

## APPENDIX B-1: DOE Budget Definitions

### DOE WEATHERIZATION ASSISTANCE PROGRAM- Budget definitions 2022

**All services need to be rendered and materials need to be received within the allowable grant period.**

#### Budget line items and allowed expenditures per line

1. **ADMINISTRATION:** Subgrantees may use up to 10.0% of non -T&TA grant amount expended. Costs associated with administration include fiscal, executive, support operations, rent and utilities, supplies etc. This applies to *staff engaged in program administration*.
2. **LIABILITY INSURANCE:** Insurance coverage of at least \$ 1,000,000.00 covering the risks related to the property and personal liability claims of other parties against the insured party. Subgrantees may have pollution occurrence insurance, this insurance must include lead.
3. **FINANCIAL AUDIT COSTS:** *The amount charged is based upon Subgrantee cost allocation plan.*
4. **BASE PROGRAM OPERATIONS:** Allowable expenditures include cost from: Non-labor Program Support, Sub-grantee direct labor, Energy conservation measure (ECM) Labor, ECM Materials, Material Handling, Consumable supplies, Provisional Closeouts and Deferrals.  
*The maximum allowable average costs per house may not exceed \$7,700.00 effective April 1, 2022*  
*This line may be paired with LIHEAP Mechanical and other allowable funds.*
5. **HEALTH AND SAFETY:** are direct costs associated with eliminating energy related health and safety hazards prior to installation of weatherization materials.  
Allowable expenditures include direct cost from: Non-labor Program Support, Sub-grantee direct labor, Health & Safety labor, Health & Safety material, Material Handling, Consumable supplies, Provisional Closeouts.  
*Subgrantee are allowed up to 20% of total base expenditures.*  
*All Health and safety claimed to this line, needs to be paired with a DOE Base unit.*
5. **TRAINING AND TECHNICAL ASSISTANCE:** These funds may only be used to cover expenses related to approved weatherization trainings to include: Class fees, Material fees, Written/field testing, CEU events, Wage/time reimbursement, Travel expenses.

#### Definitions:

**Non-labor Program Support** includes direct costs of rent, utilities, advertising, consumable office supplies, office equipment, furnishings, and computer equipment. Cost allocation plans apply.

**Sub-grantee direct labor costs:** include cost for estimators, inspectors, coordinators, and support staff that can tie their work directly to a unit(s). This can be a contractor or an employee of the sub-grantee. Where employees work on multiple activities, a distribution of their salaries or wages must be supported by equivalent documentation of the activity percentage of work by the employee. This can be reported in IWAP under overhead but is not required.

**Energy conservation measure (ECM):** This includes any measure that has a savings to investment ratio of 1 or greater on the NEAT/MHEA audit.

**ECM Labor:** Cost of installing an ECM by a professional service or the sub-grantee. This cost

must be supported as an energy efficient measure from the approved energy modeling software. This is reported in IWAP under base labor.

**ECM Materials:** Costs of installed materials in weatherization units by Sub-grantee and/or contractors. This cost must be supported as an energy efficient measure from the approved energy modeling software. This is required to be reported in IWAP under base materials.

Purchases charged will be at their actual prices after deducting all cash discounts, trade reimbursements, discounts or rebates and allowances.

**Health & Safety labor cost:** The labor costs of eliminating energy related health and safety hazards (including mechanical equipment) prior to installation of weatherization materials. Health and safety is a separate budget line item and is not included in the average cost per unit. This is reported as Health and safety labor in IWAP.

**Health & Safety material cost:** The material costs of eliminating an energy related health and safety hazards (including mechanical equipment) prior to installation of weatherization measures. Health and safety is a separate budget line item and is not included in the average cost per unit. This is reported as Health and safety material in IWAP.

**Material Handling:** Actual costs including *Warehousing Facility Costs* such as leases, utilities and security. *Transportation costs* associated with material delivery, staff transportation to the work sites, vehicle maintenance and depreciation. Direct costs of staff including salaries, purchases etc. whose tasks involve *Inventory control*. This can be reported in IWAP under overhead but is not required.

**Consumable supplies:** Supplies that are consumed during weatherization. These items are not usually left in a client's home and last less than one year. Examples: batteries, protective suits, mask, etc.

**Provisional Closeouts:** 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 to be counted as a completion. If this is not possible, the sub-grantee must submit proper documentation to IHCD for a Provisional Closeout. (See policy deferral standards for more info) Provisional closeouts will not count as a completion.

**Deferral cost:** The cost associated with deferred units. Such as transportation, labor inspection cost, consumable supplies, etc. This cost should be tracked by the sub-grantee but is not reported in IWAP.