgrantees added for PY24.

Average Cost Per Unit (ACPU)
 Michigan utilizes the maximum average cost per unit allowable by DOE. A few Subgrantees experience high counts of poor housing stock that lead to high cost completions or deferrals which results in a higher ACPU. As inflation has increased, more and more agencies have struggled to balance their maximum allowable ACPU. Recently we have heard anecdotally that they have to place more homes on hold than in the past to maintain their ACPU in hopes of addressing the higher cost jobs next year.

Other Funding Sources for WAP
 Low Income Energy Assistance Program (LIHEAP) funds are not allocated at the level they are in most other states to the MI WAP. The funding period for

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LIHEAP is different than DOE. DOE grant period is 7/1 - 6/30. The LIHEAP grant period is 10/1 - 9/30. At the time of plan submission, there is a floor amount of \$6,000,000 annually to be allocated to the Michigan WAP for FY25 (10/1/2024 - 9/30/2025). In FY24, there was a one time increase of LIHEAP funds of \$5.108M for a total of \$11.108M in the Michigan WAP. Still this is a much lower level of braided funds than most states' WAPs and our state feels the limitations heavily with the ACPU and SIR restrictions.

Health & Safety Policy - Ventilation

Michigan will use ASHRAE 62.2 2016 for DOE funded units and will comply with WPN 22-7 for Health and Safety policy.

DOE Extended Measure Lifetimes

Michigan has received approval from DOE on extended measure lifetimes as guided in WPN 23-6. Michigan implemented these extended lifetimes in PY19 and continues to utilize them.

DOE WAP Materials

As outlined in WPN 23-6, Michigan has received approval from DOE to utilize LED bulbs, two part sprayfoam as insulation, refrigerators and water heaters in WAP dwellings.

Subgrantees in PY24

Michigan ran an RFP to include a statewide multifamily provider beginning in the BIL grant, with the potential to be added to the formula grant. The provider selected on April 7, 2023 was ICAST. The RFP plans to have that provider begin May 1, 2023 in BIL. ICAST will operate under BIL in PY24 with the potential of allocation formula funds as determined by Michigan. Saginaw County Community Action Committee relinquished their program during PY24. An interim provider has been selected to cover the territory. The entire state is covered (each county is covered by one agency). Five subgrantees are under corrective action plans, working to rebuild the program. A potential outcome is loss of the program.

Additionally, with stimulus funding planned, the limitations of individual agencies and delays caused by the pandemic, BCAEO is considering to adding additional single family Subgrantees to our program. This will require an RFP process. We are aware that if we do, we would need to amend the state plan first and work with DOE to add the organization(s), and that the organization(s) would need to meet the requirements of 10 CFR 440.15 and 2 CFR 200.93.

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

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

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

The Michigan Department of Health and Human Services, Bureau of Community Action and Economic Opportunity (MDHHSBCAEO) uses a combined U.S. Department of Energy (DOE) and U.S. Health and Human Services Low Income Home Energy Assistance Program (LIHEAP) Weatherization Assistance Program (WAP) application. The combined WAP application eligibility expires 12 months from eligibility determination date if work on dwelling unit (energy audit) has not been initiated.

Low-income household definition: A low-income household is a family unit meeting the qualifications below to be eligible for weatherization services.

Income definition description: A dwelling unit is eligible for weatherization under DOE funding if it is occupied by a low-income household:

1. **Traditional Eligibility:** Whose income is at or below 200% of the most recent Federal Poverty Income Guidelines and is eligible under LIHEAP funding for assistance when income is at or below 200% of Federal Poverty Income Guidelines as allowed by 10 CFR 440.22.
2. **Categorical Eligibility:** Which contains a member who has received cash assistance payments during the preceding twelve-month period under Titles IV and XVI of the Social Security Act, Pub.L. No. 88452, 42 U.S.C. § 2701 et seq. or applicable State or local law.
3. **Categorical Eligibility:** Who is determined 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.
4. **Categorical Eligibility:** Whose residents have met the income requirements of HUD means-tested programs through mechanisms including, but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. Method of verification of eligibility must be included in the client file.

A household meeting the criteria of traditional or categorical eligibility will be determined by and documented in the statewide database software system by subgrantees. A weatherization tool in the database system, developed by Michigan, will determine income eligibility using a combination application to administer and manage the Weatherization Assistance Program. The database system tracks and reports eligibility for programs administered by MDHHS-BCAEO including DOE and LIHEAP Weatherization programs. Eligibility determinations will be subject to review by MDHHS-BCAEO. Categorical eligibility for weatherization may occur when an individual is found eligible under another federal program (example: eligible LIHEAP recipients are eligible for DOE WAP) using a similar eligibility determination criterion. Documentation of categorical eligibility is maintained in the client file.

On a case-by-case basis, multifamily projects may use alternative methods to document eligibility (traditional or categorical) which will be reviewed and approved by MDHHS-BCAEO. Subgrantees will work with MDHHS-BCAEO Technical staff during the multifamily project approval process and documentation of MDHHS-BCAEO instruction will be maintained in the project file. As multifamily projects are typically managed at the project level rather than individual applicant level, BCAEO and Subgrantees will determine the optimal way to determine and track eligibility.

See section "Describe How Rental Units/Multifamily Buildings Will Be Addressed (V.1.2 Box 4)" for details on Multifamily.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:
Community Service Policy Manual 601 Income Eligibility Guidelines

Describe what household eligibility basis will be used in the Program

Michigan uses the most recent federal poverty guidelines as updated by MDHHS and supported in WPN 24-3.

MDHHS-BCAEO is transitioning from the statewide database FACSPRO to another statewide database system, CSST empowOR, during PY23/PY24. MDHHS-BCAEO is currently working to determine the details in functionality of the new statewide database. During this transition, MDHHS-BCAEO will work with

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Subgrantees on documentation and program compliance requirements.

Household eligibility documentation is available through the database system, BCAEO website, and Subgrantees. All weatherization requirements and changes are updated in the database system to ensure weatherization assistance program compliance by all Subgrantees. The Eligibility Determination date is used to determine when a client becomes eligible for weatherization. This safeguard ensures that all households receiving weatherization services are eligible. No dwelling unit may be weatherized without documentation that the dwelling unit is an eligible unit. A standard weatherization application or intake/customer report is used by Subgrantees. This application requires that all household income be calculated, per DOE requirements. It also requires that income and home ownership is verified by Subgrantee staff. Income eligibility is determined by Subgrantees using the statewide database system.

Subgrantees are required to maintain a signed weatherization program application or client report. All other documentation of client eligibility is uploaded to the statewide database or maintained by the Subgrantee. If weatherization services do not begin (an energy audit has not been initiated) within 12 months of the eligibility date, the household's eligibility must be redetermined. Both LIHEAP and DOE funding are available for households that are determined income eligible by the parameters listed in the "definition of income used to determine eligibility" of this state plan.

Michigan treats renters and owner-occupied dwellings equally. The Michigan Community Services Policy Manual (CSPM) requires Subgrantees to have procedures in place to ensure eligible households are served according to their priority, whether or not the eligible household rents or owns the dwelling. The Subgrantees' procedures are reviewed by BCAEO's monitors. Michigan's tenant eviction policy is specified in the Landlord Agreement. Within that document, the landlord agrees not to evict the tenant(s) during the period of agreement, except for documented cause, and also agrees not to raise the rent as a result of increased value due to weatherization work completed.

Subgrantees work on a case by case basis with rental property owners (both single family and multifamily) to ensure and document that any WAP payment for a rental building or dwelling will be directed to eligible low-income occupants receiving weatherization services. Any forms for written permission from the owner/landlord prior to the start of any weatherization activities and other requirements, including the dwelling energy audit, must be included in the work file. Renters have the right to appeal any rent increases they believe do not meet the requirements stated above. Any appeal must be stated in writing and must follow an appeal process as outlined in the CSPM.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 606 Program Requirements
Community Service Policy Manual 610.1 Landlord Agreement Sample
Community Service Policy Manual 610.2 Landlord Contributions
Community Service Policy Manual 611 Client Priority Selection Criteria

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

Michigan will follow the policies outlined in "Summary of Immigrant Eligibility Restrictions under Current Law as of 2/25/2009" in the HHS guidelines when determining eligibility of qualified and nonqualified aliens.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

Procedures to determine units to weatherize:

Pursuant to 10 CFR Part 440.1: The weatherization program is to increase the energy efficiency of dwellings owned or occupied by low-income persons.

10 CFR 440.3 defines a dwelling unit as a house, including stationary mobile home, an apartment, a group of rooms, or a single room occupied as a separate living quarter.

10 CFR Part 440.16(a): No dwelling unit may be weatherized without documentation that the unit is an eligible unit as provided in CRF 440.22.

Subgrantees are required to retain records that allow them to determine which dwellings have been previously weatherized, including the date weatherization activities were completed. Dwelling units weatherized (including dwelling units partially weatherized) may not receive further financial assistance for weatherization under this part until the date that is 15 years after the date such previous weatherization was completed. The statewide database system provides documentation of units that have been weatherized.

Subgrantees are required to complete, prior to any weatherization activity, a State Historic Preservation (SHPO) review for units 50 years of age or older at the time the work takes place, units that are historic properties, or units that are in a designated historic area. Michigan's SHPO Programmatic Agreement (PA) was extended until December 2025. Proposed work on tribal land for eligible jobs 45 years or older will be submitted to DOE for consultation with SHPO or Tribal Historic Preservation Office (THPO) as outlined in WAP Memo 110.

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MDHHS-BCAEO will adhere to the stipulations of the PA, which can be found at: <https://www.energy.gov/eere/wipo/historic-preservation-executed-programmatic-agreements>

MDHHS-BCAEO's review of Subgrantee household files includes verification of SHPO or THPO review and preweatherization status.

Eligible Dwelling Units

Structures eligible for weatherization include single family, manufactured housing (mobile homes), and multifamily housing (two to four units and 5+ units). All structures must be stationary and have a specific mailing (street) address. Campers and nonstationary trailers are not eligible. All dwellings to be weatherized must be owner or renter occupied, and occupied by a household:

1. Whose income is at or below 200 percent of the poverty level established by the U.S. Department of Health and Human Services, or which contains a member who has been determined eligible for any of the categorical eligibilities outlined in section V.1.1.
2. Occupying a qualified rental dwelling unit in accordance with CSPM Item 608.
3. Occupying a shelter, group home or transitional facility in accordance with CSPM Item 608.1.

The only instance where a dwelling unit may be eligible and not be determined income eligible as above is the case of a unit in a multifamily building only where; not less than 50 percent of the dwelling units in the building are eligible dwelling units for duplexes and four unit buildings; or not less than 66 percent of the dwelling units in the building are eligible dwelling units for **three unit buildings and five+ unit buildings**. Additional detail on Multifamily/Rental building eligibility is included in later sections.

If energy savings cannot be realized due to the condition of a home, these conditions shall be documented in the electronic file and the home shall not be weatherized. Such conditions shall be brought to the attention of the client with referrals to other help sources available.

Eligibility Documentation (owner and renters):

The following documents must be uploaded to the statewide database system or retained as directed by MDHHS-BCAEO:

- Signed Customer Report or Standard Application Form, DHS4283, including the Social Security numbers of all household members*
- Signed weatherization disclaimer
- Income eligibility documentation (pay stubs, award letters, etc.)
- Written notification to client
- Priority criteria selection
- Home ownership documentation (including rental units)
- Landlord Agreement (if applicable)
- Documentation of landlord contributions (if applicable)
- Utility usage documentation
- MDHHS-BCAEO approval of self-declaration of zero income for the entire household (if applicable)

*In cases where SSN cannot be collected from all household members, Subgrantees must submit to MDHHS-BCAEO for review.

Multifamily Documentation: Subgrantees completing 5+ unit multifamily projects will work with BCAEO for each project to determine the location and submission of eligibility documentation for projects depending on database system functionality considerations.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

- Community Service Policy Manual 605 Reweatherization of Dwelling
- Community Service Policy Manual 606 Program Requirements
- Community Service Policy Manual 608 Multifamily Building Eligibility
- Community Service Policy Manual 608.1 Shelters, Group Homes and Transitional Facilities
- Community Service Policy Manual 612 Applicant File Documentation
- Community Service Policy Manual 619 State Historical Preservation Office (SHPO) Review

Describe Reweatherization compliance

The Consolidated Appropriations Act of 2021 was amended to read as follows: "(2) Dwelling units weatherized (including dwelling units partially weatherized) under this part, or under other Federal programs (in this paragraph referred to as 'previous weatherization'), may not receive further financial assistance for weatherization under this part until the date that is 15 years after the date such previous weatherization was completed. This paragraph 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 this part or under other federal programs, or from receiving non-federal assistance for weatherization."

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Subgrantees are required to retain records of all weatherized dwellings, including the date weatherization activities were completed and a description of DOE and other funds used for weatherization in a particular dwelling. No dwellings weatherized within the 15 year "rolling" completion date using DOE funds will receive additional weatherization using DOE funds. Dwellings weatherized after the 15 year "rolling" completion date may be reweatherized if the household in the dwelling is currently eligible and a current energy audit documents that additional cost-effective work can be performed. Exception to the reweatherization policy is allowed under Michigan's Disaster Plan as described in section V.9.

Subgrantees imported data in 2011 on previously weatherized homes into the FACSPro system as far back as 1995. During PY24, there will be a transition from FACSPro to a new database system. The transition to the new database system includes a plan to obtain historical records of previously weatherized dwelling units by address from FACSPro and import or maintained these records by MDHHS-BCAEO. The address is checked by Subgrantees prior to scheduling a household for service to see whether that house has been previously weatherized. If the house has been previously weatherized beyond the 15 year "rolling" completion date with DOE funds, then it is eligible for reweatherization. This policy is clarified in CSPM 605. If the house is eligible for reweatherization, the Subgrantee decides whether to reweatherize the house based on a number of factors including the energy usage of the house as well as the number of other households currently on the waiting list. The priority is to serve dwelling units that have not been weatherized. Each dwelling to be weatherized is required to receive a new energy audit that considers any previous energy conservation improvements to the dwelling.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:
Community Service Policy Manual 605 Reweathering of Dwelling Units

Describe what structures are eligible for weatherization

Structures eligible for weatherization include single family, manufactured housing (mobile homes), 2-4 unit housing, and both small (5+ units, 3 stories or less, no central mechanical systems) and large multifamily housing (25+ units/building of 4 stories or more, or 5+ units/building with central mechanical systems). Michigan has approved audits for single family (2021) and manufactured homes (2021). Additionally, Michigan has approval for the Region 3 DOE-Sponsored Priority List (2023).

For energy audit purposes, per 10 CFR 440.22, multifamily housing is defined as any building which contains five or more single family dwelling units, with the following exception: Row houses and townhomes may be treated as single family dwellings if they have independent mechanical systems and are attached only by vertical walls that contain a continuous pressure boundary (i.e. fire rated assembly) that is not penetrated from the foundation to the highest point of conditioned space. Multifamily units have historically been lower than 20% of Michigan's annual production. For multifamily projects that require an energy audit to be run, in accordance with WPN 23-6, Michigan will submit any multifamily project details to our DOE Project Officer for review prior to any multifamily project commencing. Multifamily projects requiring use of an energy audit tool will be below 20% of Michigan's production until Michigan receives approval for use of a Multifamily Energy Audit tool.

Michigan was approved to utilize the Low Rise Multifamily (LRMF) PL in accordance with WPN 22-8 on the appropriate MF buildings and work scopes. In cases of agencies utilizing that method to develop a work order, Michigan reviews the work order and works with the agency on all steps of the process.

All structures must be occupied prior to weatherization, stationary, and have a specific mailing (street) address. Campers and nonstationary trailers are not eligible. Nontraditional dwelling types such as shelters and mixed-use buildings, while allowed, must be approved by MDHHS-BCAEO prior to weatherization to ensure that the dwelling meets program regulations. If deemed necessary, MDHHS BCAEO will seek approval from the DOE Project Officer for the weatherization of a nontraditional dwelling.

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

1. Whose income is at or below 200% of the poverty level established by the U.S. Department of Health and Human Services, or which contains a member who has been determined eligible for any of the categorical eligibilities outlined in section V.1.1.
2. Occupying a qualified rental dwelling unit in accordance with Community Services Policy Manual (CSPM) Item 608.
3. Occupying a shelter in accordance with CSPM Item 608.1.

Vacant unit(s) in a multifamily building which meets the eligibility criteria for the building may be weatherized in accordance WPN 22-12.

State Historic Preservation Office Review (SHPO)

MDHHS-BCAEO and the Michigan Economic Development Commission (MEDC), have in place a programmatic agreement to ensure National Historic Act compliance with DOE funded activities, originally signed April 2010. Per 36 CFR 800.14 the agreement was extended for 5 years in 2020. The current agreement expires at the end of 2025. MDHHS has begun discussions with MEDC on the next steps for the PA to be renewed before this deadline.

Michigan's SHPO Programmatic Agreement is here: <https://www.energy.gov/eere/wipo/historic-preservation-executed-programmatic-agreements>

Weatherization work will align with the provisions in the Programmatic Agreement and any consultation with the SHPO office. Proposed work on tribal land for eligible jobs 45 years or older will be submitted to DOE for consultation with SHPO or Tribal Historic Preservation Office (THPO).

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Multifamily Buildings

Michigan will conduct multifamily projects once projects are identified; the agency will work with BCAEO and DOE per the instructions in WPN 236 to complete a multifamily project. The availability of potential projects, qualified field staff, smoothness and timing of project oversight between entities will each contribute to determining how many multifamily projects will be completed within the Program Year. BCAEO and Michigan agencies will follow the instructions in WPN 23-6 for states with no approved multifamily energy audit tool, and multifamily production for projects requiring the use of a traditional multifamily energy audit tool will remain under 20% of total completed units.

During PY23 Michigan added a statewide multifamily provider. It is anticipated that this Subgrantee will complete the majority of multifamily projects in Michigan. All Subgrantees may opt to do multifamily projects in their territory, but most have not pursued this option. The LRMF PL approach will be the most straightforward way for entities who do not regularly weatherize these types of projects and Michigan anticipates that most Subgrantees will only utilize this option, if any, for multifamily projects. The statewide provider and a few other Subgrantees (based on current experience) will continue to pursue any multifamily projects regardless of audit type. With a statewide multifamily provider subgrantee, Michigan anticipates submitting for and receiving approval of a multifamily energy audit by DOE so that more than 20% of the state's production may be multifamily in upcoming years. As Michigan has received approval for the LRMF PL in PY22, multifamily projects completed with the PL will not be counted towards the 20% production.

When subgrantees weatherize a building containing rental dwelling units, common areas (like vestibules, mechanical rooms, kitchens, and laundries, for the use of tenants only) that are within the building thermal envelope of the qualified residential building may be weatherized as part of the whole building as a system approach to weatherization. Common areas in buildings having a separate envelope not thermally connected to the qualified building, even if existing only for the use of the tenants of the qualified building, may not receive services paid with WAP funding. (WPN 22-12 FAQ)

The Subgrantee may weatherize rental dwelling units in a multifamily building when the property owner has signed a landlord agreement, which: authorizes the weatherization work; accepts conditions protecting the interests of low-income tenants; and, for those units where the tenant does not pay for energy directly, agrees to specifically demonstrate that the benefits of the weatherization accrue primarily to the tenant.

Multifamily Building Eligibility

Multifamily buildings will be eligible for weatherization when not less than 66 percent (50 percent for duplexes and four unit, and certain eligible types of multifamily buildings*) of dwelling units in the building (10 CFR 440, Part 22(b)(2)):

- i. Are eligible dwelling units, or
- ii. Will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building; and

*The initial expectation is Michigan will target buildings with 5 or more units wherein between 66 – 100 percent of the occupants meet the income eligibility requirements. However, the regulations acknowledge there are certain buildings where 50 percent eligibility is a more appropriate threshold. The regulations are explicit in establishing that this lower threshold is appropriate in duplex and four unit buildings. In addition, in the Interim Final Rule to update 10 CFR 440 DOE provided guidance on what types of large multifamily buildings may be subject to the 50 percent threshold. Michigan will follow this guidance on case-by-case basis and exercise caution while approaching these projects. If considered, Michigan will review if the project and investment of DOE funds will result in significant energy-efficiency improvements because of the upgrades to equipment, energy systems, common space, or the building shell. Additionally, Michigan will review Subgrantees leveraging of resources for the project. Subgrantees will work initially with MDHHS-BCAEO Technical Staff on these projects and MDHHS-BCAEO will then consult with DOE PO.

The 66 percent/50 percent rule applies to multifamily buildings. If the building is in a complex, each building is to be considered separately when determining the 66 percent/50 percent eligibility. A vacant unit may be weatherized in a multifamily building only where:

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

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

If the whole building qualifies for WAP, the vacant units will receive WAP services per the energy audit. The unit would be counted as eligible if it will become income eligible within 180 days under a federal, state, or local government program for rehabilitating the building or making improvements to the building (CFR 440.22(b)(2)(ii)). In the event a vacant unit is counted as eligible but is then occupied by an ineligible family, the project will become disallowed if the minimum eligibility requirements, set forth in 10 CFR 440.22, for the building as a whole are not met.

Michigan also allows Subgrantees to access the USDA and HUD lists that were released by DOE in WAP Memo 099 and WPN 225 to confirm building eligibility for Weatherization. Subgrantees may consider those properties indicated as 100% income eligible or income eligible, in general as eligible for WAP. There is another list in WPN 225 that agencies may consider as potentially income eligible but must still be verified.

Multifamily Restrictions

Generally, if a multifamily building qualifies for WAP, the entire building will be weatherized including vacant units. All units will receive WAP services per the energy audit.

If a multifamily building is not determined eligible, no single unit may be weatherized. Example: In a ten unit building where there are four eligible units and six

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ineligible units, weatherization cannot be performed in any of the ten units.

However, as stated in WPN 22-12 FAQ, while DOE believes weatherizing individual unit(s) in a building is marginally effective relative to weatherizing the whole building and creates additional challenges in tracking, reweatherization, etc. DOE recognizes that there are instances where weatherizing individual units may be taken into consideration and does not prohibit weatherizing individual dwelling unit(s) in a qualified multifamily building. As such, Michigan will work with Subgrantees to determine if the identified project meets the criteria and consult with the DOE PO as needed.

In these instances, the following conditions must be met:

- i) The unit is self-contained, without sharing an attic or basement with adjacent units, and has its own individual heating and cooling systems,
- ii) The unit has been audited with a current, approved energy audit tool and protocol that is able to adequately address a single unit within a larger structure, and
- iii) The scope of work is specific to allowable measures within the eligible unit(s).

When weatherizing individual units in a multifamily building, the health and safety conditions of the whole building or adjacent units shall be considered to ensure neighboring units do not negatively impact the health and safety of the weatherized unit(s) and the weatherized unit(s) will not negatively impact the health and safety of neighboring units. If such negative effects will occur, then some health and safety or incidental work to neighboring units (with their permission) can be funded by WAP. If such necessary work cannot be addressed, the unit would need to be deferred.

Shelters

Per CFR 440.22 the State may weatherize Shelters. 10 CFR 440 defines Shelters as "...a dwelling unit or units whose principal purpose is to house, on a temporary basis, individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities." Shelters for the homeless, battered spouses, etc., may be weatherized. Subgrantees may count each 800 square feet as a unit or each floor of the shelter as a unit. Prior approval by MDHHS-BCAEO is required to weatherize a shelter.

Rehabbed Multifamily Buildings

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

1. The households have been determined eligible; and
2. The Subgrantee is meeting or exceeding all the goals for elderly, disabled (or the household falls into one of these categories) ; and
3. The waiting list of eligible applicants is followed based on the priorities established by the Subgrantee. These units cannot be given a priority just because they are a part of a rehab program.

Mixed residential/commercial buildings

As outlined in WPN 22-12, qualifying residential buildings containing storefronts or other commercial business spaces may be weatherized using WAP funding. WAP funding can only be used for the residential portion of the building. If a whole-building audit on a building with a centralized or otherwise residence/commercial shared HVAC unit recommends alterations or replacement of the HVAC system, then the commercial owner(s) would have to pay their share of that energy conservation measure (ECM) proportional to the percentage of energy used by the commercial establishment(s). Michigan will work directly with Subgrantees considering weatherization for a mixed residential/commercial building to confirm eligibility and weatherization will meet program and funding requirements. Prior approval from MDHHS-BCAEO is required for these projects.

Ineligible buildings: Commercial, non-qualifying institutions, and non-qualifying buildings.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 606 Program Requirements
Community Service Policy Manual 608 Rental Unit and Multifamily Weatherization
Community Service Policy Manual 608.1 Shelters, Group Homes and Transitional Living Facilities
Community Service Policy Manual 619 State Historical Preservation Office (SHPO) Review

Describe how Rental Units/Multifamily Buildings will be addressed

In the WAP a multifamily building is any residential building containing two or more units.

Residential buildings containing 5 or more dwelling units that are 4 or more stories above grade, or that contain 5 or more units with centralized/shared mechanical systems (e.g., heating, cooling, hot water, ventilation) are referred to as large multifamily buildings.

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Residential buildings containing 5 or more dwelling units per building, no more than 3 stories above grade, with each individual unit containing its own mechanical systems (no centralized mechanical systems) are referred to as small multifamily or low-rise multifamily buildings.

Multiunit buildings with fewer than 5 units are called 2-4 unit buildings

Michigan follows all DOE Weatherization Program Notices (WPNs) regarding percentage requirements for multifamily buildings with five or more units. See Prior Section "What Structures are Eligible for Weatherization (V.1.2 Box 3)" for details on determining eligibility of multifamily structure.

Single family rental dwellings and multifamily buildings up to four units are addressed using the NEAT software. For single family units, subgrantees are required to provide proof of ownership in each client file prior to commencing work. This includes manufactured homes. Single family units for sale are not eligible for weatherization unless the home will be sold to the low-income resident of the dwelling. Homes in foreclosure may be deferred by the subgrantee.

Rental units are eligible for weatherization and represent a portion of the dwelling units weatherized. Landlord contributions for eligible single family and manufactured housing rental dwellings shall not be required per 10 CFR 440.22(d) and the Final Rule amending the DOE Weatherization Assistance Program regulations dated March 4, 1993, (58 FR 12514). Subgrantees may encourage landlord financial participation, but eligible single family and manufactured housing dwellings may not be deferred for service if the landlord does not consent to a financial contribution. Landlord contributions for single family dwellings are not required but are optional and may be accepted.

For two years post weatherization (two years after the final inspection date) the owner must agree not to raise the rent as a result of the weatherization performed on the rental unit. In the case of a rent increase, tenants are made aware of their right to appeal the Landlord/Tenant agreement, which must be signed by both parties (owner and tenant) prior to commencing work. Subgrantees are required to enter into an agreement with landlords of multifamily properties.

Except in cases where the landlord also qualifies for weatherization services, Michigan requires financial participation of a landlord for weatherization of a multifamily property unless express case by case waiver for contribution is granted. When weatherizing rental properties containing two to four units, subgrantees may choose to require landlord contributions, except in cases where the landlord also qualifies for weatherization services. Amount of financial participation is determined at the local level. Landlord participation can be used to buy down an SIR of a multifamily weatherization project in compliance with WPN 22-12 and WPN 22-9.

Rental Units

The Subgrantee has established procedures for dwellings which consist of a rental unit or rental units to ensure that:

- They possess written permission of the building owner or authorized agent is obtained before commencing work.
- The benefits of the services accrue primarily to the low-income tenants residing in such units.
- For 24 months after Weatherization work completion, the household will not be subjected to rent increases (unless those increases are demonstrably related to matters other than the weatherization work performed).
- There are adequate procedures whereby the Subgrantee can receive tenant complaints and owners can appeal, should rental increases occur.
- No undue or excessive enhancement shall occur to the value of the dwelling unit.

*A properly executed energy audit resulting in installation of common energy conservation measures (SIRs) with an SIR of 1 or greater with necessary health and safety and incidental repairs would not constitute an undue enhancement

The Subgrantee will ensure a landlord agreement is completed for each building containing a rental dwelling unit to be weatherized prior to the weatherization of any rental unit. A Tenant Synopsis (Landlord/Tenant) must be signed by the tenant receiving weatherization services. Landlord agreements generally include all necessary information to allow the weatherization improvements to proceed in an expeditious and cost-effective manner in accordance with DOE regulations and guidelines as well as State of Michigan and local contract law. In addition to addressing basic guidelines, the landlord agreement typically includes:

1. The approval of signatures of the building owner(s) or legal representatives;
2. A description of the owner's obligations including any financial contributions;
3. A description of the Subgrantee's obligations including the scope of work and;
4. Rental clauses that allow rent increases only for specific causes or set limits on increases such as prorated share of increased property taxes, increased operating expense, or the prorated amortized cost of property improving outside the scope of WAP;
5. Protection against sale of property clause; and
6. A definition of a breach in the agreement and the remedies to be taken if such a breach occurs including liquidated damages.

Any Subgrantee customized document must at a minimum contain the information listed above. MDHHS-BCAEO provides sample landlord agreements, policies, and other required documents for Subgrantees to use as a starting point.

Demographics & Prioritization of Projects

Subgrantees must have procedures in place to ensure that priority is given to identify and provide weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and household with high energy burden. Subgrantees must obtain, verify, and maintain, as required, the proper documentation on demographics for the properties to be weatherized. Subgrantees are not required to collect any additional information beyond the demographics required for reporting purposes to the BCAEO or DOE.

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To meet the purpose of WAP, Michigan works to ensure that weatherization services are provided to low-income persons that live in all types of housing (i.e., site built single family, manufactured housing units, and multifamily buildings). Multifamily buildings, including rental housing, offer opportunities for energy efficiency upgrades that are a cost-effective approach to lowering operating expenses, maintaining affordability, and creating healthier, more comfortable living environments for low-income families. For this reason, Michigan has made significant efforts in recent years to increase Weatherization in multifamily housing. Some of these efforts include: encouraging existing Subgrantees to complete multifamily work (BCAEO Technical Specialist plans to work directly with agencies to identify multifamily projects in the area), receiving approval to utilize the Low Rise Multifamily Priority List, and adding a Subgrantee as a statewide multifamily provider in May 2023.

Generally, resident demographics must be reported on a unit-by-unit basis. However, in some cases, buildings with HUD or LIHTC approval may collect rent rolls or other such building owner records provided that, on an entire building or project basis, there is sufficient documentation to meet this requirement. This will be determined when the Subgrantee request is made. Subgrantees must initiate a landlord/tenant agreement to capture elements required by the regulations (e.g., benefits accrue to the tenants, tenants are not subjected to rent increases due to property improvements provided by WAP, what occurs if tenants are evicted, or the building sold before a specific period of time has passed). This agreement should correspond to the type of subsidy the building receives. See Weatherization of Rental Units (currently WPN 22-13) FAQs for more information on landlord/tenant agreements.

Average Cost Per Unit (ACPU) in Multifamily Buildings

The statewide maximum allowable ACPU is for all units, whether they are site built single family, mobile homes or multifamily. All units in a Weatherized multifamily building, regardless of income qualifications for the individual unit, count toward the Subgrantee's annual production and therefore the ACPU.

Documentation Requirements

The following table provides a quick reference to convey the documentation required by DOE whether selecting buildings that appear on a HUD/USDA list or a building that is not on the list(s). These are detailed further below Table 1.

Table 1. DOCUMENTATION REQUIREMENTS

Documentation Required	If on HUD or USDA List	If NOT on HUD or USDA List
Building Owner Permission	Yes	Yes
Income Eligibility Documentation	No (Agency must document that the HUD or USDA lists (see WPN 22-5) was used and the eligibility threshold of the list (e.g., 66% or 100%).	Yes
Demographics of Residents	Yes	Yes
Accrual of Benefits to Tenants ²	Yes, if applicable	Yes, if applicable
Audit Runs	Yes	Yes
Landlord Participation/Buy-Down Agreements	Yes, if applicable	Yes, if applicable

Income Eligibility Documentation

After reviewing eligibility requirements as determined for MSHDA's LIHTC (Low Income Housing Tax Credit) program, BCAEO has determined that income considerations are similar or more restrictive than the DOE income eligibility guidelines. As result, traditional eligibility can be determined for LIHTC projects by reviewing the Household Certified Income, as collected by the LIHTC property landlord or its representative. The determination of a LIHTC household's income must occur within 12 months preceding the WAP eligibility date. This income, for all household members, will be then assessed against 200 percent of federal poverty level income guidelines to determine eligibility for the DOE Weatherization Assistance Program (WAP). Eligibility must be assessed building by building, and documentation of each building review and eligibility levels must be retained in the project file. Documentation for LIHTC properties will follow the table above.

Except when using the HUD/USDA lists or LIHTC projects as referenced above, the Subgrantee must collect income information on a unit by unit basis to ensure at least 66% (or 50% for duplexes and four unit buildings and "certain eligible types of large multifamily" category) of the occupants in a three unit building and five or more unit building are eligible for service.

Accrual of Benefits to Tenants

Michigan has established procedures for dwellings which consist of a rental unit or rental units to ensure that:

- The benefits of weatherization assistance in connection with such rental units, including units where tenants pay for their energy through their rent, will accrue primarily to the low-income tenants residing in such units;
- Instances in which a tenant does not pay for energy directly, Grantees must ensure the weatherization benefits accrue to the low-income tenant.
- Any request for weatherization of eligible multiunit buildings needs to demonstrate in sufficient detail to the Grantee that the benefits of weatherization work accrue primarily to the low-income tenants.

To ensure this, Subgrantees have the option of:

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- Requiring a landlord agreement for a minimum period of two years, or
- Developing a policy describing a combination of several categories of benefits that can be used to demonstrate that the benefits of the weatherization accrue primarily to the tenant.
- Benefits that could be combined, include, but are not limited to:
 - Longer term preservation of the property as affordable housing;
 - Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22(b)(3)(ii));
 - Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;
 - Investment of the energy savings from the weatherization work in specific health and safety improvements with measureable benefits to tenants;
 - Improvements to ventilation and to heat and hot water distribution to improve the comfort of residents; and
 - Establishment of a shared savings program

Generic assertions such as “tenant services will be improved” or “weatherization will improve health and safety” are not sufficient to demonstrate that the accrual of benefits requirement is met. For example, a detailed plan of what improvements are planned, how they would benefit the tenant, and a timeline for completion would be recommended. Any request for weatherization of eligible multi-unit buildings needs to demonstrate in sufficient detail that the benefits of weatherization work accrue primarily to the low-income tenants.

Table 2 is a quick reference to convey which potential tenant benefits are valid for different utility payment arrangements.

Table 2. ACCRUAL OF BENEFITS

Potential Benefit	Tenant Pays	Utilities
	Utilities	Included in Rent
Lower energy bills when seasonal temperatures are consistent with historic temperatures	Yes	No
"Lower than expected" energy bills in the event of hotter/colder weather than in previous years	Yes	No
Longer term preservation of the property as affordable housing	Yes	Yes
Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR 440.22(b)(3)(ii))	Yes	Yes
Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants	No	Yes
Investment of the energy savings from the weatherization work in specific health and safety improvements with measurable benefits to tenants	No	Yes
Additional improvements, not related to weatherization, to heat and hot water distribution, and ventilation, to improve the comfort of residents	Yes	Yes
Establishment of a shared savings program	No	Yes

Audit Runs Including Priority List Projects

The WAP file for each building should contain at least the following information from the energy audit:

- The recommended statement of work including the savings-to-investment ratios (SIRs) of each measure and the total project SIR.
 - If any measures were bought down or otherwise leveraged the documentation must show the pre-leveraged SIRs of each individual measure and the pre-leveraged project SIR.
 - Documentation must include the other sources that funded each bought-down measure.
- An immediately accessible electronic file that shows all the audit inputs and outputs. For priority list projects the file should include all pre-weatherization measurements and all completed priority list pages.
- Final installed costs of each measure and the total project cost. If the project went through the bidding process, then all bid prices – winning and losing bids –

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must be in the file.

- All specifications defining each measure.

Building Owner Permission

As required in 10.CFR 440.22 (b)(1), the Subgrantee is required to obtain the written permission of the owner of the building or its agent prior to proceeding with weatherization. The Subgrantee will ensure a landlord agreement is completed for each building containing a rental dwelling unit to be weatherized, prior to the weatherization of any rental unit. BCAEO has created sample landlord documentation for Subgrantees to use and edit as appropriate. The sample documents include: landlord contribution policy, preliminary landlord agreement, landlord agreement, eligible dwelling units and rent list, work scope, landlord contribution agreement, tenant benefit accrual, and tenant synopsis of landlord agreement.

Leveraging, Landlord Participation & Buy Downs

Leveraging (or co-funding, as defined in WPN 22-9) is allowable in Michigan’s WAP for all housing types and creates flexibility for Subgrantees to install measures that save energy but do not achieve the necessary Savings-to-Investment Ratio (SIR) by allowing the agencies to secure funding to apply to the cost of the measure, bringing down the cost of the measure to meet the SIR requirement. Michigan follows the guidance for leveraging (co-funding) outlined in WPN 22-9.

Except in cases where the landlord also qualifies for weatherization services, BCAEO requires financial participation of a landlord for weatherization of a multifamily property unless express case by case waiver for contribution is granted. When weatherizing rental properties containing two to four units, Grantees may choose to require landlord contributions, except in cases where the landlord also qualifies for weatherization services. The Subgrantee must have a written landlord contribution policy. The policy may include a cash contribution, rent reduction to the tenant, consideration of documented improvements made to the property within the last twelve months, or a combination of all three. A Subgrantee cannot require a landlord contribution for DOE single family rental homes but can encourage landlords that are able to contribute to do so as part of the weatherization work being completed.

In multifamily weatherization, building owners may also “buy down” measures typically prioritized as needs – such as furnace or boiler replacements or new fenestration – that do save energy but don’t achieve an SIR of 1 or greater as a standalone measure. Note that when using Low Rise Multifamily Priority Lists, buy downs can also be utilized to allow optional measures. This guidance addresses how Subgrantees can use buy down funding to reduce the cost of individual measures while meeting the program requirements as they relate to the SIR for the WAP investment.

Subgrantees may use this SIR calculation allowance only when the cost effectiveness for the entire investment in the property can still be substantiated. In other words, a measure can be bought down only when the overall SIR of the package of measures, including the full cost of the measure that will be bought down, is 1.0 or greater. As noted above, this should be documented in the project file.

Example: In order for a measure to qualify for the buydown, the package of measures, including the full cost (the prebuydown cost) of the measure, which is to be bought down, must have an SIR = 1.0.

In the first case below, the replacement windows would be eligible for a buydown in WAP; the replacement windows with a full cost measure SIR = 0.8 could be bought down so the after buy down DOE measure cost would have an SIR of at least 1.0 (and the post buy down DOE package SIR would subsequently increase).

In the second case, the replacement windows would not be eligible for a buydown in WAP because the pre buydown package SIR is below 1.0.

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

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

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

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

Michigan does not allow Subgrantees to “leapfrog” measures that are already cost effective to accommodate a measure that is included in the package of measures as a result of using the provisions of this guidance. All measures that were cost effective after the initial energy audit is conducted would remain a part of the list of measures to be completed on the building. Measures that did not attain the SIR of 1.0 can only be considered for buy down if all the cost effective measures in the initial audit are also installed.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

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Policy Manual:

Community Service Policy Manual 601 Income Eligibility Guidelines
Community Service Policy Manual 606 Program Requirements
Community Service Policy Manual 608 Rental Unit and Multifamily Weatherization
Community Service Policy Manual 608.1 Shelters, Group Homes and Transitional Living Facilities
Community Service Policy Manual 610.1 Landlord Agreement Sample
Community Service Policy Manual 610.2 Landlord Contributions

Describe the deferral Process

There are conditions or situations when an otherwise eligible dwelling unit should not be immediately weatherized. A determination may become evident during the eligibility process, during the audit, or after work has begun. The decision to defer work in a dwelling is difficult, but at times necessary. This does not mean that weatherization assistance will never be available, but that work should be postponed until the problems can be resolved and/or alternative resources are found.

Subgrantees are expected to pursue reasonable options on behalf of the dwelling owner, and to use good judgment in dealing with difficult situations. If the unsafe conditions cannot be corrected by the subgrantee due to funding constraints, cost limitations, or because the complexity of the problem is considered beyond the scope of the weatherization; alternate funding should be recommended.

Subgrantees shall not simply defer service without pursuing other options and identifying other resources to address the identified hazard(s). Whenever appropriate, educational information on how to address the hazard shall be shared with the occupant. If corrections are made on a deferred dwelling that addresses the issue that led to the deferral, the Subgrantee may proceed with weatherization. Subgrantees are asked to maintain a list of deferred dwellings for that purpose.

Subgrantees may elect to defer a home from receiving weatherization services where health and safety hazards exist for the staff, contractors or clients, or where conditions that cannot be addressed by WAP prevent the safe and effective implementation of weatherization measures.

Each subgrantee is required to have a written walkaway (deferral) policy which is in the best interest for its service area. Agencies include in their policies the procedures to be followed when making a deferral decision and how the customer is notified. The Subgrantee policy should include guidelines for establishing a time period for correction and an identification of resources and options to assist the applicant. Grantees must also include a list of potential reasons for deferral, which may not be all encompassing, as deferral reasons may be conditional or compounded by multiple issues. Some conditions to consider are listed below.

Conditions where Subgrantees must not weatherize include:

- The dwelling was weatherized with a final close out date within the last 15 years.
- The building or dwelling unit is scheduled for demolition/redevelopment or is for sale*.
- The condition of the structure would make weatherization impossible or impractical (e.g. inability to meet SWS)
- Per WPN 23-6, client refusal of any cost justified major measure. Agencies should make every attempt possible to educate clients around cost justified measures they are refusing. See CSPM 606.3 for further information on measure skipping.
- Per WPN 23-6, if the building owner or occupant declines a measure not defined as a major measure prior to work beginning, the auditor must include in the client file a comprehensive justification, including background/source documents that support the decision to skip a specific measure. All other weatherization measures must be installed. If the auditor cannot access background/source documents that justifies the building owner/occupant's decision to decline a measure or the measure is defined as a "major measure", the situation must be fully documented in the client file and the job must be deferred due to client refusal. See CSPM 606.3 for further information on measure skipping.
- Encountering a mandatory reason for deferral as outlined in the Health and Safety plan (CSPM 614).

Conditions where a Subgrantees may defer, include, but are not limited to:

- The extent and condition of lead based paint in the house would potentially create further health and safety hazards.
- The building structure or its mechanical systems, including electrical, plumbing, sagging or rotted roof rafters, wall studs and floor joist deficiencies, are in such a state of disrepair that failure is imminent, and the conditions cannot be resolved cost effectively.
- The house has been condemned or electrical, heating, plumbing, or other equipment has been "red tagged" by local or state building officials or utilities and the conditions cannot be resolved with WAP funds.
- Exterior dwelling deterioration.
- Electrical or plumbing hazards or structural failures that cannot be addressed/completed within Incidental Repair or Health and Safety (H&S) cost limitations.

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- Standing water, excessive water/moisture damage, remnant of standing water issues, mold, radon, friable asbestos, deteriorated lead based paint surfaces, flaking lead paint, volatile organic compounds, or other hazardous materials that cannot be addressed by the weatherization work.
- Moisture problems are so severe they cannot be resolved under existing health and safety measures and with minor repairs.
- Unvented space heater(s) that may have a harmful effect on the air quality of the home.
- Dwellings where construction has not been completed.
- Major remodeling is in progress, which limits the proper completion of weatherization measures.
- Improperly stored chemicals, combustible materials, or other fire hazards that present a danger to the occupants or the workers.
- Evidence of infestations of rodents, insects, and/or other vermin.
- Unsecured pets that may prevent workers from safely completing their work.
- The presence of sewage or animal feces in or around the home.
- The home receives HUD funding and at the time of completion, the unit will not meet applicable HUD Lead Based Paint standards.
- Maintenance or housekeeping practices that limit the access of workers to the dwelling or create an unhealthy work environment.
- Dangerous conditions exist due to high carbon monoxide levels in combustion appliances, and cannot be resolved under existing health and safety measures.
- In the judgment of 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.
- The client is uncooperative, abusive, or threatening to the crew, subcontractors, auditors, inspectors, or others who must work on or visit the house. Threat(s) of violence or abusive behavior to worker(s) or household member(s) during the weatherization process.
- The client/occupants has known health conditions that prohibit the installation of insulation and other weatherization materials.
- The illegal presence or use of any controlled substance in the home during the weatherization process.
- The building or dwelling unit is in foreclosure.
- Ownership cannot be confirmed due to a legal dispute. Clear title must be established before services can be provided.
- The cost to weatherize a home is so significant that it will negatively impact the Subgrantee's ability to meet the statewide average cost per dwelling (e.g. those homes that are more than 2x the state average). MDHHS-BCAEO must be notified in writing prior to deferring a dwelling for this reason.

When the auditor/inspector or any other weatherization employee encounters an unsafe or inoperable heating appliance during the heating season, weatherization work should not proceed until the condition is corrected. If the measure is allowable in weatherization and determined to be necessary for this job, weatherization funds may be used to correct the condition.

Walkaway (Deferral) Notification Requirements

Upon the decision to defer weatherization program services, the customer must be notified in writing within five working days. However, if the Subgrantee will use deferral reduction funding (DOE WRF or other available grants) to address the issue and resolve the deferral, notification does not need to be provided to the client. The notice must include the reason for the deferral and the means by which the applicant can rectify the situation so the weatherization measures can be performed, and any guidelines for establishing a time period for correction. The requirements for rectifying the deferral must be reasonable and appropriate to the severity of the situation being addressed. Examples of reasonable timeframes would be 30 days for housekeeping concerns or 90 days for major remodeling work. In cases where an individual client feels a deferral is unfairly determined, the individual client may appeal a decision to defer. In these circumstances, the Subgrantee must provide the client the agency's defined appeals process to follow. Any eligible applicant that complies fully with these requirements shall be reinstated in the Subgrantee's work system so weatherization work can progress as soon as reasonably possible. There is no time extension for the eligibility period due to a deferral. If the dwelling cannot be reported as complete within the eligibility period, the customer must reapply for weatherization assistance.

Documentation

On a deferred unit, photographs documenting the reason for deferral (mold or other problems) are required and shall be part of the client file. If photographs are unobtainable, the reason(s) must be documented in the client file.

Deferral Tracking Requirements

All deferrals that occur after a Weatherization application is created and the reason for the deferral must be documented in the database system. If a deferral is identified before the Weatherization application is created, and the Grantee does not have the resources to address it, they must track it in the BCAEO Deferral Tracking Tool. At any time, BCAEO may request submission of the up-to-date Tracking Tool.

Weatherization Readiness Funds

Beginning in PY22, DOE has added a cost category for Weatherization Readiness Funds (WRF). WRF are designated for use by subgrantees 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.

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Units receiving WRF must:

- Be closed during the same DOE grant project period. This is typically a 3-5 year grant period. BCAEO will notify Subgrantees in years that end the grant and that WRF projects will need to be closed that same year.
 - DOE Formula units receiving WRF funds must be closed at the end of the DOE Formula project period, which is anticipated to be PY24.
 - DOE BIL units receiving WRF funds must have all WRF funds expended by the end of PY24. The weatherization job must be closed within six months of completing the deferral reduction work. BIL jobs receiving PY24 DOE WRF funds must be closed within six months of the end of PY24 which is Dec 31, 2025.
- Count as either a DOE Formula unit or a DOE BIL unit.
- Result in a DOE completion defined as, "A dwelling on which a DOE-approved energy audit or priority list has been applied, and at least (1) DOE funded allowable energy conservation measure is installed and weatherization work has been completed."
- Each dwelling unit can receive \$15,000 DOE WR Funds. A waiver may be submitted by the Subgrantee if the funds required to address the cause of deferral exceeds \$15,000.

All items that could be allowable under WRF must first be considered as an Energy Conservation Measure or Incidental Repair. If they will not be cost effective to install, they may then be considered under Health & Safety. If use of Health & Safety funds is unaffordable on that measure, then the use of WRF funds is allowable. Subgrantees will maintain documentation supporting that the use of Weatherization Readiness Funds addressed issues that would have resulted in the home being deferred. Supporting documentation may include statement for why the home was at risk of deferral necessitating the use of WRF funds.

WRF funds will be initially allocated to Subgrantees aligned with the DOE formula allocation. MDHHS-BCAEO will evaluate spending trends, frequency of deferrals across the state, and solicit spending projections for Subgrantees in order to reallocate WRF funds as needed.

Timeframe Adjustments:

Some timeline rules are formulated between the eligibility determination and energy audit conducted during a WAP job. The following policies will supersede those timeframes when deferral reduction (WRF) work is taking place.

Substitute for timeframe from CSPM 601: "Re-certification, the redetermination of a household's income eligibility, must occur at least every 12 months from the eligibility date, if the **deferral reduction work** has not yet been initiated."

Substitute for timeframe from CSPM 606: "Grantees must complete the weatherization of a home within 6 months of completing the **deferral reduction work**. Jobs that are not completed within 6 months of **completion of deferral reduction work** require an additional, up to date, energy audit to be performed."

BIL jobs receiving PY24 DOE WRF funds must be closed within six months of the end of PY24 which is Dec 31, 2025.

WRF Allowable Measures and Reporting

Subgrantees are required to track the information below and will be asked to prepare a summary of units receiving WRF for the T&TA, Monitoring and Leveraging Report.

Avoided deferrals – the number of dwelling units made weatherization ready with these funds, and for each building or unit:

- Year Built;
- Housing Type (site-built single family, manufactured housing, multifamily);
- Nature of repairs needed which prohibit weatherization. Where applicable, identify multiple repairs or remediation reasons for a single building. The following repairs are allowable:
 - Mold remediation
 - Moisture control
 - Knob and tube wiring issues
 - Other electrical issues
 - Grading
 - Roof repair and replacement
 - Structural issues
 - Measures to meet SHPO requirements
 - Gutters and downspouts
 - Drainage system
 - Sump pump installation

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- Minor plumbing repair and replacement
 - Pest control
 - Asbestos encapsulation and remediation
 - Duct repair and replacement
 - Health & Safety measures that are unaffordable with the Subgrantee’s normal Health & Safety funds. Subgrantee must document that the H&S Measures are unaffordable.
 - Other – Grantees may encounter reasons for deferral not included on the prior list. In these instances, the agency must submit a waiver to BCAEO describing the needed measure and other relevant details. Waivers must be submitted to MDHHS-BCAEO@michigan.gov, and the agency must receive pre-approval before work commences.
- DOE WRF expenditure per unit and building; and,
 - Leveraged fund expenditure per unit and building (i.e., funds such as LIHEAP, HUD, non-federal, etc. braided with DOE WRF to make building weatherization ready).

Monitoring of WRF expenditures is outlined under Final Inspections and Monitoring Activities.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Community Service Policy Manual 609 - Deferral Policy

Community Service Policy Manual 606.3 - Technical Weatherization Installation Requirements

V.1.3 Definition of Children

Definition of children (below age): **19**

V.1.4 Approach to Tribal Organizations

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

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

In accordance with 10 CFR 440.16(f), low-income members of a Native American tribe will receive benefits equivalent to the assistance provided to the other low-income persons within the state. All eligible households, including those with Native American tribal members, are served equally without regard to race, color, national origin, gender, or religion.

V.2 Selection of Areas to Be Served

Michigan serves all 83 counties in the state in order to provide equal access to WAP services for all eligible households. Services are based largely on Community Action Agencies (CAAs) historical geographical boundaries and past performance. This enables the CAAs to use their existing outreach structure to inform low-income persons about the program and to take applications.

In 2016, MDHHS-BCAEO conducted statewide procurement for WAP subgrantees with the intention of meeting federal procurement policy by showing fair and competitive bidding procedures. The Invitation to Bid (ITB) was posted on the State of MI Department of Technology, Management, and Budget on the Buy 4 Michigan website <https://www.buy4michigan.com/bsol/> and complied with federal and state procurement policy. The next bid is tentatively scheduled for 2026. MDHHS-BCAEO reserves the right to schedule a bid sooner to expand statewide weatherization operational capacity, to provide a statewide weatherization solution for contractor shortages, and/or to meet demands of multifamily weatherization jobs.

MDHHS-BCAEO reserves the right to reallocate funding from one subgrantee to another, should any of the current subgrantees be unable, for whatever reason, to fulfill their obligations to implement the program in their service area. The term 'implement' includes maintaining production level goals and meeting work quality standards (SWS and Michigan Field Guide). Additionally, in an event that an area is unserved, the MDHHS-BCAEO reserves the right to designate a provider for the service area until another Invitation to Bid is posted.

MDHHS-BCAEO completes an annual Risk Assessment. The utilized risk assessment tool at the time of this state plan submission is called

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the STAR Assessment. The STAR Assessment tool evaluates subgrantees based on administrative, technical, and fiscal management and is used to evaluate performance and to determine if a subgrantee is administering an effective weatherization program. A rating of "high risk" in the weatherization portion of the assessment (scores 1 STAR or 2 STARS) for two consecutive years on the annual STAR Assessment performed by MDHHS-BCAEO, may result in contract termination and a competitive proposal process for the subgrantee's territory after the current contract expires. Should the STAR Assessment rating result in a competitive proposal process for any subgrantee's territory, MDHHS-BCAEO will proceed in accordance with 10 CFR 440.15. MDHHS-BCAEO may, at any time, determine utilization of another risk assessment tool for BCAEO programs. If that does occur, this new tool would be utilized by the Michigan WAP with the purpose of assess risk of compliance issues with subgrantees administering the WAP.

V.3 Priorities

As required by federal regulation, Michigan prioritizes households with elderly or disabled family members, and families with children. Michigan Subgrantees also use high residential energy use and/or high energy burden in prioritizing households for WAP service. WAP staff uses the Michigan Energy Appraisal Winter Outlook Report prepared by the Michigan Public Service Commission and to determine thresholds for high energy use/on an annual basis.

Michigan utilizes a priority point system when delivering services to low-income single-family homes to meet 10CFR 440. Mandatory priority categories are as follows:

- Households with elderly
- Households with disabled
- Households with children
- High Residential Energy User
- High Residential Energy Burden

In 2022, MDHHS-BCAEO did an analysis of its definition of households with a High Energy Burden (HEB). Staff reviewed statistics of average energy burden for the 200% FPL income level, and estimates to define the top 1/3 of potential clients as HEB households. MDHHS-BCAEO determined that changing the definition of HEB from 20% of total income toward energy costs to 15% better aligns with current statistics for the state of Michigan. Due to the particular vulnerability of households with a HEB, MDHHS-BCAEO requires that Subgrantees assign 2 priority points for households meeting this definition.

Subgrantees are required to utilize a priority point system when determining homes to weatherize and are required to have a written policy of their prioritization system. Subgrantees determine how to best serve the eligible population in their service territory. Subgrantees must utilize the statewide point system to determine priority points. The priority point system does not differentiate between eligible households that rent or own their dwellings and Subgrantees may not discriminate due to housing type. Each category is 1 point with the exception of HEB, which is 2 points. Clients meeting one or more points will be considered Priority Applicants. Subgrantees may choose to use oldest eligibility date for positioning applicants with the same number of priority points. Applicants with no priority points will remain at the end of the waiting list and will be served, oldest eligibility date first, after all "Priority Applicants" with one (1) or more points are served. All applications are required to reverify the household income for the program annually. No applications on the waiting list should be older than one year.

It is permissible to pull a client from the priority list out of order to engage with a leveraging opportunity if the following guidelines are followed:

- Client is part of a group with an equal number of points at or near the top of the list, and;
- Leveraging opportunity is rare, and;
- Subgrantee can defend the selection of the client for leveraging over other clients on the list.

When the Subgrantee's territory covers a large geographical area, it is also permissible to prioritize service based on cost effective scheduling considerations. For example, if a prioritized client lives in a county distant from the main offices, other homes in that area on the waitlist may be served during the same time period if it eliminates costs and travel time to the agency.

Emergencies will take precedence over all other priorities. Emergencies are defined as life-threatening housing conditions. MDHHS-BCAEO will evaluate all emergency waiver requests from subgrantees, results of the review must be kept in the client's file.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:
Community Service Policy Manual 611 Client Priority Selection Criteria

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V.4 Climatic Conditions

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

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

Heating Degree Days by Climate Division (Source: <https://mrcc.purdue.edu/CLIMATE/>) See attachment in SF424 for a breakout of data by climate division in Michigan.

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

All weatherization work in Michigan is performed in accordance with DOE approved procedures, including the appropriate DOE approved energy audit (single family, multifamily (5+ units), or mobile home) 10 CFR 440 Appendix A, the Michigan Weatherization Field Guide, Energy Auditor Manual, and the Standard Work Specifications (SWS).

All Subgrantee agreements and vendor contracts, active in Program Year 2015 and beyond, contain language which clearly documents the SWS specifications for work quality. Language matches that of WPN 22-4 Section 2. The signature on the contract serves as proof of receipt. The signature also serves as agreement to comply with all Michigan and DOE WAP policies and procedures, including, but not limited to WPNs, WAP Memos, Quality Work Plan, Community Services Policy Manual (CSPM), SWS, Michigan Weatherization Field Guide, Energy Auditor Manual, and other technical guides and manuals as required by CSPM.

Also, beginning in PY15 and as required by WPN 22-4, Subgrantees must include similar language in their contracts with contractors who perform work for WAP. Administrative monitors review contracts for compliance. Field monitors, through monitoring inspections, confirm conformance with the Michigan Weatherization Field Guide and the SWS.

The Michigan SWS aligned Field Guide is available as a web interactive version or a downloadable PDF. Subgrantees can access the field guide on mobile devices in the field and from a hard copy, along with all other policy. The base field guide was purchased from Saturn. MDHHS-BCAEO assembled a group of volunteers from the weatherization network to review and update the base guide. The Michigan Field Guide was approved by DOE in May of 2021. The downloadable PDF version can be found at [Michigan Field Guide PDF](#). The web interactive version can be found at [Michigan Field Guide Web Version](#).

The following program updates, procedures manuals, and standards documents are available on BCAEO website (<http://www.michigan.gov/bcaeo>) and in MDHHS-BCAEO's external SharePoint, the MiTEC website and via email and in the database system:

- NREL Standard Work Specifications link: <http://sws.nrel.gov>
- US 10CFR600
- US 2CFR200
- US 10 CFR 440
- U.S. Department of Energy Weatherization Program Notices
- U.S. Department of Energy Weatherization Memorandums
- Community Services Policy Manual <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>
- State of Michigan Department of Licensing and Regulatory Affairs (LARA) Policy LARA provides oversight for mechanical, construction, and safety laws. This department houses Michigan Occupational Safety and Health Administration (MIOSHA) which provides worker safety oversight and training.

When updates are made, the network is notified, and all policy is updated online and in the database. MDHHSBCAEO also provides updates in the MDHHS-BCAEO Update newsletter that is sent to the network.

The Subgrantee shall assure that appropriately credentialed or trained staff under its control, including Subgrantee employees and/or subcontractors, shall

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perform functions under this Agreement. The Subgrantee must provide crews and/or subcontractors with technical requirements for field work including: audits/testing, installation of energy conservation, health and safety and incidental repair measures; and final inspections. The Subgrantee must confirm receipt of those requirements and provide follow up and clarification upon request. A signature on a contract can serve as proof of receipt. The technical requirements must be clearly communicated and the specifications for work to be inspected must be referenced in the subgrantee contracts. Contractors hired by the Subgrantee must have agreements that include the same technical requirements as listed above. The work on the contract must be consistent with the Subgrantee standards and field guides. All energy auditors, retrofit installers, crew leaders, and quality control inspectors must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis (JTAs).

Weatherization Work

All work is performed in accordance with DOE approved audit procedures and 10 CFR 440, Appendix A, Standard Work Specifications, and Michigan Rules and Regulatory policy.

Subgrantee will ensure that all weatherization activities not included in the list of "Allowable Activities" in the NEPA determination are excluded or submit an [Environmental Questionnaire \(EQ\)-1](#) for review per NEPA requirements in 10 CFR Part 1021

The weatherization measures most commonly installed in eligible units are air sealing; duct sealing, repair, replacement and insulation; attic and wall insulation; and health and safety measures. Michigan has also added cost effective electric base load measures including refrigerator replacement and LED bulbs.

Domestic water heaters (DWH) are an electric base load measure being replaced as an Energy Conservation Measure or a Health & Safety measure on eligible dwelling units.

LED bulbs

Michigan has been approved by the DOE project officer to use LED bulbs beginning in PY17.

General Heat Waste Reduction Measures

Subgrantees may install the identified General Heat Waste reduction measures, known as Optional Weatherization Measures, on one to four unit dwellings. Optional Weatherization Measures are intended to be relatively low-cost items that can be quickly and easily installed. Total optional measure costs (including labor) must not exceed \$250.

Optional Measures Include:

- Water Heater Tank Insulation
- Water Heater Pipe Insulation
- Low Flow Showerheads

Field guide types and approval dates:

- Single-family: 5/26/2021
- Manufactured Housing: 5/26/2021

Solar & Renewables

MDHHS-BCAEO anticipates that in upcoming years solar installations may become a common pairing with the WAP. Michigan's Department of Energy, Great Lakes and the Environment (EGLE) will be pursuing the Greenhouse Gas Reduction Fund's Solar for All program and anticipates interest in pairing Solar installations on conjunction with the WAP.

In preparation for this potential change, MDHHS-BCAEO is requesting approval to include solar PV as an optional measure in the list of measures for qualifying households and properties in the WAP.

MDHHS-BCAEO understands that solar PV projects might require a NEPA review, especially if they are ground mounted and disturb the ground.

In cases where Subgrantees opt to install solar PV and fund that measure with DOE WAP funds, the energy audit would include solar as a measure and would demonstrate the SIR of 1.0 or greater for the solar PV install, in order it to be integrated into the approved package of measures for the project. MDHHS-BCAEO believes that with the current installed costs of solar PV, it is a financially viable solution that can help some of our low-income families reduce their energy burden through WAP. We also believe that in preparing for a partnership with the EPA's Solar For All program, consideration of solar integration in the WAP is a new priority for the state.

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Braiding and Co-funding Measures

Michigan allows its subgrantees to use multiple funding streams in their WAP. With inflation rates increasing quicker than the ACPU, these strategies are more important than ever. Michigan follows the guidance in WPN 22-9. We currently do not use the approach of blending, but braiding and co funding measures are common in the Michigan WAP and buy downs are allowable in multifamily projects. Michigan follows all policies as defined in WPN 22-9 on allowability with these approaches.

Policy Manual:

Community Service Policy Manual 618
Community Service Policy Manual 618.1

Field guide types approval dates

Single-Family: 9/8/2021
Manufactured Housing: 9/8/2021
Multi-Family:

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: Other (specify)
Single Family NEAT software on nonstandard homes. Approved by DOE September 8, 2021.
Approval Date: 9/8/2021

Audit Procedure: Manufactured Housing
Audit Name: Other (specify)
Mobile Home MHEA software on manufactured homes. Approved by DOE September 8, 2021.
Approval Date: 9/8/2021

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

Comments

Michigan’s Energy Audit for single family homes and manufactured homes was approved September 8, 2021. Michigan’s Region 3 DOE Sponsored Low Rise Multifamily Priority List was approved 1/24/2023. Michigan will continue to comply with the DOE requirements of energy audit approval, when applicable. BCAEO will submit revised energy audit approval requests and field guide at least 6 months in advance per WPN 23-6 and 22-4.

All dwellings scheduled for weatherization must have a comprehensive energy audit that treats the dwelling as a whole system. For single family site built and mobile homes, data from the audit is entered into the Weatherization Assistant (WA) software which then determines which Energy Conservation Measures (ECMs) are cost effective for the dwelling. For multifamily projects, data from the audit is entered into a Multifamily Audit tool or the priority list is applied to determine the weatherization scope of work. Weatherization measures for a dwelling are considered cost effective if the Savings to Investment Ratio (SIR) is 1 or greater for each measure and the job. In addition to DOE approved ECMs, there is a single exception: blower door guided air sealing may have an SIR less than 1.0, if the cumulative SIR of the package of measures is equal to or greater than 1.0, not including H&S measures. Michigan also installs health and safety and incidental repair measures as dictated by the audit on each dwelling, and in accordance with WPNs 22-7 & 19-5. Michigan will switch from WA8.9 to WAweb on 7/1/2024. Michigan has submitted a transition plan to DOE as required in WAP Memo 113. Michigan is currently working on a new data management system that will connect smoothly with the new software and that staff throughout the state are trained on the new software.

Single family housing

The energy audit tool, NEAT is being used for 1–4 unit buildings. Weatherization measures for a dwelling are considered cost effective if the Savings to

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Investment Ratio (SIR) is 1 or greater for each measure and the job. Subgrantees are required to follow the policies and procedures in the Community Services Policy Manual, Michigan Field Guide, Health and Safety Plan, and the Energy Auditor Guide.

During PY24, MDHHS-BCAEO may consider adopting the Region 3 Priority List for Single Family Site Built Homes. MDHHS-BCAEO would follow the guidance in WPN 22-8 for the submission process.

Manufactured Housing

The energy audit tool, MHEA is being used for 1–4 unit buildings. Weatherization measures for a dwelling are considered cost effective if the Savings to Investment Ratio (SIR) is 1 or greater for each measure and the job. Subgrantees are required to follow the policies and procedures in the Community Services Policy Manual, Michigan Field Guide, Health and Safety Plan, and the Energy Auditor Guide.

During PY24, MDHHS-BCAEO may consider adopting the Region 3 Priority List for Manufactured Homes. MDHHS-BCAEO would follow the guidance in WPN 22-8 for the submission process.

Multifamily

If a Subgrantee requests to complete a multifamily dwelling using an energy audit tool rather than the LRMF Priority list, they will submit documentation to MDHHS-BCAEO for review. Once approved by the MDHHS-BCAEO Director, the Weatherization Specialist will work with the DOE Project Officer to review material for approval prior to commencing weatherization on the building. MDHHS-BCAEO will also verify that the Subgrantee requesting to weatherize a multifamily dwelling has qualified staff with the required training per WPN 22-4 to complete the unit. Until Michigan receives approval for a multifamily energy audit tool, multifamily dwellings utilizing a traditional energy audit tool will remain less than 20% of Michigan’s building type production.

For energy audit purposes, per 10 CFR 440.22, a multifamily building is any building which contains five or more single family dwelling units as defined in 10 CFR440.3,with the following exception: Row houses and townhomes may be treated as single family dwellings if they have independent mechanical systems and are attached only by vertical walls that contain a continuous pressure boundary (i.e. fire rated assembly) that is not penetrated from the foundation to the highest point of conditioned space. In accordance with WPN 23-6, Michigan will submit any multifamily project details (outside of using the LRMF PL) to our DOE Project Officer for review prior to that project commencing.

Michigan followed guidance from WPN 22-8 and received approval to utilize the LRMF PL as an optional alternative to a traditional energy audit for appropriate multifamily projects. Michigan allows all subgrantees to use this option if they have access to an EA and a QCI with the multifamily training. As use of the LRMF PL has been approved by DOE, Subgrantee production using the priority list may exceed 20% of building type. Subgrantees will submit documentation for the LRMF PL and project to MDHHS-BCAEO for review and approval prior to the project initiating.

As noted in the section ‘What Structures are Eligible for Weatherization’ (V.1.2 Box 3) it is anticipated that the statewide multifamily Subgrantee will complete a significant portion of multifamily projects in Michigan. All Subgrantees may opt to do multifamily projects in their territory, but most have not pursued this option. The LRMF PL approach will be the most straightforward way for entities who do not regularly weatherize these types of projects and Michigan anticipates that most Subgrantees will only utilize this option, if any, for multifamily projects. The statewide provider and a few other Subgrantees (based on current experience) will continue to pursue any multifamily projects (both small multifamily and large multifamily) regardless of audit type.

Fuel Switching

In previous Program Years, Michigan has completed case by case submissions for fuel switch requests to DOE. Beginning in PY21, MDHHS-BCAEO began Grantee Administered Fuel Switching Approval. Fuel switching is allowable when the site specific energy audit demonstrates the cost effectiveness of the fuel switch over the life of the measure as indicated by the Savings to Investment Ratio (SIR). In accordance with WAP Memo 094, although electrification for the sake of electrification is not allowable, electrification to lower energy burden is allowable and encouraged. Fuel switching (including electrification) is also allowed when justified for Health and Safety (H&S) reasons. If a heat pump or other combined heating and cooling system is to replace a heating only (or cooling only) system, no savings will be attributed to the previously nonexistent cooling (or heating) system, but that all the costs of running the system throughout the year will be included in the audit. Michigan began using the Social Cost of Carbon factor to increase fuel prices as outlined in WPN 22-10. Michigan Subgrantees maintain two fuel cost libraries; one that contains the Social Cost of Carbon factor for standard measure installation, and another that does not include the Social Cost of Carbon factor to show cost justification for fuel switch requests without that factor considered.

V.5.3 Final Inspection

Completed Units

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Per 10 CFR 440.16(g), no dwelling unit will be reported to MDHHS-BCAEO as completed until a Quality Control Inspector (QCI) has performed a final inspection and certifies that all work from the energy audit has been completed in compliance with the NREL SWS and the Michigan Weatherization Field Guide and any callback work required has been completed. No dwelling unit is reported to DOE as complete until all weatherization measures have been installed and the Subgrantee has performed a final inspection(s). This includes inspecting any mechanical work performed and ensuring that work has been completed in a workmanlike manner and in accordance with the priority determined by the audit procedures required by 10 CFR 440.21.

A complete audit and quality control inspection are required for each home weatherized. Audits include WA8.9/WAweb audit reviews as well as required testing. Quality control inspection approval is mandatory for a home to be considered a completion. Beginning July 1, 2014 all Quality Control Inspectors implemented a quality control checklist which they sign and date confirming that all work from the original audit was completed to required standards. The checklist will confirm that the QCI completed the following: an assessment of the energy audit and accuracy of field site data collection, energy audit software inputs, and that measures called for on the work order were appropriate, and measure installation followed guidance in CSPM, SWS and Michigan Field Guide. An example of the quality control checklist has been uploaded and is available in the SF424. The Quality Control checklist is signed by the energy auditor, crew leader, and the quality control inspector through the various stages of weatherization. The QCI will include printed name, signature, certification number and date. If the state monitor chooses the job to monitor, the client file will also contain the name, signature, certification number and date of the state monitor.

No dwelling unit may be reported to DOE as completed until all weatherization material is installed and a final quality control inspection is performed, however, due to supply chain disruptions, some agencies have experienced extensive delays in refrigerator delivery to a client. In cases where the refrigerator delivery will delay the scheduling of the Quality Control Inspection, subgrantees may opt to cover the cost of the refrigerator out of an alternative funding source (e.g. LIHEAP), and proceed with the final inspection before the refrigerator is installed. In this case, the subgrantee must confirm receipt and installation of the refrigerator and maintain documentation in the client file. Although this has decreased during the past PY, Michigan will continue to extend this allowance so Subgrantees can effectively complete QCI inspections and meet program goals.

WRF and Final Inspection

Pre and post photographs are required (as reasonable) of all WRF measures addressed under this program. Subgrantees are encouraged to utilize this method, at minimum, to verify work orders and completion. If identified prior to a completed energy audit, Subgrantees may have Auditors review the WRF work completed during the audit confirming that the job is no longer in a state of deferral and weatherization work can proceed. Subgrantees must ensure that their QCI has confirmed that the WRF work was completed as called for in the client file.

Weatherization Final Inspection Process

The CSPM specifies the activities/tests that must be completed in a final inspection and the process for rework should the need arise. The final inspection will be conducted to confirm that all work was done to the SWS standards. Each Subgrantee is required to use a certified Quality Control Inspector (QCI) who is in good standing with the Building Performance Institute to conduct all final inspection of all dwelling units.

Process for Adequate QC Inspections

All Subgrantee final inspections are performed by a Building Performance Institute (BPI) Certified Quality Control Inspector as outlined in WPN 22-4. As of March 12, 2024, Michigan has 96 certified Energy Auditors and Quality Control inspectors serving 23 subgrantees covering all 83 counites in Michigan. Subgrantees may employ or contract for these services. Final inspection documentation and certification will be placed in the client's file.

MDHHS-BCAEO will monitor and document results in a monitoring report of at least 5% of all completed units and 10% quality assurance file reviews.

Quality Control Inspections will use the criteria outlined in the Work Quality section of WPN 22-4. The QCI will include the following:

- Assessment of the original energy audit
- Complete the Weatherization audit review checklist
- Confirm measures on work order were appropriate
- Confirm measures on work order were in accordance with policies as approved by DOE

All Subgrantees have contract language which they sign and return stating that all work performed requires the QCI. See Section V.5.1 of Master File for contract language.

Michigan's subgrantees utilize separate Energy Auditor (EA) and Quality Control inspector (QCI) per WPN 224 for each Weatherization job, with waivers issued on a case by case basis for exceptions to have the same individual act as the EA and QCI.

If a Subgrantee is not able to find a QCI, MDHHS-BCAEO will help Subgrantees identify QCIs to assist. Subgrantees are encouraged to coordinate with other Subgrantees to share energy auditors and QCIs to ensure compliance as needed.

Subgrantees will provide QCI certified inspections according to the following protocol:

Independent QCI: A final inspection on every home will be conducted by a QCI who was not involved in the weatherization work on the home either as the auditor or

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as a member of the crew.

Quality Control Inspection Checklist and State Monitoring Tools: The QC inspection checklist is placed in the client's file and serves as a recording of all Quality Control Inspections performed on the dwelling unit(s). MDHHSBCAEO monitors record their observations on monitoring tools for their field notes to ensure work is completed in compliance with the work quality requirements outlined in WPN 224.

QCI Shortage: To meet production goals in a timely manner, Subgrantees are responsible for maintaining staff and/or contractual relationships with QCI certified inspectors. In the case of a shortage of QCI certified inspectors in the service territory, MDHHS-BCAEO may choose to allow the following, in accordance with WPN 22-4.

Waiver for same individual to perform audits and QCI: Subgrantees experiencing a staffing barrier to complete production, may apply for a limited term waiver to the separation of duties for the Energy Auditor and QC Inspector. These waivers will be approved on a case-by-case basis if there is appropriate justification, such as an inability to obtain the qualified staff. In this case, the QCI/Energy Auditor will not be involved in any of the actual work on the home. If MDHHS-BCAEO approves the waiver, MDHHS-BCAEO's state monitors will perform quality assurance site reviews on at least 10% of all completed units and 20% quality assurance file reviews for that program year. In addition, MDHHS-BCAEO may conduct more follow-up reviews and require the agency to implement a Corrective Action Plan to resolve the staffing issues within the program year or 6 months from waiver approval. MDHHSBCAEO may require the Subgrantee to schedule monthly calls with MDHHS-BCAEO to determine the agency's progress to increase staffing capacity. MDHHS-BCAEO may choose to reduce the respective Subgrantee T&TA allocation to cover the expense of increased monitoring.

The waiver submission process is outlined in CSPM for subgrantees. Subgrantees email BCAEO and identified Weatherization Staff the waiver request, and justification for why the agency is requesting a waiver, and relevant details to the job. BCAEO staff will review the details submitted requesting additional information as needed. The decision on the waiver is provided in a letter to the Subgrantee Weatherization Manager and Executive Director.

Multifamily QCI

Individuals that hold the BPI EA certification and BPI QCI certification are eligible to complete quality control inspections in multifamily buildings (5+ units and shelters) if they successfully complete a comprehensive training program based on the NREL Multifamily Quality Control Inspector JTA.

Disciplinary Actions:

If a QCI Inspector is found to be negligent, either through repeat findings or gross negligence in their duties, MDHHS-BCAEO, with or without the support of a Subgrantee, may institute the following:

- Additional training
- Temporary suspension (e.g., six months)
- Permanent suspension and written notification to BPI

The level of the violation is determined by the nature of the violation and are not necessarily escalating in nature.

Energy Auditor Decertification/QC Inspector Suspension

Level One: Level One violations typically are defined as minor in nature. These types of violations will be reprimanded with a written warning to the certified Energy Auditor/QC Inspector that explains the violation along with the corrective action. Examples of Level One infractions include, but are not limited to, the following:

- Fails or refuses without good cause to exercise reasonable diligence in developing a home inspection report, preparing a report, or communicating a report.

Level Two: Level Two violations typically are defined as major in nature or repeated violations and/or the lack of corrective action for minor violations. These types of violations will be reprimanded with a written warning to the certified Energy Auditor/QC Inspector that explains the violation along with the corrective action. The Energy Auditor/QC Inspector is required to submit proof of corrective action in response to the violation. The warning and written response will become part of the record in the person's file. The review of the response and corrective action will be conducted to determine if the person will be suspended or temporarily suspended. Examples of Level Two infractions include, but are not limited to, the following:

- Is responsible for citation of repeated findings in consecutive monitoring reports, fails to correct minor violations as identified in level 1/written warnings/reprimands.
- Commits an act or acts of malpractice, gross negligence, or incompetence in the performance of home inspections.

Level Three: Level Three violations are defined as a serious violation. The MDHHSBCAEO may revoke, modify, condition, refuse to renew, or temporarily suspend, the certification of an Energy Auditor and temporarily suspend a QC Inspector from conducting final inspections for the MDHHSBCAEO Weatherization program if the Energy Auditor/QC Inspector for a Level Three violation. The violation must be well documented and supported. A written notice of the violation and the appeal date will be given to the certified Energy Auditor/QC Inspector. If appealed, a formal hearing will be conducted within 30 business days of the receipt of the appeal request by a panel who will inform the appeals applicant in writing of its decision.

Examples of Level Three infractions include, but are not limited to, the following:

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- Commits fraud or deceit with respect to any required license or permit application or an inspection report submitted to the subgrantee or MDHHS BCAEO.
- Violates any state or federal law, rule, permit, or order relating to the inspection and/or installation of weatherization measures.
- Makes a false or misleading statement in that portion of a written report that deals with professional qualification or in any testimony concerning professional qualifications.
- Engages in an act or omission involving dishonesty, fraud, or misrepresentation with the intent to substantially benefit a home Energy auditor/QC Inspector or other person or with the intent to substantially injure another person.
- Engages in an act of fraud, misrepresentation, or deceit in the making of a home inspection.
- Pays or is paid a finder's fee or a referral fee to a person in connection with an inspection of or work to be done on a residence.
- Accepts a home inspection assignment when the employment itself is contingent upon the home.
- Energy Auditor/QC Inspector reporting a predetermined estimate, analysis, or opinion or when the fee to be paid is contingent upon the opinion, the conclusions, analysis, or report reached or upon the consequences resulting from the assignment.
- Employs fraud, deceit, or misrepresentation in obtaining or attempting to obtain a license or renewal of a license including builder, mechanical, plumber, electrician, and maintenance and alteration licenses such as mobile home, insulator, window installer, etc.
- Practices as a licensed home Energy auditor/QC Inspector without a current Energy Auditor/QC Inspector certification.

Formal Hearing

Panel Review Process

The review process will include the following elements:

- Convening of the panel.
- Panel members will select a panel spokesperson.
- Panel will review any written documents submitted to date.

The panel will include the MDHHS-BCAEO Executive Director, the MiTEC Representative, a member from the DOE PAC, and two members from the Weatherization Network.

Presentation

MDHHS-BCAEO staff will present a summary regarding reason(s) for the recommended action. This summary may be presented to the panel in writing, in person, or via electronic communication. Panel members will communicate any points of clarification needed with the parties.

Deliberation and Decision

The panel will review summary presentations, documentation and clarifications provided and render a decision.

- A decision based on simple majority will prevail.
- The panel spokesperson will communicate the panel's decision to the appellant and the MDHHS-BCAEO Director in writing.

Decertification Period

Revocation of a SOM Energy Auditor or suspension of BPI EA/QC Inspector from performing audits for the Michigan Weatherization Assistance program shall be for a minimum of 6 months from the date of notice of decertification, suspension, or of the appeals panel notice, whichever is later.

Decertified SOM Energy Auditor or suspended BPI EA / QC Inspectors may request renewal of certification at the end of the decertification period. The decertified Energy Auditor/QC Inspector must have a network Subgrantee agency sponsor this request. The suspended Energy Auditor or QC Inspector must attend IREC accredited Energy Auditor or QC Inspector training and recertification training and testing prior to reinstatement of work.

In the event of a QC Inspector suspension, a letter outlining the suspension will be provided to Michigan Weatherization Policy Advisory Council, Department of Energy, and Michigan Community Action.

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Training and Technical Assistance

As outlined in section V.5.1 Technical Guides and Materials the Michigan field guide, Energy Auditor Manual and standards are distributed to Subgrantees and their contractors via the statewide database document center, through a link on the state's website, and through the MDHHS-BCAEO External SharePoint. The Michigan Weatherization Field Guide contains links to the SWS which can be accessed through an internet browser or on a mobile device in the field. Subgrantees are responsible for ensuring that all of their contractors and crews have access to and reviewed the Michigan Weatherization Field Guide, SWS, and Energy Auditor Manual.

Details on State Monitoring

Weatherization technical monitoring is conducted at minimum of once a year. State monitors will perform quality assurance site reviews on at least 5% of all completed units and 10% quality assurance file reviews. MDHHSBCAEO makes every effort to have an accurate estimated production count for each agency in order to meet the 5% requirement for onsite monitoring. In cases where it is revealed through the final production count that an agency has exceed production to a point where an additional onsite monitoring would have been required to meet 5%, the MDHHS-BCAEO technical monitor will add an additional job to their onsite monitoring in the following program year.

Michigan will increase monitoring to at least 10% onsite completed units and 20% quality assurance file reviews for the program year as deemed necessary. This will occur when a case-by-case basis a waiver is extended for the same EA/QCI as outlined above in the section "Waiver for same individual to perform audits and QCI" or for Subgrantees utilizing the QCI mentor/mentee option. Michigan may also increase monitoring if determined necessary through risk assessments. If waivers are granted due to Subgrantees experiencing staffing barriers and the inability to maintain separation of duties, MDHHS-BCAEO may require and review a corrective action plan and conduct follow up (such as monthly calls) with the Subgrantee in addition to increased monitoring.

This monitoring includes review of selected units to determine compliance with file documentation, work standard, and quality standards. Audits and quality control inspections include Indoor Air Quality (IAQ) inspections. IAQ inspection requirements include completion of MDHHS-BCAEO forms 552 and 552A and ASHRAE 62.2 ventilation standard. Blower door testing of all homes is conducted during both the audit and inspection of the home by a MDHHS BCAEO certified weatherization monitor/QCI or crew person/contractor. In the transition to WAweb BCAEO staff plan to determine and populate statewide fuel costs for Michigan to be used by Subgrantees in WAweb libraries. Subgrantees who wish to calculate their own fuel costs may submit justification for prices to be reviewed by technical staff. BCAEO staff anticipates calculating fuel costs regularly and providing updates as WAweb allows. On February 16, 2023 BCAEO also received approval to utilize the Non-Energy Impacts (NEIs) as outlined in 2210. Michigan allowed agencies to utilize the new fuel prices, including the NEIs in PY22 and will include them in the PY24 utility price calculations.

Individuals conducting state monitoring for MDHHS-BCAEO as the lead monitor will have active QCI certifications and possess the skills outlined in NREL JTA for QCIs. They have also attended Comprehensive and Specific training for other Home Energy Professional (HEP) categories and possess the skills outlined in the NREL Job Task Analysis. Multifamily (5+ units) monitoring will be completed by state monitors with the BPI QCI certification who have completed multifamily QCI comprehensive training. Michigan technical monitoring of Subgrantee dwelling units will not be completed by the same QCI certified individual that had completed the Subgrantee's energy audit or Final Inspection of the same dwelling unit.

MDHHS-BCAEO will contract QCI work as needed. As of March 12, 2024, MDHHS-BCAEO has three technical monitors on staff, four additional staff who have obtained QCI certification and are monitoring, and one additional staff preparing for their QCI certification. Additionally, MDHHS-BCAEO has a Technical Weatherization Specialist who has a QCI certification.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 603
Community Service Policy Manual 618

V.6 Weatherization Analysis of Effectiveness

Michigan's population estimates are 10,077,331 with approximately 13.4% living in poverty according to the 2022 American Community Survey. According to the release of the United Way's ALICE Report, 39% working in Michigan households struggle to afford the necessities like housing, childcare, food, technology, health care, and transportation. The [National Low Income Housing Coalition](#) states that across Michigan, there is a shortage of affordable rental homes for people with incomes at or below the Federal Poverty Level. Many households are spending more than half of their income on housing.

Key Facts:

- 312, 660 Renter households that are for extremely low-income households
- \$25,750 Maximum income for 4person extremely low-income households
- 204,728 Shortage of affordable rental homes for extremely low-income households

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Low-Income Energy Affordability Data:

The Low-Income Energy Affordability Data ([LEAD](#)) Tool shows the following by Federal Poverty Level:

Federal Poverty Level	Average Energy Burden (% income)	Average Annual Energy Cost (\$)	Housing Counts
150% 200%	5%	\$2,140	353,636
100% 150%	7%	\$2,095	325,574
0 – 100%	16%	\$2,052	468,727

MDHHS-BCAEO Effectiveness Analysis

MDHHS-BCAEO will utilize all tools listed below to analyze the effectiveness of subgrantee weatherization, productivity, expenditure, and energy savings goals. This information drives the development of Training & Technical Assistance (T&TA) activities, priorities for the network, focus of monitoring of the program and each subgrantee.

Some of the listed items are detailed further below, as they are not outlined in other parts of this plan.

Production and Expenditures

Each Subgrantee must maintain a rate of production and expenditures to ensure that all DOE WAP funds are expended in a timely manner each program year. Production is monitored and quarterly letters may be sent to each Subgrantee. The letters outline the agency's success rate of achieving their own production goals and compare each agency's production and expenditures compared to those rates of the entire state. MDHHSBCAEO has also created production and expenditure dashboards so that Subgrantees can see statewide production results in real time and compare themselves to other local Weatherization operators. Annually, MDHHS-BCAEO assess which agencies are the most behind and may require either one or regular responses from the agency as to how they plan to catch up. It should be noted that when necessary, MDHHS-BCAEO may reallocate WAP funding from underperforming Subgrantees and provide those dollars to Subgrantees that are meeting or exceeding performance and have the capacity to spend the funding out by the end of the program year. At the end of the program year, MDHHS-BCAEO issues a program year summary letter to each agency, outlining their success in production and expenditures, as well as their success in staying on track proportionately with capped cost categories, such as Admin and Health & Safety, and staying under the maximum allowable ACPU. Subgrantees may be put on a corrective action at this point in time, if they have not met goals. In PY23, Michigan Weatherization Leadership began meeting with Subgrantee Weatherization Leadership for brief meetings to discuss expansion efforts, challenges, and successes for the specific Subgrantee. The meetings are intended to identify additional support MDHHS-BCAEO can offer each Subgrantee (T/TA) and identify strengths within the network. These meetings are anticipated to happen 2-3 times in PY24 with each Subgrantee.

Performance Evaluation and Monitoring

MDHHS-BCAEO shall perform grant monitoring through activities such as:

- Conducting onsite monitoring.
- Current level of expenditures for all active weatherization related programs.
- Depth of existing waiting list.
- Financial and program management capacity.

Monitoring feedback is the basis for updating all monitoring tools. MDHHS-BCAEO reviews the following items to assess the weatherization program and requirements.

- Low or no citations during onsite inspections of weatherized and in progress units
- Ability to achieve and maintain Quality Control Inspector certification
- Successful programmatic & financial monitoring with no or low amounts of citations, specifically around the WAP
- Clean agency audit
- Ability to meet and/or exceed production and expenditure goals
- Positive trend analysis/performance reviews
- Low risk agency and WAP as determined by the BCAEO STAR risk assessment, or other risk assessment tool utilized by BCAEO
- Quick response and thorough corrections to issued corrective action

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If carryover funds are available, funds will be distributed to eligible Subgrantees based upon their capacity to take additional funds.

Subgrantees on a 1.) Quality Improvement Plan (QIP), 2.) who fail to utilize 90% of their award based on the Subgrantees original allocation at closeout, 3.) or are identified as a high risk in the STAR Assessment, will not be eligible to receive carryover funding unless approved by MDHHS-BCAEO. If a Subgrantee has the willingness and capacity to complete a multifamily project in conjunction with MDHHS-BCAEO and DOE, carryover funds may be made available for this project depending on the amount of funds available and the capacity of all entities involved.

Trend Analysis/Performance Reviews

The MDHHS-BCAEO technical staff are responsible for the development and maintenance of a trend analysis for each Subgrantee. This information includes a collection of all observations, questioned costs, and/or best practices identified during monitoring visits and the staff and/or contractors directly responsible. This information is used to identify training and technical assistance needs, to identify and inform Subgrantees of repeated performance issues with specific staff/contractors, and to identify and inform the network of trends that must be addressed. The MDHHS-BCAEO staff use this information to make policy and procedure changes as appropriate and to assess network training needs throughout the program year. All technical monitoring is entered into a database which allows MDHHS-BCAEO to track findings and training and technical assistance provided to the agency. Tracked information includes all relevant information pertaining to the monitoring review and is uniquely identified with a record id call MVID (Monitoring Visit Identification Number). Monitors prepare for each monitoring review by reviewing prior year's reports and corrective action plans. The reports contain problem areas (corrective action plans) that must be reviewed during the current monitoring evaluation. The monitor will then provide narrative on progress. Detailed information on findings, concerns and recommendations is also collected to use in developing training and technical assistance plans. MDHHS-BCAEO also reviews the database at a statewide level for monitoring findings and citations by category to better understand the technical areas that have the most potential for improvement. This information drives what training is administered and required in the next program year as well as specific areas of focus for the next program year's onsite monitoring engagements.

Technical and Financial Systems

MDHHS-BCAEO leadership for the technical, financial, and programmatic teams work closely to review monitoring tools and identify improvements. Monitoring policy and technical monitoring tools are revised to continue to mitigate implicit bias and increase consistency in monitoring.

Technical, financial, and programmatic monitoring tools are reviewed routinely and updated to ensure MDHHSBCAEO practices do not contain any implicit bias or lacks equity. Monitoring report formats and language is also being improved to ensure all stakeholders can clearly identify performance deficiencies. In addition, MDHHSBCAEO has hired a compliance officer to assist subgrantees with monitoring disputes.

Path of Continuous Improvements

MDHHS-BCAEO conducts the STAR Assessment to develop a risk based monitoring approach and to develop a comprehensive training plan. STAR Assessment reports are sent to the agencies provide them feedback on performance improvements and training options to ensure continuous improvements in the field. Monitoring is conducted and feedback shared in a monitoring report with the agency to assist in improving performance.

When a Subgrantee extensively fails work quality, SWS, and field guide compliance as identified in technical monitoring or fails a financial/programmatic monitoring (large, disallowed costs/improper financial accounting for federal funds), the subgrantee will be placed on a Quality Improvement Plan. Frequency of subgrantee monitoring is increased, and technical assistance or training may be required. Subgrantees Quality Improvement Plans (from final inspections and monitoring findings) are evaluated for performance improvements with additional oversight, regular meetings and feedback reports, full monthly financial report reviews prior to payment, and/or regular review of support documentation received in the MDHHSBCAEO SharePoint site.

STAR Risk Assessments

MDHHS-BCAEO will conduct risk assessments, STAR Assessment, for each subgrantee prior to the start of a grant agreement and more frequently if needed. The STAR Assessment identifies areas of high risk in key areas that are not limited to but including financial internal controls, financial procedures, single audit findings, technical performance, ability to meet production and expenditure goals, ability to not exceed the average cost per unit, ability to submit reports timely, ability to report accurately and timely, ability to properly administer health and safety standards, ability to ensure staff qualifications are current, and ability to ensure quality work and compliance through contractor/crew management. The STAR Assessment is used to develop a risk based monitoring approach and training/technical assistance plan. During monitoring, any key areas that have a highrisk score is focused on during monitoring.

How are the comparisons used to develop training opportunities and priorities?

Statewide training opportunities and priorities are developed through several assessment tools. The STAR Assessment, which is conducted annually, provides MDHHS-BCAEO and MiTEC (Michigan Training and Education Center) the top key areas of high risk in the network. Training is developed to address these areas. In addition, MiTEC will also provide onsite technical training for a region or for an agency to address training needs. Michigan plans to focus specific onsite technical training with MiTEC as the network brings on new contractors in expansion efforts. Additional details are located in the T&TA plan. Monitoring results, as outlined in the monitoring report, also identify training needs in the network that MiTEC incorporates into training classes. Priorities for increased training and onsite technical assistance is generated by a high percentage of agencies demonstrating deficiencies. Michigan's Weatherization Technical Team (Monitors, MiTEC Instructors, Coordinators and Wx Leadership) have regular meetings to share feedback with the team to strengthen the connection between training provided and deficiencies seen through monitoring. Additionally, focus areas for training are identified throughout the year and considered as topics for the Michigan Annual Technical Conference.

Action Around Ineffective Subgrantees

If an agency significantly underproduces or underspends, MDHHS-BCAEO may reduce the agency's allocation in the next Program Year. If MDHHS-BCAEO

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determines that the Subgrantee was identified as high risk in two consecutive years and/or the Subgrantee is not meeting the goals in the agreed upon plan, the Subgrantee grant may be terminated in accordance with 10 CFR 440.15(e).

In order to ensure that there are not extended periods without service to any area, MDHHS-BCAEO may appoint an interim provider until such time that the public process for identification of a permanent provider can be accomplished or corrections identified by the Subgrantee have been made. 10 CFR 440.15 will be followed in selecting a permanent replacement provider.

In the event the statewide Request for Weatherization Subgrantees results in some areas not being served, or if a provider of an area rescinds its selection as the local Weatherization provider, MDHHS-BCAEO may appoint a provider for those areas until another competitive bidding process is scheduled for the WAP.

MDHHS-BCAEO reserves the right to redistribute funds if a Subgrantee is not able to meet production goals outlined in the Subgrantee approved serviced plan or displays significant work quality deficiencies. Any reallocation will be to ensure proper utilization of WAP funds. Subgrantees eligible for redistributed funds will be determined based on, but not limited to, the following criteria:

- Current level of expenditures for all active weatherization related programs
- Timely and accurate submission of reports and Statement of Expenditures
- Depth of existing wait list (in progress jobs)
- Meeting of selfimposed benchmarks (identified in Subgrantee production plan)
- Financial and program management capacity

Incorporating Utility Usage Data

MDHHS-BCAEO will work with the Michigan Public Service Commission (MPSC), utilities, other data analysis and research contractors, and database system administrators to facilitate a dialogue between the entities to develop the process for collection of accurate utility usage data on the Michigan homes weatherized. These discussions have begun, and through continued work, MDHHS-BCAEO will ensure that data necessary to accurately assess the reduction in utility usage as it relates to weatherization activities, becomes a reality in Michigan. As Michigan transitions to a new database system, how utility data is collected and entered will be evaluated within the functionality of the system. Upon establishing collection and entry process, Michigan will work to assess impacts of Weatherization on utility usage. BCAEO will then utilize the pre and post utility data to identify trends of energy savings by each agency as an added element of analysis of effectiveness. This is a long term goal and project. It is anticipated that during PY24, Michigan will focus on the transition to empowOR and WAweb.

Management Mechanisms for improvement

Planned activities include:

- Development, implementation, and recognition of the DOE State Plan Development workgroup.
- Monthly updates in the BCAEO Update
- 1-3 Weatherization Manager in person Meetings (as needed)
- Regular Weatherization Manager Webinars (as needed)
- 1 Conference (as needed and approved by the State of Michigan)
- Training on Field Guide
- Timely Monitoring Reports
- Streamlined and updated tools for weatherization in the Statewide Database
- Diverse PAC stakeholders
- MiTEC Training Board
- Weatherization Leadership Committee Strategic Planning
- Multifamily Project Coordination
- Statewide Client Education Coordination

Market Analysis

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In 2021, MDHHS-BCAEO participated on the NASCSP committee to conduct a Weatherization Salary and Wage Survey. MDHHS-BCAEO has actively supported the Salary Survey and highly recommended participation by the subgrantees. Michigan plans to contribute to additional Market Analysis efforts that NASCSP conducts.

Costing of Measures

Subgrantees are required to use accurate pricing. MDHHS-BCAEO requires that subgrantees to conduct a request to proposal to develop a contractor list. All vehicles and equipment cost of \$5,000 or more require prior approval from MDHHS-BCAEO. Vehicle and equipment requests using DOE funds are then sent to DOE for approval as required.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 603
Community Service Policy Manual 618.1

V.7 Health and Safety

In PY23 and in PY24, Michigan requests the Health & Safety (H&S) limit be raised to 35% of Program Operations. H&S measures are not considered as part of the cumulative SIR and do not need an SIR to install.

Buildings that cannot be weatherized without the H&S measures shall be deferred if the H&S costs cannot be completed within the H&S thresholds or under a case by case waiver. For that reason, agencies may justify using deferral reduction funds (WRF or other funding sources as available) in instances where waivers are not approved or where agency funds are documented as depleted or trending to be depleted before the end of the PY.

Health and Safety measures are billed to their own cost category. Subgrantees ask a series of questions during intake and energy audit related to occupant health conditions to capture any preexisting conditions. Some Subgrantees have implemented a preassessment visit to homes which allow a trained Weatherization staff to look for common issues for health and safety issues or deferral.

Health and Safety funds may be used for:

- The elimination of energy related H&S hazards that are necessary before or because of the installation of weatherization measures.
- The elimination of energy related H&S hazards that are necessary before or because of the installation of weatherization measures.
- Items as identified as allowable for H&S spending in the Michigan Health & Safety Plan (CSPM 614) and DOE funds shall not be used to meet code compliance.

The Health and Safety plan and policy can be found in the CSPM 600 Series.

Please see the Michigan H&S Plan attached to the SF 424 for all H&S details.

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 606
Community Service Policy Manual 614

V.8 Program Management

V.8.1 Overview and Organization

The Weatherization Assistance Program is managed by the Michigan Department of Health and Human Services (MDHHS), Bureau of Community Action & Economic Opportunity (BCAEO) which is under the Bureau of Community Services Division. The MDHHS mission is to provide opportunities, services, and

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programs that promote a healthy, safe, and stable environment for residents to be self-sufficient. The vision of the Department is to develop and encourage measurable health, safety, and self-sufficiency outcomes that reduce and prevent risks, promote equity, foster healthy habits, and transform the health and human services system to improve the lives of Michigan families.

The MDHHS-BCAEO was created by the state legislature to oversee activities of Michigan Community Action Agencies (CAAs) and administer the U.S. Department of Energy Weatherization Assistance Program and the U.S. Department of Health and Human Services Community Services Block Grant. CAA services include programs that address education, emergency services, employment, health, housing, income management, linkages, nutrition, and self-sufficiency. CAAs are the primary subgrantees for the Weatherization Assistance Program in Michigan. MDHHS-BCAEO is responsible for the administration and oversight of the WAP in accordance with the conditions set forth in the approved DOE State Plan. In addition to WAP, MDHHS-BCAEO administers LIHEAP Weatherization funds and additional grants administered by CAAs. Responsibilities include statewide programmatic and fiscal planning and development, training and technical assistance (T&TA), monitoring, evaluation, and reporting. MDHHS-BCAEO annually contracts for program delivery activities with approximately twenty-seven local CAAs. Twenty-three of the twenty-seven CAAs are weatherization subgrantees.

MDHHS-BCAEO staff oversee several contracts and provide written policy and procedures for these various program areas. They also provide training to CAA staff on contract related policy, eligibility issues, etc. and technical weatherization staff deliver training and conduct review for state inspector certification. MDHHS-BCAEO staff conduct annual programmatic, technical, and financial monitoring reviews for each subgrantee. The MDHHSBCAEO Executive Director and MDHHS-BCAEO Deputy Director oversee all personnel within the MDHHSBCAEO and MiTEC. Personnel include grant managers, financial monitors, programmatic monitors, technical weatherization monitors, a CSBG specialist, a weatherization manager, two weatherization specialists, admissions training specialist and administrative support staff. The MDHHSBCAEO Executive Director also oversees the MPHI affiliates who staff MiTEC, the Michigan Training Center. The MPHI affiliates are a Manager, Technical Instructors, Weatherization Coordinators, Weatherization Analysts, Program Assistant(s), Data Reporting Specialist, and a ROMA Data Integration Coordinator.

In PY23, MDHHS-BCAEO expanded the weatherization leadership team by adding a weatherization manager and a technical weatherization specialist. This expansion of the weatherization leadership provides Michigan the support at the state level to administer the program at a high level and support the Michigan network in weatherization efforts.

The MDHHS-BCAEO Organizational Chart has been attached to SF424.

Michigan's WAP funds are distributed via an allocation formula that was revised to reflect the current conditions and energy conservation needs in Michigan based on the 2010 census. It uses a formula that includes a population factor, a territory size factor, and a heating degree day factor. Michigan will update the allocation formula with updated census information in the following program year.

MDHHS-BCAEO may consider a competitive process to select additional subgrantees in PY24 to address capacity issues and to address statewide contractors for multifamily work, statewide energy auditors/quality control inspectors, and statewide contractors for single family work. If run, the competitive bid process will be developed using MDHHS's internal procurement of services rules and regulations. A timeline has not been established. Prior to running, an evaluation of PY20-23 goal accomplishments in production and expenditures will assist in the determination of a competitive process for statewide single family work. The described solutions are intended to build the network and enhance its ability to meet the goals of the weatherization assistance program. MDHHSBCAEO will consider bids from multiple weatherization operators forming together to submit a statewide proposal for expansion. Request for proposal documents will be submitted to DOE prior to release.

V.8.2 Administrative Expenditure Limits

Not more than 7.5% of the grant can be used for administrative purposes by the state (MDHHS-BCAEO). Subgrantees receive an allocation of 7.5% of the total DOE WAP allocation for administrative costs. This 7.5% is allocated across all Subgrantees by the allocation formula.

V.8.3 Monitoring Activities

The overall goals of monitoring are to assure compliance with federal and state rules and policies, as well as examine the efficiency, quality and effectiveness of Subgrantee operations. An additional goal is to identify and correct issues and improve performance that have the potential to cause major program deficiencies. Because work with Subgrantees has a broader focus than compliance, T&TA dollars may fund activities in this area.

General monitoring strategies include the following:

*To note, the description below references FACSPRO as this has been the historical statewide database. In PY24, this will transition to CSST empowOR. Documentation retention will occur in empowOR as the system allows; or will be maintained in SharePoint or other agency systems as needed. During the transition for the Michigan WAP, MDHHS-BCAEO will communicate and determine where the components will be located.

- Desk monitoring: Desk monitoring includes ongoing reviews of monthly programmatic and financial data submitted by subgrantees. Programmatic data from each household served is available and reviewed from the statewide database FACSPRO system. Examples of data include estimated and final cost data by measure and by job, mechanical test results, and blower door readings. A sample of the Subgrantee's monthly expenses and invoices are reviewed as well as allocations. Fiscal review includes single audit

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review, examining expenses for compliance, performing a limited review of internal controls, and financial reconciliation.

- Subgrantee visits: Each Subgrantee receives at least one onsite field visit per year, monitoring a minimum of 5% of all weatherized households statewide, unless a waiver for the Energy Auditor and QCI to be the same person on a job (see Final Inspection section, above) is approved by MDHHSBCAEO, then MDHHSBCAEO will monitor at least 10% of all weatherized households in a select service area. In addition, each Subgrantee receives a minimum of one administrative (programmatic and financial) monitoring onsite visit per grant cycle (typically once every three years with desk reviews in between onsite visits). In the case that a Subgrantee does not have an office location in Michigan, programmatic and financial monitoring will be completed virtually.
- **Risk Assessment:** A risk assessment called STAR (State Technical Assessment Report) is conducted at the start of the program year or prior to the start of a new grant contract (and modified throughout the year as needed), as a riskbased approach to monitoring; to determine priority in monitoring, to setup a monitoring schedule, to prepare the monitoring plan, and to establish custom subgrantee training and technical assistance. For both field and administrative monitoring, additional visits are scheduled, as needed, to address specific Subgrantee issues as they arise. If at any time BCAEO determines it will utilize another risk assessment tool, that tool will be utilized in the same way as the STAR outlined above.
- Inspections of completed dwellings are conducted to determine compliance with federal and state requirements, client satisfaction, and work quality.
- MDHHS-BCAEO also may choose to visit "in progress" jobs. All MDHHS-BCAEO household inspections are completed by or in conjunction with a certified Quality Control Inspector prior to being moved to Final Close Out in WxPro*.
- MDHHS-BCAEO has developed a field/technical, a programmatic, and financial monitoring tools. The programmatic, financial, and field/technical tools are reviewed annually. These tools are used to ensure that planned monitoring reviews are completed consistently in the field and to appropriately document the results. The tools are available for the Project Officer to review during DOE monitoring visits. During PY23 and PY24, the field/technical tools will receive a deeper review and update process.
- **Household file reviews:** MDHHS-BCAEO staff reviews data and household files for compliance using subgrantee data, forms, signatures, bids, invoices, and other documentation. The file review sample may include those dwellings that are selected for onsite inspection. In depth household file reviews are conducted by field monitors during the monitoring engagement. Programmatic and financial monitors randomly sample files during onsite visits to demonstrate compliance with DOE, MDHHS-BCAEO, and local Subgrantee policy.
- Subgrantees are required to upload files of dwellings to be inspected by MDHHS-BCAEO field monitors to the secure database system.
- **Certification/Licensing Monitoring (Previously called Annual Monitoring):** All Weatherization Subgrantees must maintain information on the workers in their JTAs and provide information to BCAEO upon request. Weatherization technical monitors, coordinators and specialist review the documentations supporting the trainings, certifications, insurance, and licenses held by individuals/companies in the WAP. This includes LRRP EPA compliance. Monitoring may include a selected focus area or a sampling of contractors/individuals during each cycle.
- **Programmatic and Financial Monitoring:** These reviews include follow up on issues raised in the premonitoring planning, in the STAR Assessment, or other selected risk-based monitoring plan as well as any other administrative and/or financial issues as needed, including but not limited to:

0 Program overview

0 Equipment/Inventory/Materials

0 Client/Household eligibility

0 Distribution of services between renters and owners

0 Distribution between counties within the Subgrantee service territory

0 Reporting compliance

0 Internal controls related to financial management and operations

0 Fiscal Audits

0 Payroll/Personnel

0 Vehicles and equipment

0 Subawards/Subgrantee monitoring

0 Invoicing

0 Records retention

0 Staff qualifications and training

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0 Handling of monitoring results and follow up

0 Inventory records

0 Contractor/crew qualifications

0 Procurement procedures

0 Outreach efforts to incorporate minority and disadvantaged contractors

- **Field Monitoring visits:** All MDHHS-BCAEO field inspections are conducted by a certified Quality Control Inspector and will ensure compliance with the Standard Work Specifications. These reviews include follow up on issues raised in desk monitoring, prior monitoring reports, as well as any other issues as needed, including but not limited to:

0 Administrative field work (Client file review, Work orders, Audit reporting)

0 Energy audits

0 Training & Technical Assistance activities and needs

0 Weatherization of units

0 Health and safety

0 Final inspections and verification that all inspections are performed by a QCI

0 Handling of monitoring results and follow up

0 Compliance with Lead Safe Work practices

0 Compliance with Standard Work Specifications (SWS)

All monitoring is conducted in accordance with the guidance in WPN (Weatherization Program Notice) 204. All monitoring tools have been updated to reflect DOE program requirements. The combined programmatic/financial compliance monitoring and technical monitoring will satisfy the DOE monitoring requirements.

Monitoring reviews are coordinated through Subgrantee staff. Tentative monitoring schedules are set early in the program year. Monitoring schedules may be adjusted based on the needs of the agency and BCAEO Weatherization staff.

Depending on the type of monitoring (programmatic, technical, financial), the Subgrantee has a specified number of days to complete the corrective action and provide proof of correction to the monitor. The number of days for response varies depending on the type of monitoring. Upon response from the agency, the monitor has so many days to ensure the corrective action has been made and to respond as to whether they accept the actions or not, and if any further/additional assistance or information is needed. If it is found that a subgrantee has significant deficiencies, MDHHS-BCAEO will establish a Quality Improvement Plan (QIP) for the subgrantee and increase monitoring to address said deficiencies until the MDHHSBCAEO determines the agency has improved. It is expected that with the implementation of the in-progress monitoring, that MDHHS-BCAEO will be able to identify deficiencies earlier, rather than later if they exist. In progress reviews will be planned when MDHHS-BCAEO is fully staffed. MDHHSBCAEO monitors also utilize Technical Assistance Plans (TAP) and Corrective Action Plans (CAP) as part of monitoring to improve Subgrantee performance. The CSPM 1300 provides a policy for monitoring.

Technical Monitoring

Technical monitoring will be performed to ensure compliance with all DOE WAP, U.S. Health and Human Services (HHS) regulations and guidance, and SOM and MDHHS-BCAEO policies. Technical monitoring may include, but is not limited to, a review of the following areas:

- Any outstanding findings, previous year's findings, and required corrective actions
- Program requirements for all funding sources
- Materials standards and specifications
- NEAT/MHEA libraries (to be reviewed on a regular basis)
- Fuel Costs (reviewed as appropriate)
- Input report and recommended measures report
- Contractor licensing, certifications, and insurance requirements

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- Work specifications
- Quality control procedures
- Approved Audit Inspection, Work Order, Cost Center (IWC) completeness and storage
- Financial reconciliation for all job cost and invoicing reported on the Cost Center* (For PY24, BCAEO is determining the new structure of the Cost Center)
- Compliance with blower door testing requirements
- Combustion appliance testing protocol
- Correct audit selection & completion
- Trend analysis of best practices, observations, questioned costs, or findings
- Optional: An inprogress site visit with the contractor/crew (working)

Technical Monitoring Reviews will be completed onsite for at least 5%, or more if appropriate or approved through a waiver (10%), of the completed units. Technical monitors will also conduct an increased onsite monitoring for Subgrantees with significant deficiencies. BCAEO considers the time in the Program Year that the deficiencies are discovered, the amount of production the agency does, and the specific role of the program where those deficiencies are noticed to determine the number, and which portions, of the jobs to be reviewed in the increased monitoring. File selection and review will be based upon 10% of scheduled production. For the monitoring selection, MDHHS -BCAEO may conduct a randomized pull of completed jobs as a base for technical monitoring visits. BCAEO may also prioritize other specific jobs for any reason, including, but not limited to: concern on a specific job because of previous interaction with the Subgrantee or client; concern about a specific energy auditor, contractor/crew or QCI; specific interest in reviewing an identified housing type of particular concern, interest in monitoring specific measure installation.

For technical monitoring, a weatherization monitoring report, including observations, findings, concerns, recommendations and corrective action requirements, is completed by the technical staff. After agency technical responses have been received, a management decision letter is sent that includes all accepted corrections and notes outstanding issues. The Subgrantee and BCAEO technical staff repeat this process until the BCAEO technical staff determine that the monitoring is resolved. Any emergent Health and Safety issues that are identified during onsite monitoring, particularly if they present an imminent danger to occupants, will be addressed immediately by monitor and the Subgrantee. Monitoring Reports and Management Decision letters are reviewed by supervisory staff, approved by the MDHHS-BCAEO Executive Director, and then forwarded to the agency's Executive Director with a copy to the weatherization manager/coordinator.

All MDHHS-BCAEO technical monitors providing monitoring for WAP file and site visits must have a QCI certification. MDHHS-BCAEO Technical staff is required to perform all diagnostic testing along with monitoring all installed measures to ensure they have been correctly installed. The technical staff takes photographs during monitoring and conducts file reviews to ensure Subgrantee compliance. Weatherization technical monitoring will be conducted for each Subgrantee a minimum of once a year for the following: review of materials for compliance with audit specifications, review of quality control system and procedures, inspection of selected houses to determine compliance with file documentation work standards and quality standards, check of jobs in progress, safe work practices, and mandatory training requirements. Contractor licensing, insurance, and training requirements are also reviewed.

WRF monitoring is included in technical monitoring reviews. At the beginning of the monitoring engagement, monitors will confirm if any jobs closed at the time of monitoring for the subgrantee have WRF spent. If so, the monitoring sample will include a job with WRF for file review and onsite review when possible. MDHHS-BCAEO will ensure that the monitoring pulls for the majority of subgrantees will include at least one job with WRF funds expended. When the technical monitor pulls the 10% files, they determine if WRF funds were spent on the job and if so, on what activities. If a job included in the 5% onsite review includes WRF spending, the technical monitor will confirm those expenditures were conducted as billed. Monitoring of WRF will include reviewing pre and post photographs will be included in the client file for WRF measures and that the Subgrantee's QCI must sign off that WRF work was conducted as called for in the client file.

Programmatic and Financial Monitoring

The programmatic and financial monitors will compose a monitoring report, including recommendations, findings, and best practices that is also shared with the agency's Executive Director and Subgrantee's Board Chair. This document is reviewed by supervisory staff, approved by the MDHHS-BCAEO Executive Director, and then forwarded to the agency's Executive Director with a copy to the weatherization manager/coordinator.

Weatherization programmatic compliance and financial monitoring will be conducted with the Subgrantee a minimum of once a year. The monitor prepares for the monitoring by reviewing monitoring reports, corrective action requirements, and correspondence. The monitor reviews files for completeness and accuracy of eligibility documentation, programmatic compliance, and financial compliance. Subgrantees are required to have a single audit performed in accordance with OMB Uniform Guidance, as applicable. In accordance with 2 CFR 200.425(a)(2), only those Subgrantees expending more than \$750k in total Federal Funding annually will receive FINANCIAL AUDITS funding identified in the Grantee's SF424a Budget. This is typically all Subgrantees in Michigan's program. The Subgrantees are responsible for obtaining their own audit services. MDHHS-BCAEO receives a copy of the audit report and prepares management decisions as needed.

Monitoring Reports (Technical, Programmatic, and Financial)

Technical staff, programmatic monitors, and financial monitors provide oversight and compliance reviews for the weatherization program. MDHHS-BCAEO monitoring policy requires they offer of an entrance and exit interview with the Executive Director and/or designated staff for each monitoring review.

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MDHHS-BCAEO will issue monitoring reports within 30 days after the exit conference from each monitoring review. A written response to corrective action will be required of subgrantee's within 30-60 days of receipt of the monitoring report unless noted in the monitoring report. MDHHS-BCAEO also has a custom Grants Management and Monitoring Database that tracks all monitoring activities and follow up until closeout.

Training and Technical Assistance

A system has been setup in the Monitoring Access Database to track Subgrantee and MDHHS-BCAEO monitoring findings, concerns and recommendations by auditor/inspector, contractor, and/or worker to assist in planning training and technical assistance activities. Additional days may be added to the agency visit if monitoring results identifying a need for additional T&TA for the agency.

To provide adequate oversight, it is the Subgrantee's responsibility to train and provide information to the subcontractors on the WAP policies to ensure that subcontractors perform in accordance with weatherization standards and comply with all rules and regulations. To provide oversight, the Subgrantee is required to have at a minimum:

- Procedures to ensure that agreements are entered into only with competent subcontractors.
- A system for monitoring subcontractors and dwelling units.
- A system to provide technical assistance to subcontractors as needed.
- Documentation of all monitoring and technical assistance provided to include at a minimum, who was trained, on what subject, and on what date.
- Subgrantees are responsible to ensure that their contractors and staff participate in all required trainings.

Process for reviewing the success of the monitoring policies and resolving any issues that affect the quality and impartiality of the inspection process.

0 MDHHS-BCAEO Weatherization staff meet on a weekly basis for a regular check in on the monitoring process and any difficulties in accomplishing monitoring.

0 The team identifies common issues that occur more commonly and determine the best way to address any of those challenges with the network as a whole.

0 The group of technical monitors rotates agencies that they monitor approximately every 35 years to ensure that each agency receives diverse perspectives from the technical monitoring team.

0 The monitoring schedule is built to avoid any potential or perceived conflicts of interest. For example, one of BCAEO's technical monitors came to the State from an agency, so he has not been assigned to monitor that agency as that would mean monitoring previous coworkers and colleagues.

Attachments:

MDHHSBCAEO Fiscal Monitoring Tool

MDHHSBCAEO Programmatic Monitoring Tool

MDHHSBCAEO Technical Monitoring Tool

MDHHSBCAEO Tentative Technical, Programmatic and Financial Monitoring Plan

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

Policy Manual:

Community Service Policy Manual 603
Community Service Policy Manual 1300

V.8.4 Training and Technical Assistance Approach and Activities

The PY24 Training and Technical Assistance Plan is in the new DOE Training and Technical Assistance Plan template see attached to the SF424.

Training and Technical Assistance activities (T&TA) for both Subgrantee and MDHHSBCAEO WAP staff are instrumental in the provision of weatherization services to low income households in Michigan. All MDHHS-BCAEO and MiTEC T&TA activities will have one of the following objectives:

- Maintain and increase the efficiency, quality and effectiveness of the WAP at all levels
- Maximize energy savings within Michigan's WAP

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- Ensure the Health and Safety of lowincome households and WAP workers
- Increase the effectiveness of client education
- Improve the quality of weatherization work performed on dwellings
- Improve program management and administrative procedures within Michigan's WAP

Policy Link: <https://www.michigan.gov/mdhhs/doing-business/weatherization/manuals>

Link under CSPM 600 Series – Weatherization Assistance Program. Final PY23 Policy Manual and Draft PY24 Policy Manual

- Community Service Policy Manual 611 - Client Priority Selection Criteria
- Community Service Policy Manual 612.4 - Applicant File Documentation Client Energy Education
- Community Service Policy Manual 618 - Technical Weatherization Training
- Community Service Policy Manual 618.1 - Inspector Certification

Percent of overall trainings

Comprehensive Trainings:	62.0
Specific Trainings:	38.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	65.0
Percent of budget allocated to Crew/Installer trainings:	30.0
Percent of budget allocated to Management/Financial trainings:	5.0

V.9 Energy Crisis and Disaster Plan

In an event of a declared natural or manmade disaster or a declared emergency at the state or federal level, MDHHS-BCAEO will allow Subgrantees to assist their eligible clients with weatherization funds to the extent that the services are in support of eligible weatherization work.

All Subgrantees of the Weatherization Assistance Program (WAP) must adhere to the following policy if considering requesting weatherization funding toward disaster planning and relief. Disaster relief funds are to be used only in the event of a declared emergency at the state or federal level and shall be used only to provide emergency services to low-income individuals and families in the designated disaster area. WAP has a very limited role in any disaster response plan. DOE funds are very limited to eligible weatherization activities and the purchase and delivery of weatherization materials. To the extent services are in support of eligible weatherization (or permissible reweatherization) work for eligible households, such expenditure is allowable.

Allowable expenditures under WAP include:

- The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective.
- The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials.
- Services are in support of eligible weatherization (or permissible reweatherization) work, such expenditure would be allowable. For example, debris removal at a dwelling unit so that the unit can be weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost.
- Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include securing weatherization materials, tools, equipment, weatherization vehicles, or protection of local agency weatherization files, records and the like during the initial phase of the disaster response.
- Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the DOE regulations. Costs to help assist in disaster relief must be appropriately allocated according to the Uniform Guidance of 2 CFR 200.405.

The following applies to DOE Expenditures:

- Per WPN 24-1, ACPU limits still apply.
- Allowable uses for Weatherization Readiness Funds (WRF), as outlined in the MDHHS-BCAEO WRF Plan and CSPM

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- The total allowance for incidental repairs in support of installation of weatherization materials is limited to the current maximum reimbursement for minor envelope repairs per contract and policy language.

- The total allowance for installation of each weatherization measure is limited to the current maximum reimbursement Subgrantee contract.

Reprioritization of Weatherization requests

For reprioritization of weatherization requests coming from the disaster area, WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens (10 CFR 440.16 (b)). However, it would be permissible to consider households located in the disaster area a priority if the households are eligible and meet one of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

Reweathering work

Michigan will follow the requirements of CFR 440 10 CFR Part 440.18 stating that a dwelling unit that has been previously weatherized under the Weatherization Assistance Program may receive additional weatherization services if such dwelling unit has been damaged by fire, flood, or act of God, local authorities have deemed that the dwelling unit(s) are salvageable and habitable and repair of the damage to weatherization materials is not paid for by insurance or other forms of compensation.

If the Disaster Plan is enacted, MDHHS-BCAEO will seek approval from the DOE Project Officer for permission to proceed with a determination of homes available for reweatherization. These homes will be reported separately as required by DOE. MDHHS-BCAEO and subgrantees will count these jobs as completions for the purposes of compliance with the per home expenditure limit in §440.18.

Each dwelling unit must receive a new energy audit which considers any previous energy conservation improvements to the dwelling. In compliance with WPN 127, should Michigan's WAP need to utilize the Disaster Planning and Relief plan, homes which have been weatherized before the 15 year "rolling" date can be weatherized due to natural disasters. Details of the MI Disaster Plan are in CSPM 624.

If funding is available, MDHHS-BCAEO will consider all requests from Subgrantees for disaster relief funds that meet the outlined criteria. The requests must include the following components:

- Overview of disaster

- Date disaster was declared a federal or state disaster

- Additional funding requested, if applicable

- How weatherization funds/weatherization work will be utilized to enhance disaster relief funds in the federal or state defined disaster area.

Funding for Disaster Planning and Relief

If MDHHS-BCAEO approves a Subgrantee disaster relief plan, an agency can dedicate current year allocation and funding to the identified disaster area and serve that area as priority over other areas. In the event the Subgrantee requests additional funding for the disaster relief efforts, MDHHS-BCAEO, with the approval of DOE via the state plan, can allocate additional funds to a designated disaster site during a reallocation process throughout the year.