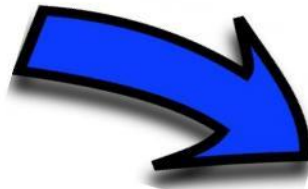
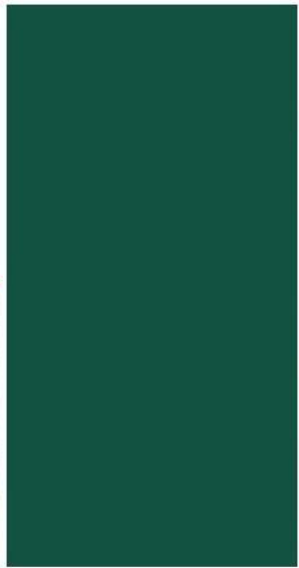


LOUISIANA WEATHERIZATION ASSISTANCE PROGRAM GUIDE



Weatherization Works



Louisiana Weatherization Assistance Program Guide

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Acronyms

ACM	Asbestos Containing Materials
ARRA	American Recovery and Reinvestment Act
BPI	Building Performance Institute
BTL	Building Tightness Limit
CFR	Code of Federal Regulations
CFL	Compact Fluorescent Lamp
CFM	Cubic Feet per Minute
CO	Carbon Monoxide
CPSC	Consumer Product Safety Commission
DBA	Davis Bacon Act
DHHS	Department of Health and Human Services
DOE	U.S. Department of Energy
DSL	Digital Subscriber Line
EPA	United States Environmental Protection Agency
HASP	Health and Safety Plan
HEAC	Home Energy Assessment Checklist
HES	Hancock Energy Software
HUD	United States Department of Housing and Urban Development
HVAC	Heating/Ventilation/Air Conditioning
IED	Indoor Environments Division
ID	Identification
IT	Information Technology
LHC	Louisiana Housing Corporation
LaWAP	Louisiana Weatherization Assistance Program
LHFA	Louisiana Housing Finance Agency
LIHEAP	Low Income Home Energy Assistance Program
LSW	Lead Safe Work Practices
MMG	Management and Monitoring Guide
MSDS	Material Safety Data Sheets
OMB	Office of Management and Budget
OSHA	Occupational Safety and Health Administration
POI	Pollution Occurrence Insurance
PPE	Personal Protective Equipment
PPM	Parts Per Million
RRP	Renovation, Repair and Painting
SHPO	State Historic Preservation Officer
SSI	Supplemental Security Income
T&TA	Training and Technical Assistance
USDA	United States Department of Agriculture
WAP	Weatherization Assistance Program
WAP-MAX	ARRA stimulus funded Weatherization Assistance Program
WPN	Weatherization Program Notice
VOC	Volatile Organic Compounds
VOE	Verification of Employment

Definitions

Agency: A Subgrantee or sub-recipient of the LaWAP.

Appendix A of 10CFR440: An appendix to DOE WAP regulations that lists acceptable materials for use in DOE-sponsored weatherization.

Applicant & Inspector Certification: Certification signed by the client, final inspector, and agency representative verifying satisfactory workmanship, client education and a WAP approved final inspection has been achieved, closing out the unit as complete.

Beyond the Scope: Services not defined by these policies and procedures are said to be beyond the scope of the LaWAP.

Combustion Testing: Procedures for testing and evaluating the safety of a combustion device such as space heater or water heater.

Completed Unit: A home weatherized in accordance with LaWAP policies and procedures. The completed unit is LaWAP's primary unit of production.

Completion Report: A mandatory form completed by agency personnel documenting the work procedures and final inspection for a weatherization completion and submitted to LHC monthly and maintained in client file.

Cost-effective: A measure is cost-effective if its savings-to-investment ratio is greater than 1.0.

Customer: A low-income person or family who receives weatherization services after qualifying for services by completing an application.

Customer/ Client File: A file kept at the agency documenting the essential information.

Denial: The agency denies weatherization services to a customer for health, safety, or administrative reasons.

Disallowed Cost: An agency expense that is denied by LHC because of a major finding.

Final Inspection: A quality-control inspection by the agency after all weatherization measures is complete.

Final Inspection Check-Out Form: Data collection summary form that supports the Applicant & Inspector Certification and verifies data collected during the final inspection.

Findings: Violations of Louisiana WAP policies or procedures, discovered by LHC staff.

Grant: The contract and payment agreement between LHC and each Subgrantee.

Hancock Energy Software (HES): A web-based data management system selected by the LHC and Subgrantees to manage the WAP program

Home Energy Assessment: An inspection of a home’s existing condition in order to plan energy-conservation and repair work.

Home Energy Assessment Checklist (HEAC): The document used to perform/document the home energy assessment.

Incidental Repairs: Repairs, directly related to an energy efficient measure, that’s necessary to make the installation of weatherization materials effective. The total cost of incidental repairs shall not exceed \$3,000 total per unit (\$1,500 maximum for a single repair). Common examples include roof, door and window repairs. Specific repairs will vary depending on the characteristics of the individual unit.

Inventory: Equipment, tools, and materials maintained at LHC or a Subgrantee that is utilized in accomplishing weatherization work in an efficient and cost-effective manner. All inventory purchases over \$100.00 should be recorded on an “Inventory List.” This list should include all information relevant to the purchase, such as the funding source, the condition of the item, the location of the item, item cost, and the inventory number assigned to that specific item.

Lead-Safe Weatherization (LSW): Policies and procedures for protecting workers and occupants from lead paint dust.

Leveraging: Obtaining funds from one funding source by virtue of having funds committed by another funding source

Measure: A retrofit or repair performed to save energy, mitigate health and safety problems, repair building damage, or enhance building durability.

Monitoring Audit: A quality-control audit of a completed unit by LHC during a monitoring visit.

Monitoring Report: A report written by LHC staff that documents the findings of a quality assurance visit to a Subgrantee.

Monitoring Visit: LHC staff visit to a local agency to inspect the agency’s weatherization operations and to audit the quality of completed units.

NEAT: The National Energy Audit Tool is a part of the Weatherization Assistant Software.

Pilot Project: A completion that demonstrates a new, different, or innovative procedure not covered by existing procedures.

Policy: General guidance, requirements, and rules of the LaWAP Program.

Priority List: A list of measures arranged in order of DOE-approved priority by descending cost-effectiveness based on a LHC-approved computer energy audit or other instruments of deemed savings.

Procedures: Approved methods of installing energy conservation measures and repairs, which are contained in the *Louisiana Weatherization Field Guide*.

Re-inspect: To send an inspector from the agency who was not involved with a completion to inspect the completion a second time after initial final inspection.

Repair: A necessary repair, directly related to energy efficiency, performed to prepare for weatherization measures and to protect weatherization measures from damage.

Respirator: A breathing filter approved by the National Institute of Occupational Safety and Health (NIOSH).

Re-Work: The agency returns to a completed unit to perform additional work or make corrections in response to a finding.

Savings-to-Investment Ratio: The ratio of life-cycle savings to life-cycle costs adjusted for inflation, energy-cost escalation, and the time value of money.

Subcontractor: A legitimate independent business that contracts with an agency to perform weatherization work.

Standard: A question about compliance to a policy that generates a rating.

Subgrantee: An entity managing a weatherization project which receives a grant of funds awarded under this part from a grantee.

T&TA Visit: LHC visits an agency to provide training and technical assistance (T&TA).

Termination: When an agency's contract and grant are discontinued because of persistent non-compliance with LaWAP policy.

Un-vented Space Heater: A portable or permanently installed space heater that has no venting system and discharges all its combustion products indoors.

Waiver: Permission granted to waive (not perform) some LaWAP policy or procedure. Agency waivers are granted by the agency to itself based on agreed policy. A LHC waiver is a more significant policy exception and requires permission from the LHC staff.

Weatherization Program Notice (WPN): Grant guidance issued by DOE to the LaWAP.

1.0 Introduction

The Louisiana Weatherization Assistance Program (LaWAP) is managed at the federal level by the United States Department of Energy (DOE) in accordance with 10 CFR Part 440 et seq. Louisiana Housing Corporation (LHC) is the grant recipient and manages the program from the state level. Local weatherization agencies (Subgrantees) located throughout the state provide low-income customers with weatherization services.

The purpose of this program manual is to provide a comprehensive reference document that will facilitate successful execution of the LaWAP. LHC and the Subgrantees are required to acknowledge receipt of and adhere to the provisions of this Program Guide to ensure compliance with DOE regulations and LHC guidelines as well as all applicable Louisiana statutes.

The LaWAP Program Guide may be amended and/or revised to reflect changes in State and Federal regulations, state-of-the-art technology, and the prevailing best practices of weatherization and repair. Regulatory changes are routinely communicated by DOE via guidance documents located at www.waptac.org. All proposed changes to this program guide must be approved by LHC before implementation.

Amendments and revisions to LaWAP Policies and Standards become effective thirty (30) calendar days after the date of Subgrantee notification, except for the following conditions:

- a. State or Federal law or regulation changes mandate immediate implementation; and/or
- b. The proposed amendment and/or revision is necessary to protect the health and welfare of Louisiana citizens in the case of an emergency, such as a threat to life, limb, or personal property.

1.1 LaWAP Mission Statement

LaWAP's mission is the same as listed in the Congressional Record and contained in the enabling legislation for the DOE WAP.

“To reduce energy costs for low-income families, particularly for the elderly, people with disabilities, and children, by improving the energy efficiency of their homes while ensuring their health and safety.”

1.2 Roles of LaWAP Stakeholders

This section explains the roles of the main stakeholders involved with low-income weatherization in the State of Louisiana.

- DOE manages the WAP nationwide and supervises LaWAP from the Golden Field Office of the DOE Project Management Center in Golden, Colorado.
- The United States Department of Health and Human Services (DHHS) dispenses the Low-Income Home Energy Assistance Program (LIHEAP) block grant. This block grant allows LHC to allocate a portion of the funds to the WAP.
- LHC subcontracts with Subgrantees to administer the program and to provide training, monitoring, evaluation, warehousing, bulk-purchasing and other services to LaWAP.
- Weatherization (local community action) agencies subcontract with LHC. The agencies promote LaWAP locally, qualify applicants, and perform weatherization and repair work. These agencies are commonly referred to as Subgrantees or sub-recipients. A program contract template is included as Appendix A.

1.3 State Plan

The LaWAP will be administered according to the DOE approved State Plan. A unique State Plan is prepared for each grant opportunity (typically annually). The plan is considered final upon approval by DOE. The current approved State Plans are included in Appendix B. In accordance with the final rules for the program as provided in 10 CFR, Part 440.14, the State Plan must identify and describe the following (at a minimum):

1. The production schedule for the State indicating projected expenditures and the number of dwelling units, including previously weatherized units which are expected to be weatherized annually during the program year;
2. The climatic conditions within the State;
3. The type of weatherization work to be done;
4. An estimate of the amount of energy to be conserved;
5. Each area to be served by a weatherization project within the State, and must include for each area:
 - The tentative allocation;

- The number of dwelling units expected to be weatherized during the program year; and
- Sources of labor.

6. How the State Plan is to be implemented, including:

- An analysis of the existence and effectiveness of any weatherization project being carried out by a Subgrantee;
 - An explanation of the method used to select each area served by a weatherization project;
 - The extent to which priority will be given to the weatherization of single-family or other high energy-consuming dwelling units;
 - The amount of non-Federal resources to be applied to the program;
 - The amount of Federal resources, other than DOE weatherization grant funds, to be applied to the program;
 - The amount of weatherization grant funds allocated to the State under this part;
 - The expected average cost per dwelling to be weatherized, taking into account the total number of dwellings to be weatherized and the total amount of funds, Federal and non-Federal, expected to be applied to the program;
 - The average amount of the DOE funds specified in §440.18(c)(1) through (9) to be applied to any dwelling unit;
 - The procedures used by the State for providing additional administrative funds to qualified Subgrantees as specified in §440.18(d);
 - Procedures for determining the most cost-effective measures in a dwelling unit;
 - The definition of “low-income” which the State has chosen for determining eligibility for use statewide in accordance with §440.22(a);
 - The definition of “children” which the State has chosen consistent with §440.3; and
-

- The amount of Federal funds and how they will be used to increase the amount of weatherization assistance that the State obtains from non-Federal sources, including private sources, and the expected leveraging effect to be accomplished.

1.4 Training and Technical Assistance

LHC will provide training and technical assistance (T&TA) to Subgrantees. The primary objective of the T&TA is to provide Subgrantees with the information required to administer and operate the WAP in compliance with DOE and State rules and regulations. Additional detail regarding T&TA is provided in the WAP state plan.

1.5 Hancock Energy Software

The Hancock Energy Software (HES), a web-based system, has been selected by the LHC for Subgrantees to manage the WAP program. Subgrantees can access the system through a high-speed internet connection by visiting <https://webapps13.lhfa.state.la.us/>. Subgrantees are required to enter data into HES, including application in-take and unit tracking (production). The system also processes requests for payments and invoices. Detailed user instructions for the software are provided in the HES Weatherization Resource Guide prepared by LHC and provided in Appendix C of this document.

2.0 Client Intake

The purpose of this section is to establish policy and to provide guidelines for the WAP program client intake process. The client intake process involves conducting outreach activities, intake of applications, and determining eligibility. Services are to be provided in a confidential manner to afford applicants privacy in accordance with Louisiana's Confidentiality Law, R.S. 46:56.

2.1 Customer Service

Customer service is defined as an organization's ability to supply their customers' wants and needs. The applicant shall be viewed as a customer at all times. The Subgrantee shall provide courteous, convenient, and prompt service to all WAP customers.

The Subgrantee shall:

- Ensure that intake workers treat customers respectfully and courteously.
- Periodically assess the wait time for customers and try to reduce it to a minimum.
- Have a sufficient number of well-trained intake workers.
- If walk-ins are accepted and customer demand is too large for the Subgrantee staff and facility, the Subgrantee should adopt an appointment system.

LHC may periodically conduct customer satisfaction surveys. Results of the surveys will be provided to each Subgrantee with recommendations for improvement.

2.2 Outreach

Outreach is a process by which information concerning the services of the Subgrantee are made known to the community in the service delivery area. Outreach serves as the applicant's first point of contact with the program.

LHC and the Subgrantees shall conduct outreach activities to target potential applicants for the WAP throughout the service delivery area.

Outreach methods include, but are not limited to the following:

- Newspaper advertisements
- Radio/TV Public Service Announcement (PSAs)
- Flyers, leaflets

- Community newsletters, church bulletins
- Presentations at community or school meetings
- Posters
- Referrals from community or social service organizations **Written**

outreach material should include the following information:

- Benefit information
- Application dates and times
- Application place and location
- Eligibility information
- Documentation needed
- Priority groups
- Name and telephone number of person to contact for additional information
- Federal and state logos and funding statements

2.3 Application Process

The application process is to ensure that all eligible residents are granted the opportunity to apply for services and that the eligibility determination review process is based on a criterion which is fair, equitable, non-discriminatory and comply with the State and Federal regulations. Applications will be made available Monday through Friday at all participating sites.

2.3.1 Methods of Application

Subgrantee intake sites - Applicants may apply in-person at a designated Subgrantee facility. Subgrantee representatives or intake workers shall assist the applicant in completing the application. The application must be signed and dated by each applicant.

Homebound and/or disabled applicants – Subgrantee shall make provisions for homebound and/or infirm applicants. The applicant may designate an authorized representative in writing to apply on their behalf.

2.3.2 Nondiscrimination

No person shall be denied services or excluded from participation on the grounds of race, color, national origin, or sex. Applicants are also protected under the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973.

2.3.3 Confidentiality

Louisiana's Confidentiality Law, R.S. 46:56, applies to all case records kept by state agencies and private and public service Subgrantees.

The Release of Information section on the application must be completed and signed at the time of application to assure clients are aware of the nature in which client information would be released.

2.3.4 Intake Procedures

Subgrantee may utilize an appointment system whereby prospective applicants use the telephone to schedule an appointment to complete the application process on a specific date and time. Subgrantees who utilize this method should maintain a chronological log of all telephone calls received, including the applicant's name, time of their call, and the date and time of their appointment.

Subgrantees are required to enter all pending applications in the web-based HES Software, HES-WAP Online. The software will generate a copy of the Weatherization Application, the eligibility and denial letters.

2.3.5 Eligibility Determination

Eligibility determination is based on two factors: household income and the dwelling unit. If one or both of the factors are not met, the application for weatherization shall be denied.

2.3.6 Household Income

Households earning up to 200% of the Federal Poverty Guidelines are eligible for service through the WAP. Priority is given to at-risk households, which includes households with: elderly members, disabled members, children under the age of 18, high residential energy usage or a high energy burden. Maximum monthly income values based on family size for WAP eligibility are provided in Appendix D.

Subgrantees shall use the following inclusions and exclusions in determining an applicant's income.

A. Inclusions

- Gross wages and salary
- Net Social Security payments

B. Exclusions

- Bank withdrawals
- WAP non-assistance

- Unemployment compensation
- Worker's compensation benefits
- Training stipends
- Government employee pensions
- Dividends and interest
- Net royalties
- Net gaming winnings
- Net receipts from self-employment
- Railroad retirement
- Strike benefits from union funds
- Veteran's payments
- Private pensions
- Insurance or annuity payments
- Net rental income
- Periodic receipts from estates or trusts
- Gifts
- Lump-sum inheritances
- Non-cash benefits
- Food or fuel value for prod. and cons. on farms
- Federal non-cash benefits
- College scholarships
- Capital gains
- Sale of property, home, car
- Tax refunds
- Loans
- One-time insurance payments
- Food or housing received in lieu of wages
- Rent value from owner-occupied housing
- Child support

2.3.7 Determining Monthly Income

Subgrantees shall adhere to the following guidelines in determining a household's income. The information collected by the Subgrantee shall be entered into the HES computer database and the HES system will determine the monthly income.

2.3.7.1 Verifying Income

Income must be verified by any one of the following:

- Last four consecutive check stubs for employed household members with varying income
- Last two consecutive check stubs if the applicant's income is stable biweekly or monthly
- Last two consecutive check stubs if the applicant recently began work and does not have four check stubs
- Food Stamp certification letter or printout dated within 30 days of application date (must have a certification date on the letter)
- A completed Verification of Employment (VOE) (WAP Form #10 or HES printout) from the applicant's employer
- Self-employed applicants must provide the most recent federal income tax return with all accompanying schedules. If self-employment recently began and no federal return has been filed, the applicant must provide a written notarized statement attesting to monthly earnings and losses.
- If an applicant is recently terminated, do not consider his or her last check stubs in determining income. The applicant is considered to have zero income. Verification of termination is required and must be included in the file.

2.3.7.2 Calculating Average Income

- The applicant’s average income is calculated using the gross amount from each pay period.
- If earnings fluctuate greatly, determine if the fluctuation is due to an unusual circumstance (e.g., death, substituting for a co-worker, Christmas bonus). If so, exclude the pay stub when calculating the average. Decisions to exclude pay stubs must be clearly documented in the applicant’s file.
- If the fluctuation occurs regularly (e.g., overtime, shift work), include it when calculating the average. A fluctuation can be considered regularly occurring if it appears on at least two of four consecutive check stubs.
- It may be necessary to contact the applicant’s employer to determine if the fluctuation is unusual or regularly occurring.

2.3.7.3 Conversion Methodologies

Based on how frequently the applicant is paid, average income must be converted to monthly income using the appropriate conversion factor. The conversion factors are listed below:

Frequency of Pay	Conversion Factor
Weekly	Multiply by 4.333
Biweekly (every other week)	Multiply by 2.167
Twice a month	Multiply by 2
Annually	Divide annual income by 12

2.3.7.4 Verifying Unearned Income

- Each applicant must be questioned regarding unearned income. Unearned income includes, but is not limited to, alimony, retirement benefits, worker’s compensation, supplemental security income (SSI), and interest payments.
- Documentation of unearned income includes, but is not limited to, award letters, annuity letters, court judgments, current bank statements, and copies of recent checks.

2.3.7.5 General Information

- Fraud Prevention. Intake workers are required to recite the following statement to all applicants prior to the start of the application process. “You will be subject to criminal prosecution under Title 18 of the U.S. Code if you knowingly give false, incorrect, or incomplete information during this application process in order to obtain assistance.”

- Zero Income. If an applicant reports zero income, determine how household expenses are paid and document the file with a Zero Income Form. If no household income, a Contribution Statement will be needed for the file as well.
- Household Income. All household members' income should be verified and documented.
- If an applicant is deemed eligible for LIHEAP, he or she is income eligible for WAP and vice versa. This applies only to 'income eligibility' as other eligibility requirements exist for WAP.
- An applicant's eligibility for food stamps, supplemental security income (SSI), WAP cash assistance, or Veteran's benefits must not be considered in determining eligibility for WAP.
- Any deviations from these guidelines must be approved in writing by

LHC. 2.3.8 Eligible Dwelling Unit

DOE defines a dwelling unit as "a house, including a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters and contains one or more of the following features":

- Does not contain a hitch or other device to be used for towing
- Is not self-propelled
- Is set on a permanent foundation or anchored to the ground with HUD approved tie-downs
- Does not have operable axles, tires, or wheels unless set on a permanent foundation
- Cannot be easily moved or relocated
- Requires significant disassembly or major disconnection of utility services before dwelling unit can be moved or relocated.

A single family dwelling unit shall be eligible for WAP if it is occupied by a family unit which meets household income eligibility requirements and has not been previously weatherized using WAP funds. WAP units are tracked by address not client name.

WPN 12-1, effective date January 31, 2012, issued guidance for the WAP on reweatherization. The Recovery Act amended the Reweatherization dates and now allows weatherization services to be performed on homes previously weatherized from September 30, 1994, and earlier. This provision gives the flexibility to revisit homes weatherized prior to 1994 that may not have received the full complement of Weatherization services, including the use of an advanced energy audit or addressing health and safety concerns.

2.3.8.1 Rental Units

On January 25, 2010, the DOE published a final rule in the Federal Register, amending 10 CFR Part 220.22 Eligible dwelling units (75-CFR-3847) for the WAP. Under the new rule, if a public housing, assisted multi-family or low Income Housing Tax Credit (LIHTC) building is identified by the U.S. Department of Housing and Urban Development (HUD) and included on a list published by DOE, that building meets certain income eligibility and may meet other WAP requirements without the need for further evaluation or verification.

The final rule does not result in (1) automatic eligibility for the identified buildings or, (2) establishes a priority for the weatherization of the identified buildings. The rule does reduce the procedural obstacles to determining the eligibility of certain multi-family buildings. Tenants of rental units that are weatherized are protected from rent increases by an agreement between the sub-grantee agency and the owner of the rental unit. This agreement must be made final prior to commencement of weatherization work. Through this agreement, the tenants are protected from increases that may have been a result of the weatherization services. Weatherization services may not be used a reason for excessive enhancement to the rental property. Complaints from clients about rent increases will be handled the same as other complaints. Clients are informed of this procedure during application. The Lessor / Owner agreement is provided in Appendix G.

A rental dwelling unit, both single family and multi-unit buildings, shall be eligible for weatherization assistance if:

- Duplexes and four-unit buildings has at least 50% of the units occupied by low-income applicants.
- Other multi-unit buildings have at least 66% of the units occupied by low-income applicants.
- The owner signs a Lessor/Owner Agreement to not raise the rent because of the increased value.

2.3.8.2 Ineligible Dwelling Units

No funds shall be used to weatherize a dwelling unit which is vacant or designated for acquisition or clearance by a federal, state or local program within a year or to purchase cosmetic items. A unit is not eligible for weatherization unless it is the present and primary residence of the applicant and the applicant has no plans to move.

2.3.8.3 Re-weatherization

DOE WPN 12-1, effective January 31, 2012, issued guidance for WAP re-weatherization. The Recovery Act amended the Re-weatherization dates to allow weatherization services to be performed on homes previously weatherized as of September 30, 1994, and earlier. This provision allows flexibility to revisit homes weatherized prior to 1994 that may not have

received the full complement of the weatherization services, including the use of an advanced energy audit or health and safety evaluation. Agencies must maintain records on homes that have been weatherized since September 30, 1994. If the agency cannot determine if weatherization services have been performed since September 30, 1994, then the agency will need to utilize the following protocol:

1. Verify the address in HES; if there, do NOT weatherize.
2. Consult agency list of units weatherized prior to implementing HES (2009). IF the agency does not have a list, then proceed to step three.
3. Conduct a visual inspection of the unit during the audit to survey for evidence of prior weatherization services.
 - a. If the unit shows weatherization measures that have likely occurred since September 30, 1994, then add the unit to the list with the date of service reflecting October 1, 1994.
 - b. If the unit does not have any evidence of prior weatherization services, then process audit as usual.

2.3.9 Disposition of Application

2.3.9.1 Applicant Priority Ranking System

The applicant priority ranking system is the method utilized to assure that the high priority populations (elderly, person with disabilities, and families with children); high residential energy user and households with a high energy burden are targeted to maximize program effectiveness.

The priority ranking is calculated based on a point system that includes a factors for each family members' age, disability, number of occupants, months on the waiting list, high energy user, high burden (25% of household income spent for total energy cost, and the poverty level.

HES will automatically assign a WAP Rank based upon criteria set in policy. Eligible households are ranked according to the total number of points awarded. The household with the highest number of points is ranked first on the waiting list.

2.3.9.2 Incomplete Applications

Applications are considered incomplete when the applicant does not provide necessary information and documentation.

- The Subgrantee shall inform applicant that he/she has ten business days to submit necessary verification. If the documents are not received by the deadline, the application will not be

processed.

- Applicants shall be notified in writing that their application for service is being denied due to failure to provide necessary information. A copy of the denial letter from HES shall be retained with any incomplete application form and materials.

2.3.9.3 Eligibility Notifications

All eligible applicants shall receive a letter of notification regarding the status of their request for assistance following the income eligibility determination and the pre-inspection of the dwelling unit.

2.3.9.4 Applicant Appeals and Grievances

Applicants are to be provided an opportunity for a fair hearing when assistance is denied or is not acted upon with reasonable promptness.

Each applicant is to be informed in writing at the time of application of his/her right to a hearing, the method by which a hearing may be requested, and who may present his/her case. Oral explanation is to be given about fair hearings in any contact or discussion between the applicant and Subgrantee staff concerning denials, rejections, terminations, and reduction of services.

The first formal step to be taken by an applicant is to appeal to the local Subgrantee. Whenever suitable, a written request for a fair hearing is to be forwarded to LHC. The written request should be described on back of the service application form under Right to Appeal and Fair Hearing with continuation on separate attached paper if necessary. If the application form is unavailable, the applicant may state the request in a letter addressed to the LHC, 11637 Industriplex Blvd. Baton Rouge, LA 70809. If assistance is required, the Subgrantee can help prepare a written request. The request must be received by LHC or Subgrantee within 30 days of an eligibility decision or postmarked within 30 days. Services will not begin until the matter is resolved.

All Subgrantees are required to maintain a written internal grievance procedure provided by LHC. The grievance procedure ensures that Subgrantees resolve client dissatisfaction with issues not related to eligibility decisions. Such grievances include, but are not limited to, the manner in which a service is rendered by the Subgrantee, quality of the service, or the behavior of other personnel.

The grievance procedures should be developed in accordance with the following guidelines:

- Written in a manner which is easily understood by customers;
- Posted in areas which are frequented by customers;

- Include time frames for each step of the procedure;

- Include a statement that the Subgrantee will assist persons in filing a grievance. The name, title and telephone number of the Subgrantee shall be included;
- Made available to all persons who state concerns or complaints, which are covered by the grievance procedures.

3.0 LaWAP Technical Policies

This section of the Program Guide includes LaWAP policies necessary to perform effective weatherization services. The purpose of the technical policies is to provide general guidance, requirements, and rules of the LaWAP. These policies serve as the basis for technical compliance monitoring to be discussed in Section 7.0 of this Program Guide.

3.1 General

The following general policies apply to all local weatherization agencies providing services through the LaWAP and also to cooperating housing-assistance and utility-weatherization programs.

1. Compliance with all policies documented in this section is mandatory.
2. The Subgrantee's WAP Manager has responsibility for compliance with these policies and for quality-control of all weatherization and repair work.
3. The Subgrantee must follow DOE regulations and other federal regulations that apply to weatherization work.
4. The Subgrantee must have qualified staff, management, and subcontractors necessary to conduct the weatherization work that the Subgrantee is contracted to perform.
5. Weatherization work that doesn't meet the policies and standards in this document, is subject to findings, re-inspections, re-works and disallowed costs.
6. The Subgrantee must conduct outreach activities sufficient to gather enough qualified applications to support at least four (4) months of advance weatherization work.

3.2 Operations

Weatherization agencies must provide low-income weatherization services in an efficient and professional manner.

1. Weatherization and repair materials must be of good quality and must be installed in a safe and effective manner. All installed weatherization materials must meet the materials standards listed in Appendix A of 10 CFR 440.
2. All LaWAP weatherization jobs must comply with local building codes and other ap
3. Subgrantees are required to ensure that each Weatherization completion receives an appropriate and properly executed final inspection. This inspection must be performed by a DOE/BPI certified Quality Control Inspector (QCI).

4. Weatherization crews and subcontractors must avoid unnecessary trips to customers' homes and to retail stores shopping for materials.
5. The Subgrantee should avoid unnecessary administrative practices such as: unnecessary paperwork, unnecessary record storage, unnecessary signoffs, and other unnecessary administrative procedures.

3.3 Subgrantee Employees and Subcontractors

The weatherization work shall be accomplished by properly trained Subgrantee employees or subcontractors. Subcontractors are allowed under the following requirements.

1. Subcontractors must be legitimate businesses that serve other customers in addition to the weatherization Subgrantee.
2. Subcontractors must possess the licenses, liability insurance, and workers compensation insurance required by law.
3. Subcontractors are encouraged to possess Pollution Occurrence Insurance (POI).
4. Employees must be hired based on merit. Agencies must not use any of the following as a criterion for hiring, promotion, or task assignment: race, gender, physical handicap, religion, ethnicity, sexual orientation, blood relationship, friendship, or political pressure.

3.4 Facilities

The Subgrantee must maintain adequate facilities to support LaWAP.

1. The Subgrantee must have adequate office space devoted to weatherization office work.
2. The Subgrantee must have adequate storage space as needed, to facilitate organized storage of weatherization materials.
3. The Subgrantee must have at least one computer for clerical purposes and a separate computer for field training purposes, available as needed for weatherization personnel.
4. The Subgrantee must have adequate IT equipment including:
 - A high speed internet connection (cable or DSL)
 - At least one computer with a high resolution monitor
 - Adequate seating for training purposes

3.5 Vehicles

The Subgrantee should purchase and maintain appropriate vehicles for weatherization work.

1. The Subgrantee or subcontractor must have at least one vehicle to transport and securely store insulation equipment, including an insulation blower. This vehicle is typically a van or a large trailer.
2. The weatherization agencies and subcontractors should use vans or trailers that keep weatherization equipment and materials dry and secure under lock and key. Pick-up trucks may be, in some cases, less desirable than vans or trailers because workers can't safely leave tools and equipment in the open truck bed. If the pick-up has a topper, workers must crawl inside to reach equipment and materials.
3. Vehicles should contain shelves, racks and other accessories, as needed, to organize tools and weatherization materials.
4. Vehicles must be maintained in a safe and workable condition. All maintenance schedules and records must be available and current.

3.6 Tools and Equipment

The Subgrantee must buy and maintain all equipment and tools necessary to perform all measures contained in the priority lists.

1. The Subgrantee, or its subcontractors, must possess insulation equipment including insulation blower, hoses, fittings, and fill tubes.
2. The Subgrantee, or its subcontractors, must possess safe climbing equipment such as step ladders and extension ladders.
3. The Subgrantee, or its subcontractors, must possess safe power tools and extension cords.
4. The Subgrantee, or its subcontractors, must possess their own hand tools, suitable for performing weatherization work.
5. All maintenance schedules and records must be available for mechanical equipment and monitoring instrumentation

3.7 Priority Lists

Louisiana weatherization agencies must install weatherization measures, according to weatherization priority lists. The goal of the priority lists is to require the installation of the most cost-effective energy conservation measures.

1. Priority list measures are listed in order of priority: Measures higher in the lists must be performed prior to or instead of items lower on the list.
2. The Subgrantee must install measures based on the priority lists or must justify why a measure was not installed with a waiver or other approved documentation.
3. Failure to follow the priority lists will constitute misappropriation of weatherization funds and may result in disallowed costs.

Detailed procedures on implementing the weatherization and repair measures are found in the *Louisiana Weatherization Field Guide* included as Appendix E.

3.7.1 LaWAP Priority List for Site-Built Homes

Priority 1: Perform air sealing

Priority 2: Seal and Insulate Ducts

Priority 3: Install attic insulation

Priority 4: Perform exterior wall insulation

Priority 5: Install a setback thermostat

Priority 6: Consider replacing refrigerator after determining its electricity use

Priority 7: Perform general heat waste and baseload measures

- Client Education
- Compact fluorescent lamps (CFLs)
- Weather stripping, caulking, glass patching, etc.
- Water heater tank wrap
- Reduce water temperature to 125° F
- Pipe insulation for water pipe connected to the water heater
- Low-flow showerheads and faucet aerators.
- Clean room air conditioners. Replace filters and educate client

3.7.2 LaWAP Priority List for Mobile Homes

Priority 1: Perform customer education

Priority 2: Perform basic air sealing

Priority 3: Install roof-cavity insulation and cool roof (white) reflective coating

Priority 4: Clean room air conditioner and provide new filter

Priority 5: Install sunscreens on windows

Priority 6: Install low-water flow package

Priority 7: Replace incandescent lamps with compact fluorescent lamps

Priority 8: Provide a cooling fan

Priority 9: Improve clothes-dryer operation

Priority 10: Consider replacing the refrigerator after determining its electricity use

3.7.3 LaWAP Allowable Incidental Repairs

The following is a list of common incidental repairs that are considered allowable within the LaWAP. The list is intended to provide guidance and is not considered a comprehensive list of all possible allowable repairs. Questions regarding the eligibility of weatherization related repairs should be directed to LHC prior to performance of the repair. The total cost of necessary incidental repairs shall not exceed \$3,000 per completed unit (\$1,500 limit for a single repair).

- Mitigate high risk energy related hazards
- Repair minor electrical problems
- Repair plumbing leaks
- Control ground source moisture problems
- Replace/repair space heaters in compliance with WPN 08-4
- Roof repair
- Door and window repair
- Replace missing or cracked window panes
- Caulking

- Weather-stripping
- Patching cracks and holes in ceilings, walls and floors
- Re-fasten loose siding, interior paneling and trim
- Switch and outlet gaskets
- Replacing thresholds
- Installing door bottoms

3.8 Customer Health and Safety

The health and safety of the customers must not be compromised by any work completed with weatherization funds.

1. Energy auditors must be trained to recognize health and safety hazards and to communicate them to occupants and fellow weatherization workers.
2. Energy auditors must notify customers of all significant health and safety hazards.
3. The Subgrantee must be capable of repairing moisture problems, which could degrade or diminish the effectiveness of weatherization measures.
4. The Subgrantee, or its subcontractors, must test combustion appliances for carbon monoxide, spillage, and gas leaks. Problems found during testing must be corrected within DOE WAP guidelines. The Home Energy Assessment Checklist (HEAC) and Completion Report must document safety tests and work done on combustion appliances.
5. The Subgrantee and its subcontractors must follow procedures, documented in the *Louisiana Weatherization Field Guide*, to protect their customers from hazardous materials and dust associated with weatherization work.
6. Weatherization workers must be trained in lead safe work practices (LSW) and U.S. Environmental Protection (EPA) Lead Renovation, Repair and Painting (RRP). LSW and EPA Lead RRP must be implemented appropriately as defined in WAP program and EPA guidance.
7. The Subgrantee must document LSW procedures with photographs showing, at minimum, containment areas where LSW work is done.

8. If local health and safety policies are more stringent than the policies listed here, comply with local policies. If the policies listed here are more stringent than local policies, then obey these policies.

3.9 Worker Health and Safety

The health and safety of the Subgrantee staff and subcontractors must not be compromised by any work completed with weatherization funds.

1. Weatherization workers must be trained in workplace safety including LSW and the Subgrantee's specific health and safety plan (HASP).
2. Agencies must possess and use appropriate personal protective equipment (PPE), including gloves, coveralls, and respirators.
3. Subgrantee must provide workers with access to Material Safety Data Sheets (MSDS) for all weatherization materials.

Note: MSDS, HASP, PPE and Training Documentation must be maintained at the Subgrantee and be readily available on-site at all times when workers are present.

3.10 Historic Preservation

Homes greater than fifty years old must be assumed to be historically significant in the absence of an official determination (Section 106 review) by the Louisiana State Historic Preservation Office (SHPO). Prior to the expenditure of federal funds to alter any structure with historic significance, Subgrantees are required to comply with the requirements of Section 106 of the National Historic Preservation Act, 16 U.S.C. 470f (NHPA). DOE, in coordination with the Advisory Council on Historic Preservation (ACHP) and the National Conference of State Historic Preservation Officers (NCSHPO), has developed a Prototype Programmatic Agreement (PA) to address historic preservation requirements for WAP. The PA is intended to create a manageable framework for streamlining compliance with the requirements of the Act while ensuring the protection of the Nation's historic properties. This streamlined process will continue to be used under the annual program award.

The Louisiana PA was executed in August 2010 between DOE and the Louisiana SHPO and is included as Appendix F. WAP undertakings listed in Appendix A of the PA have been determined to have no potential to cause effects on historic properties and are therefore exempt from Section 106 review.

If WAP undertakings must be performed on a home greater than 50 years old that are not listed on Appendix A of the PA, a Section 106 review must be performed by the SHPO. The review must be performed prior to the commencement of weatherization efforts to determine if the home

is historically significant. The results of the review will dictate the WAP undertakings that may be performed on the home. Section 106 review submittal requirements are provided on-line at <http://www.crt.state.la.us/hp/Section106.aspx>. Section 106 review requests should be mailed to:

Louisiana State Historic Preservation Officer
Louisiana Office of Cultural Development
P.O. Box 44247
Baton Rouge, LA 70804-44247

All documentation associated with compliance with historic preservation and the NHPA must be maintained in each individual client file.

3.11 Documentation

Adequate documentation and record keeping are requirements of the DOE for the WAP.

1. The Subgrantee must use the HEAC and Completion Report forms provided by LHC to record details of weatherization and repair measures. The Subgrantee must submit the completion reports in electronic (preferred) or paper format monthly.
2. All materials, purchased by the Subgrantee, must be assigned to a completed unit. The Subgrantee must maintain documentation of materials used on a particular completed unit and be able to trace all materials back to Subgrantee vendors, Subgrantee inventory, or LHC inventory.
3. All notifications of customer health and safety hazards must be documented.
4. The Subgrantee must maintain records of training activities.
5. The Subgrantee must maintain records of employee hiring and subcontractor selection.
6. Federal programs require paperwork minimization. Agencies must refrain from creating unnecessary paperwork, maintaining unnecessary records, or requiring unnecessary sign-offs.
7. The Subgrantee must maintain a current, updated inventory list.

At a minimum, each customer file **MUST** contain:

- HES application (must be completed and signed)
- Copies of federally issued Social Security Cards for all household members**
- Valid current driver's license or picture ID for all household members 18 & older
- Current Income Verification or Zero-Income Form and Contribution Statement*
- Current Electricity/Gas Bill*

- Work order
- Client Release of Information
- Notice of Eligibility/ Denial Form (HES)
- Inspection Notification Letter
- Applicant & Inspector Certification
- QCI Final Inspection Form
- Client Education Pre and Post
- Measure Invoice
- Pre/Post pictures
- HEAC
- Historic Preservation Form and Confirmation of Receipt of Lead Pamphlet Form
- Completion Report
- Accurate records of all materials, including inventory notes and receipts from local vendors that equal the HES reimbursement request
- Bills/Receipts for all materials, labor, and any other related costs (i.e. Program Ops B) charged to home

**Re-assessment of Client Income, utilizing current income guidelines, and Client Energy Costs must be performed and documented should work exceed one year from application date, ensuring the client status is current. **Paper received at the hospital for newborns is acceptable with proof of relationship. Medicare cards or any other documentation will not be accepted.*

As Needed:

- Lessor/Owner Agreement
- Renovate Right EPA Lead 6-2010
- Lead Renovation and Repair Record Keeping Checklist (required on ALL pre-1978 homes)
- Mold Assessment Form
- Documentation of LHC and Subgrantee waivers
- Documentation of reasons for denial of services to the customer

Copies of standard forms that must be included in client files are provided in Appendix G for reference.

3.12 Personnel Training

All energy auditors, Subgrantee weatherization technicians, and subcontractors must receive training appropriate to their responsibilities. Refer to LHC’s WAP Training Matrix for Residential Retrofit Worker Classifications Attached as Appendix H.

1. The Subgrantee must develop a short and simple annual training plan based on the training needs of Subgrantee personnel and subcontractors.
2. The Subgrantee must spend training funds to train personnel as necessary to ensure quality weatherization work.
3. Energy auditors must be trained and certified in a consistent manner as specified by LHC.
4. The Subgrantee must train all weatherization employees and subcontractors on LSW. Employees, who were trained previously, may attend a four-hour short course. All others must attend an eight-hour course, approved by DOE.
5. The Subgrantee must require both in-house and subcontractor personnel to attend weatherization trainings offered by LHC. Trainings must be documented in the training plan.
6. The Subgrantee must keep records of training in a training file and in employees’ individual personnel files.
7. All subcontractors must be trained and certified in a consistent manner as specified by LHC.

3.13 Client Education

All low-income LaWAP customers must receive consistent customer education, including brochures and conversations with LaWAP energy auditors.

1. For consistency and quality-control, LHC will specify and provide the brochures to be given to customers.
2. The energy auditor must inform customers about the behavioral effects on their energy costs.
3. The energy auditor must educate customers, who live in homes built before 1979, that lead paint may be a hazard to them and their children. Give the customer the brochure: “Renovate Right, Important Lead Hazard Information for Families, Child Care Providers and Schools” by the (EPA). Have the customer sign an acknowledgement that he or she has received the information. If they refuse to sign or aren’t available to sign, the auditor may sign the acknowledgement on their behalf.

4. The energy auditor must tell customers that they may no longer use un-vented space heaters as their primary heat source (required in WPN 08-4). Un-vented space heaters may remain as secondary space heaters per WPN 08-4. If customer requests additional information, give the customer the brochure: “What You Should Know about Space Heaters” by the Consumer Product Safety Commission (CPSC).
5. The energy auditor must inform customers about mold and other moisture problems and advise how to prevent these problems. Give the customer the brochure: “Mold, Moisture and Your Home” by the EPA.

3.14 Denial of Services

Certain housing problems may cause health and safety hazards and/or present a lack of cost effectiveness to implement weatherization measures. These problems may necessitate a deferral of weatherization services to a home. In these cases, the customer must be notified and actively assisted in seeking alternative housing resources. Documentation of this referral and assistance must be contained in the customer file. After referral and customer assistance, weatherization work may be denied or deferred to a future time when these major problems are corrected. Weatherization must not proceed without the mitigation of problems that might damage either LaWAP weatherization measures or the health and safety of the customer or workers.

When a Subgrantee decides to deny weatherization assistance, it is the obligation of the Subgrantee to provide a detailed written notification to the owner or authorized agent in a timely manner. A copy of the notice must be included in the client file for review during routine monitoring visits. The written notice must include the following items:

- Client’s name and address
- Dates of audit/assessment and when the client was informed
- Clear description of the problem/concern, photos are strongly encouraged
- Any corrective action required prior to the resumption of weatherization work with a related time frame to correct the situation.
- The responsibility of all parties involved

If a Subgrantee as part of their Standard Operating Procedures develops a more inclusive and detailed local policy related to the above stated deferral guidance, then that policy must be submitted to LHC for written approval and review on an annual basis.

If the applicant is denied WAP services, the Subgrantee should collaborate with LHC to obtain statewide and local repair funds from all appropriate sources. Ideally, the Subgrantee will have

sufficient funding to repair through LHC from the following federal, state, and local funding sources.

- HUD Emergency Repair Funds
- HUD Healthy Homes Initiative Funds
- USDA Rural Development Funds
- State, city, and parish funds
- Church, charity, and foundation funds

If an eligible customer moves during the course of the LaWAP weatherization work, the Subgrantee should complete the repair and/or conservation work in progress and any other measures necessary to secure the well being of future occupants, the structure, and the installed conservation materials. However, additional conservation or repair work should not be started.

Any and all applicants who are denied weatherization assistance will be given an opportunity to have a fair administrative hearing regarding the denial of services pertaining to the above stated deferral guidance. Any appeals may be directed to LHC.

The following sections provide specific examples of scenarios where weatherization services may be denied/deferred.

3.14.1 Deferral Based on Health & Safety Standards

All weatherization technicians must be able to perform all authorized weatherization activities and measures without undue threats or concerns regarding their health and safety. Conditions which may constitute undue threats or concerns to staff or client health & safety may include but are not limited to the following items:

- Structurally unsound dwellings that are condemned for human habitation.
- Evidence of substantial, persistent infestation of rodents, insects, and other vermin which cannot be reasonably removed or poses health and safety concerns for workers.
- Electrical or plumbing hazards that cannot be resolved prior to or as a part of the authorized weatherization work.
- The presence of sewage in any part of the dwelling unit.
- Evidence of environmental hazards such as serious moisture problems, carbon monoxide, gas leaks, friable asbestos, or other hazardous materials, which cannot be resolved prior to the weatherization work.

- The presence of animal or human feces in any area of the dwelling unit where field staff must perform various weatherization measures.
- Excessive garbage and clutter build-up in and around the dwelling unit where field staff must perform weatherization measures.
- Maintenance and housekeeping practices that are negligent to the point of limiting access of field staff to the dwelling or creating an unhealthy working environment.
- Any overt threat of violence, verbal abuse, physical abuse, or profanity towards any weatherization staff member or any household member during the weatherization process.
- Evidence of the presence and/or use of any illegal/controlled substance in the dwelling unit.
- Evidence of drug cultivation, distribution and/or manufacturing on the premises.
- The lack of the presence of a home resident who is at least 18 years old when any weatherization staff is performing the weatherization process.
- The dwelling is a mobile home that has serious structural problems which would make the completion of weatherization measures impossible or impractical for the weatherization field staff.
- A heating system in use has been determined to be unsafe or nonfunctional (through the determination of a qualified Subgrantee or technician) and cannot be resolved through the normal efforts of the weatherization Subgrantee prior to the commencement of weatherization work or during the normal weatherization process.
- When an un-vented space heater is present in the unit and is used as the primary heat source, no weatherization work will be allowed unless the weatherization crew or subcontractor is allowed to remove and dispose of the unit. If an un-vented space heater is replaced with a vented heating system during the weatherization process, the un-vented heater will be removed and disposed prior to the installation of the new system. The owner cannot retain ownership of the heater.

3.14.2 Deferral Based on Lack of Cost-Effectiveness

Weatherization work should be performed in a cost effective manner whenever possible. Situations or conditions which may limit the cost effectiveness of any weatherization work may include, but are not limited to the following:

- Structurally unsound dwelling unit where the costs associated with the repairs substantially exceeds the cost of the weatherization measures.
- Major remodeling is currently in progress (and is not coordinated with a housing rehabilitation program), which would severely limit the proper completion of weatherization measures on the dwelling unit.

- Evidence of standing water in the basement or crawl space area. A client or owner/authorized agent (landlord/property manager) refuses to allow a cost effective measure to be performed on the dwelling unit or to make necessary modifications to the dwelling unit to permit weatherization measures to be completed.
- A client or owner/authorized agent (landlord/property manager) demands weatherization materials and measures that are not deemed to be cost effective and/or are not allowable measures through the LaWAP.
- Dwelling unit needs no major weatherization measures and the cost of installing other weatherization measures exceeds the approved cost effectiveness projections and standards of the state or the local agency.
- The dwelling unit is vacant or is uninhabitable (as described in the federal guidelines for weatherization).
- Obvious discrepancies have been found between the information supplied by the client on the WAP application and observed conditions at the time the weatherization field work commences.
- Presence of lead-based paint which would cause the project to not be cost effective.

3.15 Final Inspection

All weatherization completions must undergo a final inspection, which is documented on the completion report and is subject to the following requirements.

1. The Subgrantee must use trained and certified auditors to perform final inspections. The final inspector must ensure that all measures required by the priority lists and the home energy assessment have been installed and that the work quality meets expectations. LHC, as part of their regular monitoring procedure will review final inspection forms, subgrantee inspection processes and completed homes to ensure the inspections are being performed correctly and in a manner that is consistent with DOE expectations as outlined in WPN-15-4. Failure by the subgrantee to utilize the QCI process correctly may result in all associated costs being disallowed and returned to LHC.
2. No dwelling unit may be reported as a completed unit until all weatherization materials have been installed and the Subgrantee has final inspection performed by a certified QCI inspector. This final inspection includes work performed by subcontractors. The inspector must verify that the work has been completed in a workmanlike manner and in accordance with the priority lists.
3. All subcontractor work must pass an inspection by qualified local Subgrantee staff or an approved, trained subcontractor that did not perform the work, prior to payment.
4. It is highly recommended that agencies utilize in-house personnel, trained accordingly, to perform Pre & Post Inspections, ensuring Quality Control.

5. Subcontractor work not meeting quality expectations that require correction will be done at the subcontractor's expense.

3.16 LaWAP Standards Waivers

There are two types of waivers intended to permit exceptions to LaWAP Standards: Subgrantee waivers and LHC waivers.

Subgrantee Waivers exempt the Subgrantee from performing a required measure under the following conditions.

- If the customer or property owner has already installed the measure;
- If it is technically impossible to install a measure;
- If installing a measure would threaten the health or safety of either customers or workers, and this problem is impossible to solve; or
- If the homeowner refuses to allow a measure to be performed on the home.

LHC Waivers permit policy exceptions with the following provisions.

- LHC waivers will be granted on a case-by case basis in writing.
- Work may proceed only after assignment of a waiver by the LHC WAP staff.
- Fuel conversions, multi-family projects, and pilot projects require LHC waivers.

4.0 Health and Safety

The health and safety of weatherization staff, subcontractors, and clients is a major concern of state and local weatherization agencies. The work performed by local agencies involves interaction with all aspects of the operation of homes by installers, auditors and inspectors. Hence, it is of great importance that Subgrantee staff maintains awareness of the potential hazards associated with the weatherization process.

This plan is based on the health and safety requirements and recommendations for abating, mitigating, or avoiding health and safety hazards as addressed in the Louisiana Weatherization Field Guide.

Subgrantees are trained and required to comply with Occupational Safety and Health Administration (OSHA) regulations and with ASHRAE 62.6 for home ventilation standards. Detailed specifications regarding the health and safety of workers in the construction industry can be found in Construction Industry OSHA Safety and Health Standards (29 CFR 1926/1910).

4.1 Crew and/or Subcontractor Health and Safety

All Subgrantees, subcontractors, and crew workers providing services using funding under the WAP are required to comply with the OSHA Hazard Communication Standard, Title 29, CFR 1910.12, including the following requirements:

- Preparation and implementation of a hazardous communication program so that workers are informed about potential hazards.
- Identification of hazardous materials in the workplace.
- Provision of container labels and other forms of warning.
- Employee access and implementation of OSHA requirements and Material Safety Data Sheets (MSDS).
- Documented mandatory field in-progress unit inspection for assessing the utilization of good safe work practices in according to all required EPA, OSHA, SHPO, etc.
- Requirement of all agencies to complete the OSHA 10 hour worker and 30 hour crew leader training hosted in a centralized location and provided by certified OSHA proctor.
- Provision of employee training regarding hazardous materials.
- Complete exchange of information between Subgrantees and subcontractors regarding the use of hazardous materials.

Subgrantees' staff members are encouraged to become familiar with the OSHA Construction Industry Standard, which is available through the U.S. Department of Labor.

Weatherization services should be provided in a manner that minimizes risk to workers and clients. Subgrantees and their representatives are required to take all reasonable precautions against performing work on homes that will subject workers and clients to health and safety risks. Expenditures for training, materials, protective clothing, respirators, medical exams, proper tools and equipment, and other items or activities related to the health and safety of clients and workers, the Louisiana Weatherization Field Guide, and the Health and Safety plan, are allowable health and safety costs.

4.2 Client Health and Safety

Concerns to ensure the health and safety should be identified and addressed, if possible, within the scope of the Weatherization program. Subgrantees may have other resources or may network with other agencies to assist clients in reducing and eliminating conditions, which are hazardous to their health and safety.

The necessary repairs and actions to mitigate health and safety concerns are allowable, if the failure to act result in: 1) health or safety hazards because of the weatherization measures; 2) damage to weatherization measures, and; 3) damage to the home because of the weatherization measures. If these conditions exist, weatherization work must not proceed until the problems are resolved. If the resolution is beyond the scope of the Weatherization program or a disallowed expense under DOE rules, such as asbestos, lead-base paint, and radon abatement, the client homeowner should be notified in writing and referred to alternative resources for mitigation, i.e. home rehabilitation programs, landlords, etc.

Installation of smoke/carbon monoxide (CO) detectors is allowed according to manufacture instruction where detectors are not present or are inoperable. Replacement of operable smoke/CO detectors is not an allowable cost. Providing fire extinguishers is allowed only when solid fuel is present. CO detectors will be installed on all homes with combustion appliances or attached garage. Window and door replacement, repair, or installation is not an allowable health and safety cost but may be allowed as an incidental repair or an efficiency measure if cost justified.

4.3 Potential Hazard Considerations

4.3.1 Biological Hazards

Remediation of conditions that may lead to or promote biological concerns and unsanitary conditions is allowed. Addressing bacteria and viruses is not an allowable cost. Deferral may be

necessary in cases where a known agent is present in the home that may create a serious risk to occupants or weatherization workers.

4.3.2 Moisture

Health Concerns:

- Allergic reactions or respiratory infections as a result of exposure to biological contaminants that result from high relative humidity.
- Damage to building materials from biological action. Major drainage issues are beyond the scope of the WAP. Homes with conditions that may create a serious health concern that require more than incidental repair should be deferred.

To Minimize Risk:

- Eliminate sources of excess moisture, avoid over-tightening of dwelling, and assure proper ventilation, especially in kitchen and bathroom areas.
- Assure clothes dryers are vented to the outside.
- Educate clients that gas ranges and/or ovens are not to be used for space heating.
- During every energy audit, comprehensive moisture inspection of the dwelling unit should be completed. This inspection will also include a brief interview with the occupant(s) regarding health & safety. A health and safety checklist must be completed and turned in with the energy audit forms to the inspectors' supervisor. This checklist must be included in the client file.
- Training will be provided on how to recognize moisture and ventilation problems. This training will also include how to identify ground water problems.
- Moisture problems, when evident, will determine the type and amount of weatherization work to be done.
- Controlling moisture at the source will be required when excessive amounts of indoor moisture are evident. This will usually take the form of exhaust fans. Caution will be used so that added ventilation devices will not adversely affect combustion appliances.
- Attic bypasses must be sealed in order to reduce migration of moisture into attic spaces where condensation problems can occur.
- During the initial inspection and throughout the weatherization process, locate mold, mildew, and any other biological organisms that may be hazardous to the workers or occupants.

4.3.3 Mold

The WAP is not a mold remediation program. The use of DOE funds for the removal of mold and other related biological substances is not an allowable weatherization expense. Limited water damage repairs that can be addressed by weatherization workers and correction of moisture and mold creating conditions are allowed when necessary in order to weatherize the home and to ensure the long term stability and durability of the measures. Where severe Mold and Moisture issues cannot be addressed, deferral is required. In homes where multiple sources of funds are used, any mold insurance or mold abatement costs must be charged to another funding source, not to DOE funding. Weatherization procedures may need to be delayed until the existing mold problem can be referred to another Subgrantee for funding of remedial action. DOE funds may be used to correct energy-related conditions to allow for effective weatherization work and/or to assure the immediate or future health of workers and clients.

Each client home should be inspected for mold as part of the initial and routine audit procedure. Upon the discovery of a mold condition, clients must be informed immediately. Within this notification, the client must be informed of the mold condition, the specific measure that will assist in alleviating the mold condition and/or how not to promote new mold growth. This notification should be discussed with the client and a notification must be signed by the client (since most agencies have a disclaimer, modification to include a mold statement will suffice). Additionally, client education practices should now include mold concerns.

Cleanup Criteria Based on Mold Area to be Cleaned:

Level 1 - small isolated areas (10 sq.ft. or less)

Level 2 - mid-sized areas (10-30 sq.ft)

Level 3 - large isolated areas (30-100 sq.ft)

Level 4 - extensive contamination (> 100 sq.ft.)

Level 5 – remediation of HVAC systems

Beyond Level 1 is abatement and remediation, which we are not doing in typical weatherization situations.

Level 1 Cleanup Materials and PPE:

- Household non-ammonia detergent and brush (for cleaning)
- Biocide (kills mold)

- N-95 face mask
- Leak-proof eye protection
- Hand & arm gloves

Level 1 Cleanup Procedure:

- Scrub the area with a brush and detergent solution
- Ventilate the work area
- Disinfect with a chlorine bleach solution
- Leave bleach solution on surface for 15 minutes, then rinse with water and dry quickly

Basic Four Steps for Responding to Mold Problems:

1. Respond quickly to stop moisture/mold damage and limit exposure to occupants
2. Identify:
 - Cause of the moisture problem
 - Extent and size of contamination
 - Type of surface with mold
 - Safety precautions for clean-up Implement cleanup (based on surface type):
3. Remove and properly dispose of damaged materials that cannot be effectively cleaned
 - Clean and salvage materials that are not severely damaged. Repair and replace removed materials incorporating the necessary changes to correct the underlying moisture problem
4. Dry out the area before closing up a wall or ceiling

4.3.4 Plumbing

Health Concerns:

- Disease resulting from the exposure to raw sewage.

To Minimize Exposure:

- Workers shall take precautions to avoid direct contact with raw sewage or other unsanitary conditions. Clients shall be informed of existing conditions in writing and referred to available resources for assistance.
- Workers shall take precautions to avoid creating circumstances that will allow pipes to freeze.

Notification Requirement:

Local agencies must notify the client and landlord in writing when a mold condition is discovered. The notification must include what specifically was done to the home that is expected to alleviate the condition, and/or a disclaimer that the work performed should not promote new mold growth. This notification/disclaimer must be discussed with and signed by the client and/or landlord. Subgrantee auditors are required to receive awareness training on the hazards of moisture and mold, as well as training on client/landlord notification procedures. Subgrantee field crews are required to receive training on how to deal with the less extensive mold conditions they may encounter in certain homes. LHC will conduct all said training.

If a Subgrantee suspects that the heating/ventilation/air conditioning (HVAC) system may be contaminated with mold, the Subgrantee staff shall not run the HVAC system as it could spread mold throughout the building.

Agencies should distribute the following pamphlet to clients whose homes have moisture or mold problems: U.S. EPA. Indoor Environments Division (IED), "A Brief Guide to Mold, Moisture, and Your Home" <http://www.epa.gov/iaq/molds/moldguide.html>.

4.3.5 Combustion Appliances and Gases

Definition: Fuel burning appliance used for water heating, space heating, cooking, solid fuel heating and clothes drying.

Health and Safety Concerns:

- Combustion or smoldering of surrounding materials resulting from unsafe operation of the heating system.
- Combustion or smoldering of combustible materials located dangerously close to the combustion devise or hot flue.
- Release of unhealthy combustion products into home environment.
- Health hazards resulting from dysfunctional heating system (no heat).
- Gas leaks - risk of contamination of house air or explosion (especially propane).

- Fire resulting from inadequate heat dissipation due to insulation around heat producing sources including flue vents.
- Scalding due to water temperature being set too high.
- Non-certified combustion appliances currently installed in mobile homes.

Total heating degree-days in Louisiana range from a high of 2,418 in the northwestern corner of the State to a low of 1,709 in southeastern Louisiana. The state wide average for cooling degree-days is around 3,000 state-wide. The cooling and heating degree-days have been supplied by the Louisiana State University Center for Energy Studies. Site-specific NEAT energy audits will be completed for all single-family homes for heating system or air conditioner replacements. Red tagged, inoperable, or nonexistent heating systems replacement, repair or replacement is allowed under Health and Safety where climate conditions warrant. Air conditioning system replacement, repair, or installation is allowed as a Health and Safety issue in home of at-risk occupants (elderly, disabled or having children) also where climate conditions warrant. Site-specific weather data is used in application of the NEAT audit. Hot water heaters will be replaced on a case by case basis for health and safety.

To Minimize Risks:

- Provide proper clearances between combustible materials and wood/coal stoves, kerosene heaters, furnaces, boilers, water heaters and flues. If provision of proper clearance is beyond the scope of weatherization, precautions must be taken to avoid installation of measures that will aggravate the situation.
- Be certain that furnaces and water heaters have sufficient draft, no spillage of combustion products and less than 100 parts per million (PPM) CO in combustion products.
- Be certain that furnace heater exchanger is not cracked or otherwise defective or hazardous.
- Provide proper ventilation for combustion when testing the system indicates a problem. Vent gas clothes dryers to the outside. For wood and coal burning stoves, provide a clean chimney. For kerosene and other unvented combustion appliances, provide client education regarding the need to provide proper ventilation when operating equipment.
- Verify proper clearances between heat production sources and combustible materials, including insulation.
- Provide repair of gas leaks. If major gas leaks are encountered, ventilate the area, and advise clients to vacate the premises and immediately contact the local gas utility company. Call from a neighbor's telephone in order to eliminate the risk of an explosion.

- Turn down the water heater temperature to 120 degrees Fahrenheit when possible.
- When an un-vented space heater is present in the unit and is used as the primary heat source, no weatherization work will be allowed unless the weatherization crew or contractor is allowed to remove and dispose of it in accordance with DOE Program Notice 08-4. Combustion safety test results must be acted upon according to the Building Performance Institute Inc. combustion safety test action levels.
- A combustion appliance safety check will be required on “all” furnaces, vented space heaters and water heaters. Safety checks on other combustion appliances such as gas stoves, ovens, dryers, etc. may also need to be completed.
- All exposed ductwork will be sealed with approved mastic. This includes ductwork in both heated and non-heated areas. This also includes both delivery and return systems. Forced air heating and cooling systems must be balanced to eliminate inefficiency, basement depressurization and moisture penetration through house pressurization.
- Mobile homes with standard non-certified atmospheric draft water heaters or furnaces in the living space shall not be weatherized until proper equipment is installed. The same applies with non-certified wood stoves. Mobile homes with standard non-certified atmospheric draft water heaters located in compartments accessed from the outside can be weatherized providing the following precautions are followed:
 - The compartment is sealed from the rest of the mobile home.
 - The existing flue is properly installed, secured, and has sufficient height above the roofline.
 - Adequate unrestricted combustion air vents into the compartment exist.

4.3.6 Fire

Health and Safety Concerns:

- Combustion appliances and their associated venting systems can also present potential fire hazards.

To Minimize Risks:

The LHC health and safety procedures should identify inadequate clearances between combustion appliances (including venting systems) and combustible materials. Agencies must inspect combustion vents in order to identify potentially dangerous situations. Creosote build-up in chimneys and wood stove flues are issues that may be addressed with DOE funds. Agencies

must contact state staff for prior approval when DOE monies will be used to remedy fire hazards. Agencies must provide written notification to clients and landlords when fire hazards prevent weatherization work from proceeding. Correction of fire hazards is allowed when necessary to safely perform weatherization.

4.3.7 Existing Occupant Health Problems

Health and Safety Concerns:

Agencies should be aware that some individuals' health problems could be exacerbated by weatherization activities. For example, some clients can be sensitive to dust generated from the installation of cellulose insulation. There is also some concern that the use of blower doors could aggravate certain health problems, although the limited research conducted on this topic has not validated these concerns. When a person's health may be at risk and/or the work activities could constitute a health or safety hazard, the occupant at risk will be required to take appropriate action based on severity of risk. Temporary relocation of at-risk occupants may be allowed on a case by case basis. Failure or the inability to take appropriate actions must result in deferral.

To Minimize Risks:

- Grantees should establish procedures to identify preexisting conditions (e.g. allergies) and address such problems when they are found.
- Those procedures should address the manner in which such problems will be identified and the steps to be taken to ensure that weatherization work will not worsen these problems.

4.3.8 Indoor Air Quality

Health and Safety Concerns:

- In addition to asbestos and combustion systems, there are a number of other sources of indoor air pollutants in homes that may present long-term health risks to clients.
- Precise knowledge is lacking regarding the interaction of weatherization of homes and indoor air quality.

To Minimize Risks:

ASHRAE 62.2 is required to be met to the fullest extent possible, when performing weatherization activity (must be implemented by January 1, 2012). Implementing ASHRAE 62.2 is not required where acceptable indoor air quality already exists as defined by ASHRAE 62.2. Existing fans and blower systems should be updated if not adequate.

Awareness of indoor air pollutants and attention on the part of weatherization personnel to the level of air-tightening measures performed on a home will aid in the improvement of the situation. Blower door testing provides important information about air leakage levels in homes and can aid in the prevention of over-tightening of homes. The following are potential sources of negative impact to air quality in a home:

- **Mineral fiber** - fibrous glass insulation material. Known to be an irritant to lungs, eyes, and skin. Preliminary research indicates no long-term negative health effects resulting from exposure to high levels of mineral fiber but further research is ongoing. Exposed mineral fiber shall not be left in occupied areas of homes. Workers are required to wear properly rated respirators and protective clothing when working with or around mineral fiber products.
- **Airborne particulate matter** - Known to cause lung cancer. Excessive air tightening can increase levels of carcinogenic by-products in homes. Homes with high levels of these products should not be over-tightened.
- A pre- and post-weatherization blower door test will be required on 100% of all dwelling units. Exceptions must be documented in the client file. A sample blower door operation checklist can be found as part of the new Louisiana Weatherization Program Guidelines.
- The blower door test must identify the (CFM) to establish baseline tightness.
- The blower door will be used for leak detection in the building shell, duct delivery and return systems, and assisting with combustion appliance testing.

4.3.9 Asbestos

Description: A fibrous, non-combustible mineral.

Health and Safety Concerns:

- Asbestos fibers are very small. When distributed and released into the air, the fibers can be inhaled.
- Exposure may result in lung cancer, asbestosis or mesothelioma. There is no safe exposure level when it comes to asbestos.

Sources in homes:

- Until its use was strictly limited in the 1970's, asbestos was used in a large number of building products.

- The most common applications that could involve interaction with weatherization staff include furnace insulation, pipe insulation, duct insulation, siding shingles, furnace gaskets and ceiling texture materials.

To a lesser degree, workers may encounter asbestos in plaster, joint compound, roof shingles, floor tiles and other building products.

To Minimize Exposure:

- Learn to recognize suspected asbestos containing materials. (Training, videos, the E.P.A. "Purple Book"). When vermiculite is present, unless testing determines otherwise, take precautionary measures as if it contains asbestos, such as not using blower door tests and utilizing personal air monitoring while in attics. Where blower door tests are performed, it is a best practice to perform pressurization instead of depressurization. Removal is not allowed. Encapsulation of small Asbestos on pipes, furnaces and other small covered surfaces is allowed by an AHERA asbestos control professional and should be conducted prior to blower door testing on case by case only.
- Avoid disturbance of friable asbestos containing materials (ACMs). Friable asbestos is "any material containing greater than one percent asbestos by weight or volume that hand pressure can crumble, pulverize, or reduce the powder when dry, or any asbestos-containing material that can reasonably be expected, as a result of the demolition or renovation to be undertaken, to become pulverized through breaking, chipping, crumbling, crushing or other means of rendering fibers available to the ambient air."
- If potential for limited exposure exists, wear appropriate respirators, protective clothing, etc. Wetting down suspected ACMs would reduce the levels of airborne fibers although this will not completely eliminate the risk in all situations and may under certain circumstances relocate the asbestos fibers to another location where they could pose a risk.
- Provide written disclosure to clients regarding the existence of suspected ACMs and provide client education advising non-disturbance of such materials.
- All crews, inspectors, subcontractors and their supervisors, or anyone else who visits weatherization eligible homes will be required to receive asbestos awareness and identification training.
- All OSHA regulations that deal with asbestos and weatherization are to be enforced and be made available to all workers.
- Protective gear such as Tyvek coveralls, head coverings, booties, etc., gloves, eye protection, respirators, and other safety equipment required by law must be provided to all employees that

will come in contact with asbestos or suspected asbestos products. Employees will be required to use the appropriate safety equipment as required under state policy. Each Subgrantee will be required to monitor their employees' adherence to state policy and local Subgrantee policies and standards. Agencies will be responsible for the compliance of their employees and subcontractors. Failure of a Subgrantee to follow policies on asbestos will result in disciplinary action. Continued violations will result in de-funding of the weatherization program for that Subgrantee. Current weatherization contracts will be terminated and future contracts to provide weatherization services may not be issued.

- In order to achieve the required OSHA fit test of a respirator, it may be necessary for weatherization staff required to wear respirators to be clean-shaven. A clean-shaven policy may include removal of most facial hair including beards, some mustaches, long sideburns, etc. It might be possible to waive the clean-shaven policy if the employee will use a full head-type respirator in the place of a full or half face-type. Subgrantees and their subcontractors must follow the state and local policies and standards 100 percent. No exceptions will be made under any circumstances.
- Liability for asbestos cannot be waived. This information is a general guide for weatherization personnel and does not provide detailed specifications for proper handling of ACMs. Training and supervision for personnel providing asbestos remediation services are beyond the scope of the WAP. Weatherization personnel or appointed representatives shall not remove or dispose of asbestos without proper training and without prior authorization from Grantee.

4.3.10 Radon

Description: An odorless, colorless gas that occurs naturally in the earth's crust.

Health and Safety Concerns:

- Long-term exposure to elevated levels may cause lung cancer.
- Present research indicates that weatherization usually has little effect on radon levels.

To Minimize Exposure:

- Where there is a previously identified radon problem, work that would exacerbate this problem should be limited.
- Radon abatement is not an allowable activity under the weatherization program.
- However, those costs associated with taking precautions in a dwelling known to have radon problems are allowable weatherization expenditures.

- These costs are allowable if an energy audit indicates that weatherization techniques would help in radon remediation.
- Major radon problems should be referred to the appropriate local environmental organization or agency for mitigation or abatement.

4.3.11 Formaldehyde and Volatile Organic Compounds (VOCs)

Description: Formaldehyde, a strong smelling colorless gas, is a component of many building materials.

Health and Safety Concerns:

- Health hazards include lung ailments, impaired brain and vision function, fatal in high concentrations.
- Extensive air leakage work is not recommended on homes with known significant level of formaldehyde.
- Formaldehyde vapors may be slowly released by some new carpets, waferboard, plywood, etc.
- VOCs are also emitted by spray polyurethane foam (SPF) and some household cleaning agents.

To Minimize Exposure:

- Caution should be taken when selecting air tightness limits in dwellings with VOC problems. Removal is allowed and is required if they pose a risk to workers. If VOC's pose a risk to workers and removal cannot be performed, the unit must be deferred.
- Use EPA recommendations when working within the conditioned space or when SPF fumes become evident within the conditioned space. When working outside the building envelope, isolate the area where foam will be applied, take precautions so that fumes will not transfer to inside conditioned space, and exhaust fumes outside the home. EPA recommendations available online at www.epa.gov/dfe/pubs/projects/spf/spray_polyurethane_foam.html.

4.3.12 Lead Paint - Lead Safe Weatherization (LSW)

Special precautions must be taken when weatherization work may disturb painted surfaces in homes built before 1978. LHC will continue to work with DOE to assure that the LaWAP is in compliance with LSW and EPA requirements.

4.3.12.1 General Policy

To assure compliance with the current DOE regulations and guidance regarding the reduction and/or elimination of energy related health and safety hazards encountered in delivering weatherization services, Subgrantees and subcontractors are required to follow the following LSW practices:

- Subgrantees are required to strengthen their health and safety policy and procedures to address lead-based paint according to the DOE regulations. Subgrantees should follow the procedures and practices outlined in the Louisiana Weatherization Field Guide (Appendix E) regarding clean up and disposal of all materials containing lead-based paint.
- All subcontractors and crew members will be responsible for complying with the EPA's Lead RRP regulations as enforced by LHC.
- The LHC is requiring all Subgrantees to employ and or contract only certified Renovators to perform weatherization work beginning in 2010.
- Subgrantee agencies are required to monitor crews and subcontractors a minimum of once a month and whenever in the area if possible. Documentation of the visits including pictures must be on file for monitors to review upon request. Deferral is required when the house would potentially create further health and safety hazards.
- When removing existing windows, doorframes, or in other situations where workers may come into contact with lead-based paint, respirators and drop cloths, proper personal hygiene and other precautions as required by law for the worker and the occupants of the dwelling unit must be implemented. Replacement, repair, or installation of windows and doors is not an allowable health and safety cost but may be allowed as an incidental repair or an efficiency measure if cost justified.
- On behalf of the state, LHC will review in-progress weatherization work to ensure all agencies and workers are in compliance. Subgrantee agencies and subcontractors found to be out of compliance may be subject to penalties and fines.
- Client and worker must be protected from air borne contamination.
- All workers must wear respirators when working in dusty environments.
- The client living space must be protected from dust generated or disturbed by weatherization work.

- The brochure “*The Lead-Safe Certified Guide to Renovate Right*” from EPA must be provided to all weatherization. Subgrantee must obtain a signature confirmation of receipt of this brochure.

4.3.12.2 Training

To assure weatherization Subgrantees and subcontractors are properly trained, the State will provide the following training:

- LHC will provide two types of LSW training to meet the requirements of DOE and EPA. As part of the Health and Safety training LHC will offer DOE LSW training with a focus on work practices to reduce the generation and spread of lead dust. All field personnel are required to attend this training.
- Second, LHC will offer the EPA Renovator training. Effective April 22, 2010, each Subgrantee will be required to have a certified renovator on staff. Because of the requirements and the nature of weatherization, each Subgrantee will be required to have a certified renovator on each crew.
- LHC will receive the necessary accreditation and will have the certified trainers retained so agencies can meet this important requirement in a fast and effective fashion.
- All inspectors, Subgrantees crew members and subcontractors must attend and successfully complete the approved, LSW Practice Training course through LHC's Training Center.
- In addition, a Louisiana renovation contractor will be procured to provide EPA renovator training and LHC should be capable of providing this training as well.

4.3.12.3 Testing

LSW must be applied to all pre-1978 housing unless the house meets EPA's Final Rule Exemptions. No lead-based paint will be disturbed. LSW must be applied to all pre-1978 housing unless there are existing evidence that the home has been certified as being lead-free or below the lead threshold limit (e.g., for paint containing lead below the regulated level, 1.0 mg/cm² or 0.5% by weight). One of the following methods must be used to determine the paint to be disturbed in not lead-based paint:

Written determination by certified lead inspector or risk assessor; OR proper use of EPA recognized test kit provided agencies (documenting manufacturer and model of test kit used, description and location of components tested, and test kit results)

Beginning 2010, tests must be performed by a Certified Renovator, per EPA final rule.

Mobile Homes - Often, interiors of mobile homes were not painted but rather, paneling was applied to the surfaces. Therefore, pre-1978 mobile homes that were not painted by the manufacturer, occupant, landlord, or past owner of the unit before 1978, may be exempt from LSW. However, weatherization programs must verify the areas receiving weatherization services have never been painted or were painted for the first time after 1978. If this is not verifiable, then LSW protocols must be followed. Painted exterior surfaces on pre-1978 units should not be drilled, scraped, sanded, or receive any other work that disturbs the paint.

4.3.12.4 LSW Clean Up, Verification, and Debris Disposal

A critical element of LSW is the continuous process of job-site cleanup. LSW cleanup involves these six required elements:

1. Containment:

- a. Effective cleaning begins with proper preparation and containment
- b. Cleanup will be more efficient if proper containment of all dust and debris is confirmed to the work area.

2. Cleanup Techniques

- a. Be careful not to spread dust and contaminate to other areas
- b. Use LSW protocols and follow the cleanup sequence to ensure that contaminate are not carried to non-working areas

3. Clean all surfaces:

- a. Clean all surfaces include walls and windows, floors, door tops, window troughs and window sills.
- b. Cleaning should proceed from high to low (i.e. top of wall to window to floor).
- c. Cleaning also includes personal protective clothing, work tools, and equipment.

4. Visual Inspection Verification

- a. Check the quality of work site cleanliness:
- b. Worker visual inspection during the work. Look for any visible paint chips, dust, or debris and clean up during work progress
- c. Supervisor visual inspection after cleanup. There should be no evidence of settled dust following a cleanup effort. Repeat the cleaning process. Any outside work should also be examined to make certain all waste and debris have been removed from the job site. Document the visual inspection.

5. Post-Weatherization Dust Wipe Sampling Verification for Doors and Windows:

- a. After a thorough visual inspection of doors and windows, a dust wiping sampling is required if:
 - Paint was disturbed
 - Children 6 and under frequent the dwelling
- b. Dust wipe sampling must be performed by trained individuals
- c. Samples must be taken at least one hour following LSW cleanup. The samples must be analyzed by a certified laboratory.
- d. Document the dust wipe sampling.

6. Safe and secure disposal

- a. Bag and gooseneck-seal all waste in 6-mil plastic bags.
- b. Safely dispose of all waste in accordance with federal, state, and local regulations.

The EPA Lead RRP Rule does not pre-empt more protective requirements and grantees should keep abreast of any other rules and regulations governing an Subgrantee's activities such as those by HUD, states or communities.

4.3.13 Building Structure

Weatherization agencies shall not install measures that will damage the structural integrity of a home. All homes must be inspected for pre-existing conditions that may threaten the safety of workers and clients during or after weatherization. Deteriorating foundations, unsound roof, ceiling, or wall structures, and any other potentially hazardous situation must be recognized and a course of action identified prior to any work done on the unit. Solutions to structural problems are sometimes complicated and expensive. In general, a minor structural type repairs are allowed under the agencies' repair budget (not health and safety), but these types of repairs will often require outside sources of funding or cost participation. Depending upon the extent of repairs needed and the overall energy savings potential for the unit after weatherization, the repairs may be beyond the scope of weatherization. Agencies that are uncertain about an appropriate solution or if the costs for these type of repairs are excessive should consult LHC staff.

Incidental repairs necessary for the effective performance or preservation of weatherization materials are allowed. Examples of these limited repairs include sealing minor roof leaks to preserve new attic insulation and repairing water-damaged flooring as part of replacing a water heater. These types of repairs should be charged either to the repair waiver amount, or should be included in the cost of the associated energy measure when determining cost-effectiveness.

4.3.14 Electrical Issues

Common problems with electrical wiring that may be encountered by weatherization agencies are usually related to one of the following: 1) electric shock while crew personnel are working around wiring in all areas of the homes; 2) fire resulting from arcing between loose wiring connections; and 3) fire resulting from lack of dissipation of heat due to insulation around heat producing sources.

Requirements:

- Inspections by trained Subgrantee personnel or licensed electricians are required prior to the installation of insulation that will cover electrical lines.
- A voltage drop measurement is required of any electrical circuit in an enclosed cavity or knob-and-tube wiring that will be covered with insulation.
- Protection of electrical splices that will be covered with insulation by enclosing in an electrical junction box or by isolating the splice so that it is not covered with insulation is required.
- Electrical work not associated with energy conservation measures is generally considered to be beyond the scope of weatherization.
- Serious electrical hazards exist when gross overloads are present. Should auditors and crews find such existing problems, they should notify the owner and follow the guidelines for health and safety deferral.

These issues are related to health and safety. The costs for the inspections may be charged to the health and safety budget category. Electrical repair costs must be associated with an energy saving measure, and the costs (labor and materials) must be included with the measure when determining cost effectiveness.

Weatherization measures that involve the installation of new equipment such as air conditioners, heat pumps, or electrical water heaters can exacerbate previously marginal overload problems to hazardous levels. The problems should be noted in the client file. To the extent that these problems prevent adequate weatherization, the Subgrantee should consider repairing them on a case-by-case basis.

4.3.15 Refrigerant Issues

The replacement of air conditioners, approved since 1992, and the recently approved refrigerator replacements (Weatherization Program Notice 00-05) requires agencies to reclaim refrigerant per Clean Air Act 1990, section 608, as amended by 40 CFR 82, 5/14/93. The appliance vendor, de-

manufacturing center or other entity recovering the refrigerant must possess EPA-approved section 608 type I or universal certification. Agencies should ensure they have appropriate protocols in place that comply with all standards relating to the disposal of the existing appliances.

4.3.16 Other Code Compliance Issues

It is the local agencies' responsibility to ensure weatherization-related work conforms with applicable codes in jurisdictions where the work is being performed. Correction of preexisting code compliance issues is not an allowable cost other than where weatherization measures are being conducted.

5.0 Administrative Operations/Financial Management

Subgrantees are responsible for developing and maintaining financial management systems that meet or exceed requirements set forth in this section and with applicable federal regulations. LHC and Subgrantees must adhere to the Office of Management and Budget (OMB) regulations, OMB Circular A-102 (State and Local Governments) or OMB Circular A-110 (Nonprofit Organizations), OMB Circular A-87, and OMB Circular A-122.

For copies of the OMB Circulars, please visit the website: <http://www.whitehouse.gov/omb/circulars/>

5.1 Accounting System

LHC and Subgrantees are responsible for maintaining a sound accounting system:

- Provide accurate, current, and complete disclosure of all financial transactions;
- Separate and identify sources of federal funding;
- Maintain effective control over all funds, property, and other assets;
- Produce comparison of actual expenditures with the budget approved in the grant agreement;
- Minimize the time elapsing between transfer of funds from the U.S. Treasury and disbursement of such funds for approved grant activities;
- Determine the reasonable, allowable and allocated costs in accordance with applicable Federal cost principles;
- Support accounting records with source documentation (e.g., contract documents, receipts, cancelled checks, etc.);
- Assure timely resolution of audit findings and other recommendations

5.2 Source Documentation

LHC and Subgrantees shall maintain source documentation for all expenditures. The documentation shall be retained in a manner which provides for ready access during monitoring and audit reviews. On-site LHC monitoring reviews will include, but not be limited to, comparing cost reports with related support documentation.

5.3 Expenditure Control and Allowable Costs

Use the following guidelines for budget preparation, program planning, program management, financial management, and expenditure control.

5.3.1 Cost Categories

In 10 CFR 440.18, DOE has established specific cost categories for all program expenditures; these include:

- Administrative
- Training and Technical Assistance
- Program Operations
- Health and Safety
- Vehicles and Equipment
- Liability Insurance
- Financial Audit

5.3.1.1 Administrative

The costs incurred to administer a program could include, but are not limited to, indirect costs, administrative staff, accounting staff, office space, telephone, postage, printing, payroll processing, and/or lease of office machines. The administrative cost category is limited to a 10 percent maximum, and not less than 5 percent must be passed on to Subgrantees. The state can provide up to an additional 5 percent in administrative funds for Subgrantees that receive less than \$350,000.

5.3.1.2 Training and Technical Assistance

Training and technical assistance includes the cost to train and/or provide technical assistance to grantees and Subgrantees. These costs could include travel to training, staff time for training, technical materials, supplies used in training and technical staff time required to provide energy conservation education to residents of eligible dwelling units, materials for conservation education, or travel to conduct conservation education.

5.3.1.3 Program Operations

Although considered to be a single cost category by DOE, LaWAP has divided program operation costs into two categories – A and B. This segregation of program operation costs was necessary to identify costs that are not easily attributed to an individual unit when entering data into HES. Further explanation of the two program operation categories follows.

Program Operations Direct Costs (Program Operations A) – Costs that can be directly tied to weatherization services performed and materials installed on individual client’s homes. These costs include:

- Actual material installed on each home (i.e. insulation, space heaters, CFL bulbs, etc.). Materials must meet or exceed standards established in 10 CFR 440.
- Contractor and/or in house crew labor costs (salary and fringe benefits) of actual time worked on the client’s home performing weatherization services.

Other Program Support (Program Operations B) – These are costs that are incurred that cannot be directly tied to an individual client home but are necessary in order to properly deliver weatherization services. These costs include:

- Transportation of tools and equipment to the jobsite (gas, vehicle maintenance)
- Minor tools and equipment that are not left at the work site but are needed to perform the work (hammer, caulk gun, safety glasses)
- Cost of inspections (including costs incurred when inspecting a denial)
- Administrative costs such as salaries, office space, utilities, telephone and similar costs associated with program support personnel. Note: administrative costs attributed the program operations cost category must be charged consistently on a monthly basis in accordance with a documented allocation plan.

5.3.1.4 Health and Safety

This includes the cost to eliminate health and safety hazards as deemed necessary before weatherization work can be done, or that will be necessary as a result of the installation of weatherization materials. This includes such items as venting for space heaters, space heaters, testing equipment and supplies.

5.3.1.5 Vehicles and Equipment with a Cost of \$5,000 or more

Vehicles and equipment means tangible, nonexpendable, personal property having a useful life of more than one year and a per-unit acquisition cost of \$5,000 or more. A grantee may use its own definition of vehicles and equipment provided that such definition at least includes all equipment defined above.

List the full price of vehicles and equipment purchased at a per-unit cost of \$5,000 or more in the budget. The amortized amount will be reported quarterly if the *State elects*. Provided the vehicle or equipment item cost \$5,000 or more and has a useful life exceeding one year, States are permitted to include in their average cost calculations only that fraction of the cost that actually was “used” during the current year; see §440.18(b)(3). Such an approach does not affect the ability of States or local agencies to use current funds to pay the full cost of such purchases.

Grantees are required to obtain DOE approval prior to purchasing new vehicles and equipment.

5.3.1.6 Liability Insurance

Liability insurance includes the cost of an insurance policy for personal injury and property damage for weatherization projects. The policy should be comprehensive, cover the work that is being done at the homes, and cover personal injury for the staff at all times.

5.3.1.7 Leveraging

Leveraging is performing activities that will lead to securing non-federal resources to conduct weatherization activities. This could include staff time, reference materials, printing, or travel.

5.3.1.8 Financial Audits

The *financial audit* category covers the cost to employ a Certified Public Accountant to audit the organization/program in compliance with the requirements of 10 CFR 440.23(d), which implements OMB A-133 Single Audit Act.

5.3.2 Cost Allocation Plan

The Subgrantee must develop the cost allocation plan to determine a consistent basis for charging indirect costs to WAP. The cost allocation process should be performed monthly. It will provide for a cost distribution method that links indirect costs to the direct services and then spreads the cost of administration across programs on a reasonable and consistent basis. The plan should be reviewed and approved by an auditor.

5.3.3 Direct and Indirect Costs

WAP expenditures are comprised of direct and indirect costs. LHC and Subgrantees should assess their expenditures and assure that the expenditures are incurred and claimed in accordance with applicable federal and state regulations. It is strongly recommended that the parties consult with their auditor on all matters related to financial management.

Direct costs are those expenditures, which are single program costs and benefit only WAP. Direct costs may include, but are not limited to, salaries and fringe benefits of staff whose time can be clearly identified as working in WAP (either full or part time).

Indirect costs may include, but not be limited to:

- Shared management and administrative salaries
- Rent
- Utilities
- Copying machines
- Office
- Postage
- Supplies

5.3.4 Allowable Costs

Administrative costs or any expenditure properly incurred in administering the program. Some examples of administrative costs include:

- Telephone
- Coordinator's salary and fringe benefits
- Salaries or fringe benefits for secretaries and fiscal staff

5.4 Reporting Requirements

5.4.1 Monthly Report

Statistical data related to the clients served by the LaWAP is collected during the client intake (application) process. The data is compiled on a monthly basis by each Subgrantee using HES. The LHC contract provisions require that the WAP Statistical Reports be submitted to LHC on a monthly basis. The forms shall be submitted by the 7th of the subsequent month. The WAP Statistical Reports include the following client data as required by DOE:

- Production
- Type of Occupancy
- Unit by Occupancy
- People Assisted
- Primary Heating Fuel

- Occupant Data

A WAP Statistical Report template created by HES is included in Appendix I for reference. LHC shall provide to each Subgrantee the training, and equipment to allow for electronic submission of reports. Electronic submission will not change the reporting times or deadlines. All signatures on WAP reports must be originals and signed in blue ink.

Timely submission of the reports will be closely monitored by LHC. Delinquency will result in notification to the LHC. If Subgrantees consistently fail to submit reports timely, LHC may impose sanctions prescribed in the contract.

5.4.2 Expenditure and Statistical Report Requirements

Payment and Statistical Data Reports must be supported by documentation retained on file at the Subgrantee's office. The inability to support expenditures and statistical data may result in imposed sanctions. Reports must be submitted each month even when no services have been delivered or expenditures incurred.

5.4.3 ARRA Supplemental Data

In addition to the previously discussed WAP statistical data, weatherization projects funded whole or in part by American Recovery and Reinvestment Act (ARRA) will require additional monthly data reporting. The data will be collected by LHC from each Subgrantee during the first week of the month following the reporting period. The exact due date will be dictated by LHC and will be communicated to the Subgrantees at least two weeks prior. Upon receipt, LHC will compile the data into a summary report and provide to LHC no later than the 5th of the subsequent month. Data will be collected via e-mail using data collection forms included in Appendix I. The monthly ARRA supplemental data includes the following information:

- Hours worked by local agency personnel on ARRA funded projects.
- Hours worked by local agency contractors on ARRA funded projects.
- Hours trained at the local agency.
- Purchases of vehicles and equipment that individually costs more than \$5,000
- Data related to compliance with historic preservation and the

NHPA 5.5 Advances

DOE Assistance regulations 10 CFR 600.122(b) indicates that grantees and Subgrantees shall be paid in advance, provided they maintain or demonstrate the willingness and ability to maintain

procedures to minimize the time elapsing between the transfer of the funds and their disbursement.

A maximum rolling advance amount will be determined for each eligible contractor/Subgrantee by calculating an average of the three-month period that ends 30 days prior to the beginning of the current program year and multiplying this average by two. This rolling maximum amount will be applied to the cost reports for the first quarter of the current program year. The rolling maximum amount will be recalculated two more times during the program year using the next two three-month period averages multiplied by two. The following table identifies the three month periods used to calculate the rolling advance and the quarters of a typical program year to which they would apply.

Typical WAP Program Year: 07/01/Y1 – 06/30/Y2

Three Month Period When Rolling Advance Will Be Calculated	Quarter of Current Program Year When Rolling Advance Will be Applied
March - May	1st: July - September
June - August	2nd: October - December
September - November	3rd: January - March

Additional information and/or justification may be accepted as reasonable support for exceptionally high-priced items that may give rise to an immediate cash need in excess of the rolling advance amount. Cash will be replenished during the regular monthly invoicing process as reimbursements of expenses are paid (i.e. a rolling advance).

Contractors/sub-grantees may request a rolling advance of their contract for the first month of each program year. Other advances will be addressed on a case-by-case basis. Advances will be awarded if the following conditions are met:

1. All other contractual obligations are met including the following:
 - a. All monthly Requests for Payment (RFP or Cost Reports) that are due have been submitted to LHC (in HES as well as the original signed report)
 - b. All quarterly reconciliation reports that are due have been submitted to LHC (in an electronic file and HES as well as the original signed report). This applies to LHC ONLY.
 - c. Other performance and reporting requirements have been met.

2. The contractor/sub-grantee submits a written request for an advance using the RFP form.

3. The amount of the advance is reasonably expected to be expended within 60 days.

If the stated conditions are not met for a contractor/sub-grantee, their cost report will be paid on a reimbursement basis ONLY.

NO advances for the program year will be awarded with the last three month's cost reports of the program year or after the end of the program year. After LHC processes the final cost report for a given program year, the remaining balance will be due to LHC upon termination of the contract or within 15 days of notification from LHC, whichever comes first.

When the current maximum rolling advance is calculated and paid, the amount to be reimbursed monthly will typically represent the actual expenses unless the agency spends more than the advance. When the maximum rolling advance is recalculated quarterly, a payment will be made to increase or decrease the cash held by the agency and maintain the new maximum rolling advance amount.

5.6 Audit Policy

The Subgrantee is required to submit an annual audit report to LHC no later than six months following the end of the Subgrantee's fiscal year.

Subgrantee grants to the State of Louisiana, through the LHC, the Office of the Legislative Auditor, the Inspector General's Office, the Federal Government and/or other such officially designated body, including LHC, the right to inspect and review all books and records pertaining to services rendered under this contract. Subgrantee is expected to comply with federal and/or state laws requiring an audit of Subgrantee's operation as a whole or of specific program activities.

If Subgrantee expends \$500,000 or more in federal funds annually, Subgrantee is required to obtain a single audit. Subgrantee shall inform the Association within thirty (30) days after the end of Subgrantee's first fiscal year whether or not a single audit is to be performed. If a single audit is expected, then the Subgrantee shall send the Association a copy of the engagement letter. The audit shall be conducted in accordance with generally accepted auditing standards contained in the Governmental Auditing Standards-Standard for Audit of Governmental Organizations, Programs, Activities and Functions, issued by the United States General Accounting Office, Single Audit Amendments of 1996 (Public Law 104-156), the provisions as specified in OMB Circular A-133 revised June 27, 2003, Audits of States, Local Governments, and Non-Profit Organizations, and any other applicable State and/or Federal regulations. Subgrantee shall furnish the Association with two (2) copies of the audit covering funds awarded under this contract. All reports and engagement letters are to be forwarded to LHC.

If the cost of the audit is to be recovered through this contract, the audit engagement letter prepared by the Certified Public Accountant performing the audit shall include a budget showing the portion of cost allocated to each program/contract.

If Subgrantee expends less than \$500,000 per year in federal funds, Subgrantee shall follow the compliance/attestation guidance offered in the Louisiana Governmental Audit Guide (revised August 1, 2004) pertaining to quasi-public entities, as prepared by the Louisiana Society of Certified Public Accountants to complete the audit. Upon completion of the audit, two (2) copies of this report shall be forwarded to LHC.

5.7 Procurement

All Subgrantees must establish written procurement procedures that implement the requirements of this chapter and all applicable State and Federal requirements and result in procurement transactions that provide, to the maximum extent practical, open and free competition.

With the exception of the specific requirements and limitations set forth in this chapter, not-for-profit entities must follow the procedures in 10 CFR Part 600 Subpart B, Section 600.140 through 600.149 and governmental entities must follow the procedures in 10 CFR Part 600 Subpart C, Section 600.236. In some circumstances, competitive negotiation may be the more appropriate procurement process. The following procurement procedures should be followed for procurement of materials, contract labor, and equipment unless otherwise required by local, state, or federal law.

Small Purchase Procedures occur when cumulative purchases total in a calendar year of an item which will amount to \$25,000 or less for AOG's and non-profit agencies. All standard procurement procedures must be followed with the exception of the formal bid process. Prices are to be solicited from an adequate number of qualified sources (usually at least three).

Telephone solicitations are acceptable providing that adequate precautions and documentation is provided. All small purchase solicitations shall be documented and maintained on file at each Subgrantee.

Competitive Sealed Bids are used when the cumulative total purchases will amount to more than \$25,000 for AOG's and non-profit agencies. The following govern the use of this procurement procedure:

1. The bid process must allow open and free competition. The solicitation must be advertised in a way that allows all or most potential bidders the chance to respond.
2. A complete, adequate description or specification must be provided as an request for proposal. The request for proposal must be advertised openly. The request for

proposal shall identify all significant evaluation factors to be used in awarding the contract.

3. A firm fixed-price contract should be used with the successful bidder.
4. Selection is made principally on the basis of price.
5. All bids are publicly opened at the time and place stated in the invitation.

Any or all bids may be rejected when there are sound documented business reasons in the best interest of the program.

Non-Competitive Negotiation (sole provider) can be used only when an Subgrantee can justify why one of the other procurement methods are not feasible and under the following circumstances:

1. The item is available only from a single source.
2. Public exigency or emergency, when the urgency for the requirement will not permit a delay incident to competitive solicitation.
3. After solicitation of a number of sources, competition is determined inadequate.
4. The federal grantor Subgrantee provides prior written authorization of the non-competitive negotiation.

Recipients shall maintain records sufficient to detail the significant history of procurement. Some form of price or cost analysis must be performed on every procurement action. Materials and services should be procured on at least an annual basis unless specific safeguards are implemented that will permit multi-year contracts.

5.8 Davis-Bacon Act Compliance

The following information is applicable only to units weatherized with ARRA funding.

Section 1606 of ARRA specifically requires that all laborers and mechanics employed by Subgrantees and subcontractors on any project “funded directly by or assisted in whole or in part by” ARRA funds be paid prevailing wages as determined by the Secretary of the U.S. Department of Labor (DOL). Thus, Weatherization Assistance projects funded or assisted in whole or part by ARRA funds are now subject to DBA prevailing wage requirements.

Grantees and Subgrantees with the exception of state and local governments, that use their own employees to perform this work, will also pay these employees the DBA prevailing wage rate. If the entity receiving ARRA assistance for such projects contracts out the weatherization work, it must ensure that the DBA requirements flow down to the entities that employ laborers and

mechanics that do the work. A *Statement and Acknowledgment* form (SF 1413) should be completed for all entities providing labor on ARRA funded WAP projects. A completed SF 1413 will provide documented awareness of the requirement to comply with the DBA.

Grantees, Subgrantees and subcontractors on weatherization projects funded or assisted in whole or part by ARRA funds shall maintain payrolls and basic records relating to payroll during the course of the work and preserve them for a period of four years from the date of final payment on the contract. They must also ensure that all laborers and mechanics on a project funded or assisted in whole or part with ARRA funds are paid on a weekly basis and must submit weekly certified payroll records to the contracting and administering agency.

Every employer performing work covered by the labor standards of the DBA shall post a notice (including any applicable wage determinations) at the site of the work in a prominent and accessible place where it may be easily seen by employees. The DOL Wage and Hour Division provides a standard DBA poster (WH 1321) on their website at:

<http://www.dol.gov/whd/programs/dbra/wh1321.htm>.

For additional information on the DBA compliance, please refer to WEATHERIZATION PROGRAM NOTICE 09-9, EFFECTIVE DATE: July 21, 2009 and other applicable piece of legislation which are available on the DOE Website at:

http://apps1.eere.energy.gov/weatherization/recovery_act.cfm.

6.0 Record Keeping

LHC will monitor recordkeeping practices to assure that Subgrantees are adhering to the stated requirements.

6.1 Record Retention Requirement

LHC contract provisions require WAP records be retained for a period of at least four years after final payment is made to the energy vendor or Subgrantee. This provision applies to all financial records, supporting documents, statistical records and any and all other records pertinent to the contract or expenditures hereunder. The only exceptions are the following:

- If any litigation, claim, or audit is started before the expiration of the four-year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved and final action has been taken and documented.
- Records for real property and equipment acquired with WAP contract funds shall be retained for four years after final disposition.
- Subgrantees should maintain and retain all records in such a manner that, a review and reconciliation of any selected weekly Request for Payment/Statistical Report Form, could be performed and all supporting source documentation would be easily accessible for presentation.
- Once a program year has ended, it is recommended that Subgrantees maintain all WAP records for that program year together in a specific location or storage site in file boxes.

6.2 Applicant Record Set Up and Maintenance

See the documentation policy in section 3.10 of this Program Guide for minimum client file content.

6.3 Financial Records

Subgrantees must maintain an efficient record keeping method to support accounting records with source documentation, such as, contract documents, receipts, canceled checks, vendor payment listing, payroll information, and time sheets, in accordance with a generally accepted system of accounting principles.

6.4 Administrative Records

For the purposes of WAP, administrative records are those that document compliance with contract provisions, and state and federal regulations.

Administrative records may be monitored by LHC program personnel annually during the program review. The documentation reviewed for compliance may include the following provisions and regulations:

- Compliance with non-discrimination in service delivery
- Compliance with non-discrimination in employment
- Compliance with minimum wage law
- Compliance with confidentiality policy
- Compliance with prohibition of funds for political support
- Maintenance of required insurances
- Compliance with audit policy and provisions
- Compliance with financial management practices
- Compliance with records retention policies
- Compliance with conflict of interest policy

7.0 Monitoring

7.1 General

LHC will conduct routine monitoring and assessments of each Subgrantee to ensure compliance with applicable regulations and achievement of performance expectations. Monitoring frequency may vary and will be conducted in accordance with the specific schedule provided in the relevant WAP State Plan. The monitoring events include the following:

- Desktop HES
- On-site fiscal
- On-site Technical
- T&TA

LHC is responsible for conducting routine and effective monitoring visits as prescribed in the WAP State Plan and documenting the results of those visits.

7.1.1 Desktop HES

LHC will conduct a monthly desktop review of the Subgrantees using information in the HES database. The desktop review primarily focuses on production performance and outlays. Data collected during this review will be provided to LHC and DOE via monthly status reports.

7.1.2 On-site Technical

Subgrantees are notified by LHC of on-site technical monitoring visits at least two weeks prior to the visit. The monitoring event will consist of an agency office visit that may include a review of WAP files and staff interviews. The office visit will be followed by random client file reviews and completed home inspections. LHC's responsibilities related to the on-site technical monitoring event include the following:

1. LHC must visit weatherization Subgrantees at least once a year for monitoring, according to a written monitoring plan and monitoring schedule included in the WAP State Plan.
2. LHC must perform monitoring audits on a minimum of seven (7%) percent of weatherization completions. LHC will inspect in-progress units as needed.
6. LHC staff will select the weatherization completions to be inspected by reviewing submitted HEAC and Completion Reports or by random selection. The Subgrantee will be notified of the homes selected for inspection prior to the visit to allow coordination with the home owners. Should multiple instances of poorly performed

inspections be found, LHC will, at the very minimum, place the subgrantee on a Watch List or Probation. Should the Watch List or Probation fail to correct the issue, LHC will seek stiffer actions as allowed in the Weatherization Program Manual and the subgrantee grant agreement (contract).

3. LHC must use the evaluation standards provided in the *Technical Monitoring Guide* (Appendix J) to evaluate weatherization Subgrantees.
4. LHC must use the *Louisiana Weatherization Field Guide* (Appendix E) to evaluate the effectiveness, safety, workmanship, overall appearance, and compliance with the LaWAP Standards of individual weatherization jobs.
5. LHC must recommend re-works, re-inspections, and T&TA visits in response to major findings.
6. LHC must investigate legitimate customer complaints, which may result in the Subgrantee being required to return to correct errors or omissions.
7. LHC must note concerns about Subgrantee operations on the inspection report.
8. LHC will disallow costs and/or designate the Subgrantee as high-risk and place the Subgrantee on a Watch List in response to recurring major findings or persistent non-compliance with LaWAP policy.

The monitoring visit will be documented and a Field Monitoring Summary Report will be prepared and provided to the Subgrantee within 30 days following the completion of the monitoring event. The summary report will serve as the written results of the technical monitoring event and provide a compliance rating of “Good,” “Minimum,” or “Non-“for various elements of the LaWAP policy.

7.1.3 On-site Fiscal

In accordance with the State Plan, on-site visits are required to evaluate Subgrantees’ general administration and program management systems. These visits are referred to as “on-site fiscal monitoring events.” The events are performed in accordance with guidance provided by the U.S. Department of Energy regulations 10 CFR 440 and 10 CFR 600 as well as any applicable state regulations. The monitoring instrument used during the fiscal monitoring event was developed based on the WAP On-site Monitoring Checklist provided in the DOE document and is included in Appendix K for reference. It should be noted that Attachment A-2 was intended as a checklist to be used to monitor grantees. The LaWAP fiscal monitoring instrument has been modified to make it suitable for monitoring Subgrantees.

LHC notifies Subgrantees of scheduled on-site fiscal monitoring event at least two weeks prior to the visit. The visit typically requires a minimum of one to two days to complete and includes frequent interaction with the WAP Director and Subgrantee administrative staff.

Following the on-site fiscal monitoring visit, a Summary of Findings Report will be prepared and typically provided to the Subgrantee within 30 days following the completion of the monitoring event.

7.1.4 T&TA

T&TA visits are not official monitoring visits and do not result in a report of findings.

1. LHC should visit agencies for T&TA as often as necessary or upon request.
2. LHC must provide guidance, training, and/or technical assistance to agencies in response to findings.

7.2 Rating of Agencies

LHC must rate weatherization agencies compliance with LaWAP policies cited on the monitoring form according to the following scale:

Compliance (C): Subgrantees will receive a rating of C when a monitoring event does NOT identify deficiencies in compliance with evaluation standards specific to a given LaWAP policy, or, when minor deficiencies are identified that are easily corrected during the monitoring event.

Minimal Compliance (MC): Subgrantees will receive a rating of MC when a monitoring event identifies deficiencies in compliance with evaluation standards specific to a given LaWAP policy for the minority (less than half) of the sample items (homes, files, etc.) reviewed.

Non-compliance (NC): Subgrantees will receive a rating of NC when a monitoring event identifies deficiencies in compliance with evaluation standards specific to a given LaWAP policy for the majority of the sample items (homes, files, etc.) reviewed. Or, when non-compliance with a “zero tolerance” issue is identified.

Zero tolerance for the following areas of non-compliance includes but is not limited to the following:

- Health & Safety Issues
 - > CAZ (performance & documentation)
 - > CO (performance & documentation)
 - > Un-vented Space Heaters
 - > Incomplete HEACs
 - > Gas leak(s) detected

> Insulation blown over knob and tube wiring

- Items invoiced for weatherization purposes that have NOT been installed on the home i.e. insulation, rinnai heaters, refrigerators, range vents, etc.
- Weatherization conducted without use of blower door
- Recurring Findings/Re-works

The ratings are established at the conclusion of a monitoring event upon completion of the Louisiana Standards Field Monitoring Form. The ratings are recorded and reported to the agency on the LHC field monitoring Sheet in the final written field monitoring report. Both technical monitoring forms are included in Attachment B.

7.3 Findings

The discovery of a violation of a policy or procedure is called a Finding. All findings will be documented during the current regularly scheduled monitoring visit. The findings will be revisited and re-examined during the next scheduled monitoring visit to ensure corrective action has been taken. Examples of Findings may include, but not be limited to the following:

- The health and safety of customers, Subgrantee staff, or subcontractors, or the integrity of the building structure is threatened by work completed with LaWAP funds
- A weatherization-related health or safety problem is created by, exacerbated by, or not corrected by the delivery of LaWAP services
- The omission, without appropriate authorization, of a required cost-effective measure, a necessary repair, or a required health and safety repair
- Poor-quality work that degrades the performance of weatherization measures or repairs
- Major expenditure of funds on measures that are not included on the appropriate priority list, or are not required in the LaWAP Field Standards
- Expenditure for materials not listed in Appendix A of 10CFR440
- Costs charged to a unit with no documentation or receipts to validate
- Any action or lack of action that may result in a liability that threatens LaWAP
- Work site cleanup that does not meet the satisfaction of the client or the LHC monitor

- Required energy conservation measures that are not installed
- Required health and safety measures that are not addressed
- Employees are not given adequate time to attend training
- Office or warehouse contains fire or safety hazards
- Subgrantee files are disorganized and difficult to monitor

7.4 Corrective Action/Re-Work Request

Upon receiving LHC’s monitoring report, all Findings must be addressed and all reworks must be completed, with a written report or explanation of delay submitted to LHC within thirty (30) days. Failure to respond in a timely manner may result in a Finding during future monitoring events. Once LHC receives corrective action/rework report including all support documentation (photos, written responses, receipts, client acknowledgement forms, etc.), LHC will issue a closure letter if the report is deemed appropriate.

7.5 Subgrantee Discipline

Consistent or repeated violations of LaWAP standards may require LHC to impose disciplinary action upon an agency. The disciplinary action will vary and depend on the severity of the deficiency or deficiencies identified. Immediate termination is possible depending on the finding. The typical disciplinary process in order of least to most severe includes:

- Placement on a “Watch List”
- Probationary Status (may include suspension of program)
- Termination of Weatherization Contract

Per section 7.6 below, each agency reserves the right to appeal any disciplinary action taken.

7.5.1 Watch List

As part of the monitoring process, an agency may be placed on a “Watch List” to improve on its performance weaknesses. Placement on the watch list is typically associated with relatively minor deficiencies that warrant additional attention to prevent more serious issues from developing. The agency will receive written notice that it is being placed on a watch list and will be given a reasonable time period to correct the issues. Agencies placed on the watch list may experience an increase in the number of monitoring events performed by LHC.

The reasons for placing an agency on a watch list include, but are not limited to the following:

- a. When an agency fails to submit responses to findings and re-works in a timely manner as specified in LHC's monitoring reports
- b. When an agency has recurring findings and/or re-works
- c. When LHC determines that there are administrative issues within the agency
- d. When LHC finds that staff and/or contractors need additional training
- e. When LHC determines that the average cost per unit is excessively high or low
- f. When there is a turnover of key staff members

If the agency has corrected the issues cited in the Watch List notification within the timeframe given, the agency may be removed on the watch list and will proceed with regular scheduled monitoring events. However, if the agency does not comply within a reasonable time, the agency may be placed on probation, which may lead to probation and possibly termination of contract to provide services.

7.5.2 Probation

Depending on the severity of observations, re-works, and findings noted during monitoring visits, LHC may exercise its option to place the agency on Probation. If the agency fails to correct its findings and reworks cited in the "Watch List" notification, the agency may be placed on Probation. Probation may or may not include suspension of the Program. The agency will receive written notice from LHC executive management that it is being placed on probation and will be given a reasonable time period to correct the issues. The notice will include the cause for probation and additional instruction to assist the agency with achieving compliance. The agency will also receive additional monitoring events and/or onsite training from LHC, if deemed necessary.

The reasons for placing an agency on probation include but are not limited to the following:

- a. When an agency has recurring findings that are not solved timely
- b. When standards rated as non-compliant are recurring
- c. When the agency fails to comply with the corrective action that was submitted while the agency was on the watch list

- d. When the agency consistently fails to reach unit production goals established by its contract

The agency will remain on probation until the agency is back in compliance. If the agency does not improve within the reasonable time period given, it may be subject to suspension or termination of the contract.

7.5.3 Termination of the Program:

Please see the Subgrantee Weatherization contract for guidance on when the agency can be terminated for cause.

7.6 Appeals of Findings and Discipline

Agencies may appeal findings and discipline by the following sequential steps, which must be taken in the following order.

- a. The agency first appeals the finding or discipline to LHC's Energy Program Director.
- b. Agencies that do not agree with the decision of LHC's Energy Program Director may submit an appeal to the LHC Energy Committee.
- c. Agencies that do not agree with the decision of LHC Energy Committee may submit an appeal to the Louisiana Housing Corporation (LHC) Board of Directors.
- d. Agencies that do not agree with the decision of LHC Board of Directors may submit an appeal to the Department of Energy Project Manager/Officer.
- e. Appeals should be submitted in writing within thirty (30) calendar days.

7.7 Amendments to Policies and Standards

The LaWAP Technical Monitoring Guide may be amended and/or revised by LHC to reflect changes in State and Federal regulations, state-of-the-art technology, and the prevailing best practices of weatherization and repair.

Amendments and revisions to LaWAP Policies and Standards become effective thirty (30) calendar days after the date of agency notification, except for the following conditions:

- a. State of Federal law or regulations changes mandate immediate implementation; and/or
- b. The proposed amendment and/or revision is necessary to protect the health and welfare of Louisiana citizens in the case of an emergency, such as a threat to life, limb, or personal property. Agencies may submit comments and suggested changes or revisions to these Policies and Standards to the LHC staff.

8.0 Inventory

The Subgrantees are required to protect and account for all assets obtained with Weatherization Contract funds. The property management and inventory control procedures must be in writing and meet all Federal and State regulations.

The Executive Director of the Subgrantee Agency must designate an individual responsible for purchasing and maintaining records on all property, equipment, and non-expendable supplies purchased with weatherization program funds received from the State of Louisiana. The OMB circular A-102 and A-110 Procurement regulations must be followed in all property management.

8.1 General Guidance

Property management procedures must be in writing and will be monitored for compliance. A record of all property with a purchase price of \$500.00 and above or with a usage period exceeding two years must be accurately maintained and shall include the following:

- a. A full description of the property to include name of manufacturer/brand name.
- b. Manufacturer's serial number, model number or the identification number.
- c. Source of funds used to purchase the property including contract number.
- d. Whether title invests with the agency, State or Federal Government.
- e. Acquisition date and cost, including all taxes, freight charges, etc.
- f. Percentage of Federal participation, the cost to the program for which the property was purchased.
- g. Location, use, condition of the property, and the date the information was recorded.
- h. The name of the person who received the equipment.
- i. Disposition data, including date of disposal, method of disposal, and sales price if sold. If the Federal Government is compensated for the sale, the method used for determining the current fair market value is required.

When purchasing individual items which represent component parts of a larger article, the acquisition cost criteria are to be applied to the summed total of the individual items. Therefore, if the summed total of the individual components is \$500.00 or greater, than these items must be recorded on the inventory list and submitted to LHC for documentation. A physical inventory

must be taken and documented of all property purchased with Weatherization Program funds at least annually. Additionally, a LAWAP Inventory Reporting Form must be completed monthly detailing new acquisitions or indicating no new acquisitions for the month.

A control system must be implemented to insure adequate safeguards to prevent loss, damage or theft of property. Adequate recovery insurance must be maintained on the property. Additionally, Subgrantees must submit monthly reports to reflect the acquisition of new inventory and the deletion of inventory via trade-in, theft, damage, etc. A Stolen/Damaged Inventory form must be completed and sent to LHC immediately for any missing, damaged, destroyed, or stolen property purchased with weatherization funds. The form can be found as an attachment to this policy or requested from LHC via email. The form must be completed and signed by the person in charge of inventory and the Executive Director.

8.1.1 Authorization

Letters authorizing purchase or disposition of capital equipment, or addressing other aspects of property management are to be retained by the Subgrantee with the capital inventory records. If there are changes to the capital equipment inventory records, the changes shall be reported to LHC.

8.1.2 Transfer of Equipment

Should any equipment be moved or transferred to a different location within the same building, the person responsible for the equipment shall make the appropriate notation on the inventory list. If the equipment is transferred to a different building or offsite location (another Subgrantee office), the inventory list will be annotated to indicate the date of the transfer, where the equipment was transferred to, and to whom the equipment was transferred. The person receiving the equipment shall sign for the equipment and that form shall be maintained in the files at the Subgrantee's main office along with other required WAP correspondence and files.

8.1.3 Services on Equipment

1. New Equipment - Any product warranty requirements such as registration of the warranty will be handled by the Subgrantee. Requests for warranty service will originate with the Subgrantee utilizing the equipment. It is suggested that all original shipping boxes be retained should the equipment need to be shipped back to the manufacturer or vendor.
2. Equipment no longer under warranty - Should equipment that is no longer under warranty require service or need repair, the Subgrantee should determine if the cost to repair is justified or whether it would be more cost effective to replace the equipment. The decision to repair or replace the equipment will be determined by mutual agreement with owner. If there are funds available to repair or replace the equipment, that expense will be borne by owner

and the equipment being replaced will be returned to owner for appropriate disposal. The cost to replace or repair is not guaranteed by the LHC and will be determined based on availability of funds.

8.1.4 Disposal of Inventory/Property

A piece of equipment or vehicle is considered to be an individual unit if it has individual utility or can be sold as an individual unit. Furthermore, tangible property refers to property, except land or buildings, which can be seen, weighed, measured, felt, touched, or otherwise perceived by the senses. When a Subgrantee no longer wants to retain property/inventory purchased with Federal funds or Program Income, the Subgrantee must first determine and document the fair market value of the property/inventory.

1. If the fair market value falls below \$500.00, the Subgrantee can do what it chooses with the inventory, without the need for federal or state approval. However, all federal or state tax codes must be followed.
 2. When the fair market value of an individual unit of inventory is valued from \$500.00 up to \$5000.00, the Subgrantee is subject to State/LHC guidelines governing inventory. The Subgrantee must determine fair market value of the inventory and receive written approval from LHC prior to the sale of the inventory. Proceeds from the sale of the inventory must return to the weatherization program.
 3. If the fair market value of the vehicle/equipment acquired with Federal funds or Program Income is \$5000.00 or greater, the Subgrantee must request permission from DOE by submitting the Federal Disposition Request/Report Form SF 428-B. DOE will determine the amount, if any, that the Subgrantee must compensate the Federal government. The Subgrantee must send a copy of the form and documentation to LHC as well.
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