



**Weatherization Assistance Program  
Policy and Procedures Manual Program Year 2020 – Summary of Updates  
Updated January 2020**

The following notable policy changes/clarifications were made to the *Weatherization Assistance Program Policy and Procedures Manual* during the Program Year 2020 Update.

**SUMMARY OF SIGNIFICANT CHANGES or AREAS OF CLARIFICATION:**

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

2. **Applicant Eligibility – Child Support and Foster Care**

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

Before proceeding with weatherization services, the sub-grantee must ensure all information in the EAP application is correct and the client is eligible for weatherization. When verifying the application, ensure the differences between EAP and Weatherization income calculations are accurate, i.e. child support and zero income.

3. **Rental Eligibility**

Indiana's policy for the weatherization of rental units complies with 10 CFR 440.16(i), and all other pertinent regulations. Sub-grantees must have written permission from the building owner or his agent before commencing and are required to have and abide by their written policies detailing the terms of the landlord/tenant agreement and any landlord contribution policy the sub-grantee has adopted. Landlord agreement forms must be included in the files of all weatherized rental units.

4. **Client Appeals**

Local Review:

The client must send their written appeal to the local sub-grantees Weatherization Manager or Executive Director within thirty (30) calendar days of receipt of the denial. The sub-grantees Executive Director or Weatherization Manager determines the applicant's eligibility on review within ten (10) business days of receipt of the applicant's written appeal. All appeal documentation must be saved in the client file and IHEDA's Community Programs Manager - Weatherization must be notified of denied appeals. The

final determination for the appeal must be sent to the client in writing by the sub-grantee's Executive Director.

**State Review:**

If the client is not satisfied with the sub-grantee's determination, they may request formal review by the State, but it must be submitted in writing. This request is made by submitting the appeal to IHCD's Director of Community Programs. The sub-grantee may submit this appeal on behalf of the client or the client may submit it directly to IHCD. This request for formal review must be made within thirty (30) calendar days of receipt of the sub-grantee's appeal determination.

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

**5. Required Forms**

Meaningful photographs must also be required in all client files.

**6. Zero Income Affidavit**

The Zero Income Affidavit must be used to verify zero income for each household member, age 18 and over, who claim no income for the 3 months prior to the application date. In addition to a completed form, each zero-income claimant must have an attached wage inquiry or income summary from the local Workforce Development Office. *This is no longer completed during the EAP application process but is a DOE requirement that must be completed by the Weatherization sub-grantee*

**7. Deferral Letters**

The letter must include the following:

- Sub-grantee contact names and address;
- Reason(s) for deferral;
- Next steps for the client and a specific timeline for action;
- All additional client education, per WPN 17-7. Also see Indiana's Health and Safety Plan;
- Mold and Moisture form;
- Meaningful photos of the deferred items.

**8. Work Order**

A copy of the appropriate priority list or the NEAT/MHEA/MuTEA measure report must be in the client file, including specifications on each task the workers will complete. IRMs must be justified by written and photograph documentation in the client file per WPN 19-5.

**9. Client Priority Policy**

The written procedure must be reviewed and approved by IHCD and the approval will be verified during monitoring.

**10. Interim Inspections**

Inspection is required on all units, except 100% electric without fireplaces. The purpose is to evaluate work performed on the mechanical systems to evaluate all health and

safety issues that could be created or made worse by Weatherization measures. Interim inspections must be performed by an Energy Auditor, Quality Control Inspector, Retrofit Installer Mechanical, or HVAC Professional. IHCDCA prohibits anyone inspecting their own work that results in payment from the sub-grantee. Interim inspector must complete, sign, and date the appropriate form(s). Additionally, the interim inspector must include applicable notes and notate if the inspection passes or fails.

#### **11. Previously Weatherized**

For homes utilizing DOE funds, if services have been provided after September 30, 1993 (per CFR) the unit is not eligible for additional weatherization services utilizing DOE funds.

#### **12. Quality Control Inspections**

All units are required to receive a quality control inspection by a BPI Quality Control Inspector, as outlined in the Training Section of the manual and WPN 15-4. The minimum requirements are:

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

#### **13. Client Refusal to Sign**

Units that have had a QCI conducted but the client refuses to sign off on the work, the unit can be counted as a completion, upon approval by IHCDCA. *In order for IHCDCA to consider the unit a completion, sub-grantees must send the entire client file with personal identifying information (PII) redacted and a detailed explanation regarding client refusal to sign to [IWX@IHCDCA.in.gov](mailto:IWX@IHCDCA.in.gov).*

#### **14. Failed Quality Control Inspection**

If a QC Inspector and a sub-grantee cannot come to a mutual agreement regarding a failed QC inspection, a neutral third party QCI must be utilized to make the determination. A neutral third party QCI cannot be employed by the sub-grantee.

#### **15. NEAT/MHEA**

Beginning April 1, 2020, sub-grantees must complete NEAT/MHEA audits on 50% of units.

#### **16. Deferral Standards**

Although a client may meet eligibility requirements for weatherization, the sub-grantee may defer the unit for weatherization services as a result of the home not being suitable for weatherization services. Deferrals can take place during any phase of the weatherization process. This includes, but is not limited to the following:

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

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

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

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

At any point when a unit is deferred, the client must be provided with written notification of the deferral. The written notice must be in compliance with WPN 17-7 and IHCDA State Plan. A copy of the written notification of deferral to the client must be placed in the client file. The client must also be given a copy of the signed and dated Moisture Assessment form. A copy of this form must also be in the client file. For each deferral issue within the home, there must be a meaningful corresponding photograph of the issue(s) in the client file. The deferral notification to the client must include the instructions for pursuing an appeal to the deferral. This appeal must follow established protocol outlined in the Appeals Procedure section of this manual.

The deferral notification must be sent to the client in writing and must include the following:

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

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

- Meaningful photographs of the cause(s) for deferral
- Moisture Assessment Form
- Documentation of client education as required per WPN 17-7
- Client Health Screening, when applicable
- Concise timeline beginning with approved application date, date of pre-audit (when applicable) date of audit, date of HVAC, date of SHELL, date all deferrals
- Justification stating the reason work could not be completed in a timely manner
- All other documentation as requested by IHCDCA

### **17. Refrigerator Program**

The following must be recorded in the clients file:

- Photo of original refrigerator, data plate, and cubic feet storage volume
- Photo of new refrigerator, data plates, and cubic feet volume storage
- Photo of the meter reading or document the use of the database, from the link provided <http://www.kouba-cavallo.com/refmods.htm>

The following standards must be met:

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

### **18. Lead-Safe Work Practices**

- Documentation in the client file must include:
  - Certified Renovator certifications;
  - Lead testing report completed by Lead Risk Assessor or Lead Inspector;

- Client signed document verifying receipt of the EPA Renovate Right within 60 days of the start of the work;
- EPA compliant record keeping checklist;
- Photographs of lead safe work practices must include all tasks required on the Sample Renovations Recordkeeping Checklist
- All employees and contractors working on pre-1978 homes must receive training to install measures in a lead-safe manner in accordance with the EPA and WPN 17-7 protocols and installation must be overseen by an EPA Certified Renovator

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

### 19. Testing for Lead

All units built pre-1978 are required to be tested for the presence of lead prior to any work commencing, including work completed with deferral funds. In the event the sub-grantee XRF is out of commission, contact INCAA for coordination of a temporary loaner XRF.

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

- Lead Risk Assessor or Inspector license number and expiration date
- Property address
- Name of Lead Risk Assessor or Inspector
- The instrument used for lead testing
- Serial number of the instrument
- Description of areas tested
- XRF report

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

Sub-grantee weatherization professionals may not engage in lead renovation activities until they receive proper training and PPE. It is highly recommended that all Program Managers and Executive Directors attend training related to lead and applicable PPE to ensure a minimum level of liability compliance understanding for the sub-grantee.

## **20. Renovator Certification**

A refresher training for recertification is required every five years. Each sub-grantee is required to have at least one EPA RRP Certified Lead Renovator on staff at all times. It is required by the EPA that “anyone who is paid to perform work that disturbs paint in housing and child-occupied facilities built before 1978 must be certified”. This includes all firms, even sole proprietorships and special trade contractors including electricians, plumbers, painters, and carpenters. The designated RRP Certified Lead Renovator must follow all lead requirements set forth by the EPA. The position of RRP Certified Lead Renovator is a position which requires one who is competent to act in a leadership role, as well as one who is thorough and diligent with regard to ensuring the physical, photographic, and paper documentation compliance requirements are met. This is to ensure the safety of weatherization professionals, unit occupants, and also for the liability protection of the sub-grantee.

## **21. Blower Door Guidance**

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

IHCDA Airsealing Targeted Goals:

If ACH50 is less than 11, the blower door reduction goal is 15%

If ACH50 is 11-17, the blower door reduction goal is 25%

If ACH50 is 18-22, the blower door reduction goal is 35%

If ACH50 is greater than 22, the blower door reduction goal is 40%

To calculate the ACH50, use the formula below:

$$\text{ACH50} = \frac{\text{CFM50} \times (60 \text{ minutes/hour})}{\text{volume of home}}$$

EXAMPLE: A house has a blower door reading of 1550 cfm. The volume of the home is 7,840 cubic feet.

$$\text{ACH50} = \frac{1550 \times 60}{7840} = 11.86 \text{ (round to 12)}$$

So for this house, the target blower door reduction is 25%

To calculate the target blower door number, use the formula below:

$$\text{BD Target} = \text{BD Reading (cfm)} \times (1 - \text{BD reduction goal \%})$$

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

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

## **22. Claims**

Sub-grantees shall submit properly completed claims and backup documentation to IHEDA every thirty (30) days for reimbursement of costs incurred during the prior month.

Direct expenses associated with a unit need to include the IWAP application number from the job expense report. Copy of Job Expense report from IWAP from the time frame of the claim. All direct expenses being claimed need to be on the report

All invoices over \$1,000.00 must be submitted with the claim. Invoices under \$1,000.00 will be provided from the sub-grantee upon IHEDA's request.

## **23. Original Signatures**

Grant claims do not require original signatures for online claims. Sub-grantees are required to retain the original, signed claim form along with back up documentation in a hard copy, paper file for the required retention for a three (3) year period after closeout.

Equipment purchase requests must be made via email.

## **24. IHEDAOnline Claim System**

IHEDA's online claims system can be found here: <https://online.iheda.in.gov>.

## **25. Work Order Changes/Change Order**

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

## **26. Training Certifications**

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

- ISV Energy Auditor
- ISV Retrofit Installer for Shell Professionals
- ISV Retrofit Installer for Mechanical Professionals
- ISV Crew Leader for Shell Professionals
- BPI Energy Auditor
- BPI Quality Control Inspector
- BPI Crew Leader for Shell Professionals
- BPI Healthy Home Evaluator
- Indiana Approved Pre-Audit Inspector
- The Program Management class is required for all new program managers and strongly recommended for all program managers.



INCAA provides training and certification opportunity for all of the abovementioned certifications.

## **27. Minimum Training Requirements**

All professionals working in Indiana Weatherization who enter client units are required to successfully complete the following courses:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
  
- A new hire for sub-grantees and contractors must successfully complete an OSHA 10 course prior to entering a unit to ensure their safety on the job.
- Weatherization professionals may not engage in lead safe work practice activities until they have successfully completed the Lead Safe Weatherization course.
- See special provisions for mechanical helpers

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

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

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

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

Indiana Pre-Audit Inspectors working in Indiana Weatherization are required to successfully complete the following courses:

- OSHA 10
- Lead Safe Weatherization
- Moisture and Mold Awareness
- Healthy Homes Evaluator
- Pre-audit inspectors may not enter client homes without supervision of an Indiana certified Weatherization Professional until successful completion of each of the abovementioned courses.

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

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

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

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

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

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

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

- OSHA 10

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

## **28. Indiana Skills Verification Standards**

ISV written testing is administered at the end of the Retrofit Installer for Shell Professionals, Crew Leader, Retrofit Installer for Mechanical Professionals, and Energy Auditor courses. The results of ISV written and field testing will be tracked by INCAA. The results of the ISV written and field testing will be available to IHEDA, the sub-grantee Weatherization Program Manager, and the sub-grantee Executive Director upon written request to the INCAA Weatherization Training Team Lead.

At the beginning of each DOE program year, sub-grantees are required to submit a list of weatherization program professionals—in house staff and contractors to IHEDA and INCAA. IHEDA will only fund training for weatherization professionals on the submitted and updated list. Any changes in staffing must be reported to IHEDA and INCAA immediately.

For BPI certifications (Energy Auditor, Quality Control Inspector, Crew Leader, Healthy Homes Evaluator) See <http://www.bpi.org/certified-professionals/>. IHEDA will only fund the first attempt for BPI testing for each designation.

## **29. Training Stipend**

The DOE Training Stipend may be used to provide reasonable meals at annual contractor trainings.

## **30. Monitoring**

IHEDA reserves the right to monitor any unit including Capital Intensive unit(s).

## **31. Reporting**

Completions must be entered into IWAP within 45 days or the job will be locked.

## **32. Benchmarks**

Complete 15% of yearly production by July 1, 2020;  
Complete 40% of yearly production by October 1, 2020;  
Complete 80% of yearly production by February 1, 2021;

## **33. Equipment**

Per 2 CFR 200.33 equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the non-Federal entity for financial statement purposes, or \$5,000.

See 2 CFR below:

- 200.12 Capital assets;
- 200.20 Computing devices;
- 200.48 General purpose equipment;
- 200.58 Information technology systems;
- 200.89 Special purpose equipment;
- 200.94 Supplies.

#### **34. Supplies**

Per 2 CFR 200.94 supplies means all tangible personal property other than those described in 200.33 Equipment. A computing device is a supply if the acquisition cost is less than the lesser of the capitalization level established by the non-Federal entity for financial statement purposes or \$5,000, regardless of the length of its useful life.

See 2 CFR below:

- 200.20 Computing;
- 200.33 Equipment.

Consumable items are not considered supplies and must be included in the average cost per unit. For example, dust masks, batteries, disposable protective suites, etc.

#### **35. Inventory of Equipment and Vehicles**

Sub-grantees are required to compile and maintain a living document (Inventory), of all equipment (including vehicles). Per 2 CFR 200.313 Equipment means tangible personal property (including information technology systems) having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds the lesser of the capitalization level established by the sub-grantee for financial statement purposes, or \$5,000 purchased with Federal or IHEDA funds. Per 2 CFR 200.313 an inventory must be maintained at the sub-grantee's office and provided to IHEDA during monitoring and upon request.

The inventory must include:

- Type of item
- Description
- ID Number (Serial or VIN)
- Acquisition date
- Award number
- Total acquisition cost
- Source of funds (LIHEAP-Federal or state and DOE)
- Federal Award Identification Number (FAIN)
- Title holder
- Location
- Condition
- Disposition date
- Value at disposition

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

#### **36. Dispositioning Items**

If the current fair market value of the item to be dispositioned is under \$5,000 no additional approval is needed. IHEDA requires sub-grantees to record the date and note

the condition of the equipment, fair market value at the time of disposition and the method of disposition (transferred to agency, recycled, etc.). According to WPN 17-6 FAQs, as soon as the fair market value of an individual unit of property falls below \$5,000, DOE's interest in the property is extinguished. At this point, recipients/subrecipients take full title to the property without restriction, free and clear of government interest, and a disposition request to IHCDA is not necessary. Disposition requirements no longer apply and the recipient/sub-recipient have no further obligation to DOE.

Per Indiana, all proceeds obtained from dispositioning items must be put back into the program for which they originated.

If the fair market value is over \$5,000 see the Sale of Inventory Items over \$5,000 section below.

### **37. Use of Equipment and Vehicles**

Any equipment purchased with Federal or IHCDA funds shall be used by the sub-grantee in the program or project for which it was acquired as long as needed, whether or not the project or program continues to be supported by Federal funds. When the equipment is no longer needed for the original program or project, the equipment may be used in other activities or programs currently or previously supported by a Federal agency, provided that such use will not interfere with the work on the projects or program for which it was originally acquired. First preference for other uses shall be given to other programs or projects supported by the original funding source. User fees should be considered if appropriate.

The sub-grantee cannot use equipment acquired with Federal funds to provide services for a fee to compete unfairly with private companies that provide equivalent services. See 10 CFR 600.135(b) for details.

When acquiring replacement equipment, the sub-grantee may use the equipment to be replaced as a trade-in or sell the property and use the proceeds to offset the cost of the replacement property, subject to the approval by IHCDA.

### **38. Vehicle Titles**

When purchasing a new vehicle with Federal grant funds, the title shall list Indiana Housing and Community Development Authority (IHCDA) as the lien holder and the sub-grantee as the owner. The title must be mailed to IHCDA to the attention of the Community Programs Analyst. All titles will be held at the IHCDA office. See 2 CFR 200 Subpart D 200.313 for details.

### **39. Sale of Inventory Items over \$5,000**

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

- Determine how your organization will sell the equipment/vehicle. This can be a public sale, a trade in with a dealer or a sale to another department of the sub-grantee.
- Research current market value for the equipment/vehicle (ex. Kelley Blue Book, local comparable prices through dealers) Keep copies of documented values.

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

Equipment sales by non-profit entities purchased with Federal funds should follow 2 CFR 200 Subpart D 200.313 (e).

#### **40. Sale of Inventory Items Less than \$5,000**

Once the value of an item is below \$5,000 or the capitalization threshold of the sub-grantee, there is no further Federal or state interest in the item. The sub-grantee should record on its inventory that the item was dispositioned and per Indiana guidance, the proceeds should be rolled back into the program. IHCDA will remain on vehicle titles even if the value is under \$5,000.

#### **41. Rental of Vehicles, Equipment and Supplies**

Rental of inventory items to other non-Federal sub-grantee departments, other non-profits or a for-profit entity is only allowable if the sub-grantee reinvests the proceeds of the rental back into the Weatherization program. Sub-grantees must not use equipment acquired with Federal funds to provide services for a fee that is less than private companies charge for equivalent services (2 CFR 200.313 (c)(3)Equipment).

If a sub-grantee has an inventory item that it is no longer in use for the purposes of Weatherization, that item can be transferred to another sub-grantee department or a different sub-grantee and used for Federal purposes, and the inventory log can be updated accordingly. No payment is required in such cases.

#### **42. Historic Review**

Sub-grantees are responsible for Section 106 of the National Historic Preservation Act (NHPA) and for referring buildings that may be covered under this Act to the State

Historic Preservation Office (SHPO). Sub-grantees must document the Historic Preservation status of all homes and evaluate each building 45 years or older for potential impact on historic resources per the Programmatic Agreement. Mobile and manufactured homes are exempt from historic review.

Upon completion of the home energy audit, but before work begins on the house, the sub-grantee must compare the measures planned on the house with the exempt measures in the Programmatic Agreement established between IHCDA and the SHPO to determine if a Section 106 review is required. Work cannot begin in a unit until this determination has been made. All documentation and forms verifying the determination must be maintained in the client file for a period of three years from project completion.

Many weatherization measures are considered exempt and not subject to Section 106 review. Exempt measures can be found in Appendix A of the Programmatic Agreement, Attachment C to this policy. Any questions regarding exempted work should be directed to [IWX@IHCDA.in.gov](mailto:IWX@IHCDA.in.gov).

A Section 106 review is required if any non-exempt measure is planned. If a Section 106 review is needed, the sub-grantee must submit the SHPO Review Request Submittal form to IHCDA. The SHPO Review Requests Submittal form can be found in Attachment B. The second page of this form includes a list of the information necessary to complete a review. More information on the review process is available here: <https://www.in.gov/dnr/historic/8152.htm>

A copy of the SHPO Review Request Submittal Form and any related documentation must be saved in the Client File for three years.

Sub-grantees must record the SHPO status of each building on the IWAP Job Information Screen as one of the following categories:

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

Sub-grantees must also complete the *Indiana Weatherization Assistance Program Historic Preservation Form*. This form can be found in Attachment A. This form must be saved in the Client File for three years and will be reviewed during monitoring.

Sub-grantees must look up each property on the *Indiana Historic Buildings, Bridges, and Cemeteries Map* and a screenshot of the map must be kept in the client file. This can be accessed here:

<https://www.arcgis.com/home/item.html?id=1593429c17c34942a0d1d3fac03c4a80> .

Another resource to identify known historic properties is the State Historic Architectural and Archaeological Research Database (SHAARD). It can be accessed at: [www.in.gov/dnr/historic/4505.htm](http://www.in.gov/dnr/historic/4505.htm)

Historic Preservation is not a cause for deferral.

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

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

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

**Appendix A** to the Programmatic Agreement provides a list of activities that are exempt from Section 106 review for the Weatherization Assistance Program.

**The exemptions cover most interior work and much of the exterior work performed by WAP.** Examples of items not exempt and subject to Historic Review are replacement of decorative fixtures 45 years of age or older and exterior measures that would harm or obscure historic windows or trim.

Section XI.B. states that if IHCD and SHPO determine a building has already been reviewed under an existing Section 106 agreement document then no further Section 106 review is needed. Section XI.C. establishes the 30-day timeframe for Section 106



reviews. If SHPO fails to comment within the established period IHCD can assume the SHPO has concurred and proceed (see also 36 CFR 800.3(c)(4)).

#### **43. Deferral Program**

PY 2020 may be the last year for the State Deferral Program. A new deferral policy may be issued if approved.

#### **44. Multi-family**

The following multi-family policy applies to both DOE and LIHEAP funded weatherization buildings containing five (5) or more units. All multi-family buildings containing five (5) or more units require IHCD approval. Multi-family buildings less than five (5) units do not require prior IHCD approval and are not subject to this policy.

Sub-grantees or their contractors are responsible for performing an audit using the multi-family tool MulTEA for buildings containing five (5) or more units. Sub-grantees must contact IHCD to request access to MulTEA. A NEAT or MulTEA audit must be performed on buildings containing less than five (5) units that are individually heated or cooled. Sub-grantees are responsible for all costs associated with performing this audit.

If the sub-grantee is proposing to weatherize a HUD building, the sub-grantee must refer to [WPN 17-4](#).

#### **Things to Consider Before Starting a Multi-family Project**

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

#### **Entities Eligible to Conduct Multi-Family Projects**

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

#### **Certification and Training Requirements**

A Building Performance Institute (BPI) Multi-family Building Analyst certification is required for all buildings containing five (5) or more units.

Buildings containing five (5) or more units must always be inspected by an individual who has successfully completed an approved Multi-family Quality Control Inspector (QCI) training course.

Contact INCAA for training updates related to this requirement.

Source: **WPN 15-4**

### **Building Eligibility**

66% of units in a multi-family building are required to be income eligible (10 CFR 440.22b2).

### **Mandatory Reading Requirements**

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

- WPN 15-4 Quality Work Plan Requirement Update
- WPN 16-5 Multi-family Weatherization
- WPN 16-5 FAQs Multi-family Weatherization Frequently Asked Questions
- WAP Memorandum 035 Weatherization Leveraging
- WPN 16-6 Weatherization of Rental Units - Applicable to Single Family and Multi-family Dwelling
- WPN 16-6 FAQs Weatherization of Rental Units Frequently Asked Questions
- WPN 17-4 Multi-family Housing - Procedure for Certifying Income Eligible HUD Assisted Buildings
- WPN 18-1 Program Year 2018 Weatherization Grant Guidance: Sections 2.6 and 2.7
- WPN 19-4 Revised Energy Audit Approval Procedures, Related Audit, and Material Approvals
- Weatherization Program and Policies Manual Section 102 - Multi-Unit Buildings

### **Project Plan**

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

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

## **Quality Control Plan**

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

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

## **Mandatory Pre-Consultation**

Sub-grantees considering a multi-family project containing five (5) or more total units, or *any* number of units that share a central heating system, must set up a pre-consultation with IHCD. To do so, please email [IWX@IHCD.in.gov](mailto:IWX@IHCD.in.gov). IHCD requires the Multi-family Project Development Form (MF Attachment 1) be submitted to IHCD prior to the pre-consultation meeting.

## **Progress Updates**

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

## **Audit Requirements**

All units in 2 to 4-unit buildings must be assessed. In buildings with five (5) or more units at least 10% of all units in the building, with no fewer than three (3) units of each floor plan, and not fewer than five (5) units total, must be visited for a complete energy audit during the pre-weatherization building assessment. In addition, at some point during each project, all units must have a documented inspection for possible health and safety concerns, including diagnostics if appropriate, followed by work orders for correction ([WPN 16-5 FAQs](#)).

NOTE: ALL units with a combustion appliance present must receive pre- and post-health and safety diagnostics testing ([WPN 16-5 FAQs](#)).

Blower door testing is required on at least 15% of units of each floor plan or five (5) units of each floor plan, whichever is greater. A minimum of five (5) units must be visited during the audit. Health and safety testing is required in all units and all common areas ([WPN 16-5 FAQs](#)).

The Multi-family Building Analyst and Multi-family trained QCI cannot be the same individual.

## **Client File Documentation**

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

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

Source: **WPN 16-5**

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

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

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

### **Buy Downs**

Upon agreement between the sub-grantee and building owner, building owners may buy down measures typically prioritized as needs, such as furnace or boiler replacements, that do save energy but don't achieve an SIR of 1 or greater as a stand-alone measure. A measure can be bought down only when the overall SIR of the package of measures, including the full cost of the measure that will be bought down, is 1.0 or greater (**WPN 16-5**).

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

In the second case the replacement windows would not be eligible for a buy-down in WAP because the pre-buy-down *package* SIR is below 1.0.

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

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

From WPN 16-5

Please consult with IHEDA before buying down measures. For more information regarding buying down measures, see **WPN 16-5**.

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

Every sub-grantee is required to have an Owner Contribution/Landlord Participation policy in place. Prior to commencing a multi-family project, the sub-grantee must also have a multi-family specific Owner Contribution/Landlord Participation policy in place. IHEDA has provided an optional Multi-family Owner Contribution Form as part of the Multi-family Project Development Form (MF Attachment 1) for sub-grantee convenience.

Owner Contribution/Landlord Participation are separate from the monies used to buy down measures. If the owner is required to contribute and is not willing, the project cannot move forward.

Source: **WPN 16-5**

### **Utilities Included in Rent**

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

## **Monitoring**

All multi-family projects will be monitored; a minimum of 10% of units will be monitored.

### **45. 2020-21 Program Funding**

Funding for the 2020-21 Program Year as reflected in the State Plan remained at the 2019-20 funding level. Budget and allocation numbers will be updated when the official award is made by DOE.

### **46. In conjunction with the State Plan, IHCD's Weatherization Policy and Procedures Manual has been updated. All changes are noted in red text.**