



Arizona  
Department  
of Housing

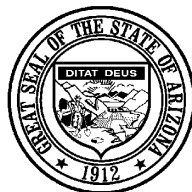
**WEATHERIZATION ASSISTANCE PROGRAM**  
**FY2018 ANNUAL PLAN DRAFT**

**ISSUED: MARCH 23, 2017**

CONTACT INFORMATION:

KATHY BLODGETT, ADMINISTRATOR  
COMMUNITY DEVELOPMENT & REVITALIZATION PROGRAMS  
1110 W. WASHINGTON, SUITE 280  
PHOENIX, AZ 85007  
602-771-1021

[KATHY.BLODGETT@AZHOUSING.GOV](mailto:KATHY.BLODGETT@AZHOUSING.GOV)



**U.S. Department of Energy  
WEATHERIZATION ASSISTANCE PROGRAM (WAP)  
WEATHERIZATION ANNUAL FILE WORKSHEET**

**(Grant Number: EE0007905, State: AZ, Program Year: 2018)**

**IV.1 Subgrantees**

<b>Subgrantee (City)</b>	<b>Planned Funds/Units</b>
CAHRA (Eloy)	\$47,568.00 5
City of Phoenix, Municipal Building (Phoenix)	\$150,742.00 19
Gila County Community Action (Globe)	\$36,629.00 4
Maricopa County Government (Phoenix)	\$248,418.00 31
MesaCAN dba A New Leaf (Mesa)	\$31,548.00 3
NACOG (Flagstaff)	\$289,518.00 36
Pima County (Tucson)	\$35,819.00 4
SEACAP (Safford)	\$97,243.00 11
Tucson Urban League (Tucson)	\$99,220.00 12
WACOG (Yuma)	\$123,425.00 15
<b>Total:</b>	<b>\$1,160,130.00 140</b>

**IV.2 WAP Production Schedule**

<b>Weatherization Plans</b>	<b>Units</b>
Total Units (excluding reweatherized)	140
Rewatherized Units	0

Note: Planned units by quarter or category are no longer required, no information required for persons.

<b>Average Unit Costs, Units subject to DOE Project Rules</b>		
<b>VEHICLE &amp; EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)</b>		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	140
C	Total Units Reweatherized	00
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	140
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
<b>AVERAGE COST PER DWELLING UNIT (DOE RULES)</b>		
F	Total Funds for Program Operations	\$765,021.00
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	140
H	Average Program Operations Costs per Unit (F divided by G)	\$5,464.44
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$5,464.44

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**IV.3 Energy Savings**

Method used to calculate savings: <input checked="" type="checkbox"/> WAP algorithm <input type="checkbox"/> Other (describe below)			
	Units	Savings Calculator (MBtus)	Energy Savings
This Year Estimate	140	29.3	4102
Prior Year Estimate	181	29.3	5303
Prior Year Actual	50	29.3	1465

**Method used to calculate savings description:**

Production and Energy Savings:  
These are estimates for PY18

Total Units (excluding re-weatherized)	140
Re-weatherized Units	0

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

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

The state does not utilize funds for leveraging activities. However, parallel programs are administered through LIHEAP and public utility funding.

**IV.5 Policy Advisory Council Members**

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

Arizona Community Action Association (ACAA)	Type of organization: Non-profit (not a financial institution) Contact Name: Cynthia Zwick, Executive Director Phone: 6026040640 Email: <a href="mailto:cswick@azcaa.org">cswick@azcaa.org</a>
Arizona Department of Economic Security	Type of organization: Unit of State Government Contact Name: Shelley Morgan Phone: 6025426620 Email: <a href="mailto:smorgan@azdes.gov">smorgan@azdes.gov</a>
Arizona Public Service Company	Type of organization: Utility Contact Name: Chris Baker, Program Manager Home Perf. w/ Energy Star Phone: 6022503183 Email: <a href="mailto:Chris.C.Baker@aps.com">Chris.C.Baker@aps.com</a>
City of Phoenix	Type of organization: Unit of Local Government Contact Name: Aubrey Gonzalez Phone: 6025345243 Email: <a href="mailto:aubrey.gonzalez@phoenix.gov">aubrey.gonzalez@phoenix.gov</a>
Foundation for Senior Living	Type of organization: Non-profit (not a financial institution) Contact Name: Carrie Smith, Chief Operating Officer Phone: 6022850505 Email: <a href="mailto:csmith@fsl.org">csmith@fsl.org</a>
Gila County Community Action	Type of organization: Unit of Local Government Contact Name: Malissa Buzan, Community Action & Housing Services Manager Phone: 9284028693 Email: <a href="mailto:mbuzan@gilacountyaz.gov">mbuzan@gilacountyaz.gov</a>
Maricopa County	Type of organization: Unit of Local Government Contact Name: Rachel Milne, Assistant Director Phone: 6023721528 Email: <a href="mailto:milner@mail.maricopa.gov">milner@mail.maricopa.gov</a>
	Type of organization: Local agency

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NACOG	Contact Name: Mr. Bob Baca, Weatherization Director Phone: 9287743756 Email: <a href="mailto:bbaca@nacog.org">bbaca@nacog.org</a>
Salt River Project	Type of organization: Utility Contact Name: Bonnie Temme, Community Relations Program Manager Phone: 6022369915 Email: <a href="mailto:Bonnie.Temme@srpnet.com">Bonnie.Temme@srpnet.com</a>
Southwest Gas Corporation	Type of organization: Utility Contact Name: Celine Apo, Energy Efficiency Administrator Phone: 7028767149 Email: <a href="mailto:celine.apo@swgas.com">celine.apo@swgas.com</a>
Tucson Electric Power Company	Type of organization: Utility Contact Name: Nikole White, Contract Administrator Phone: 5208843613 Email: <a href="mailto:nwhite@uesaz.com">nwhite@uesaz.com</a>

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

Date Held	Newspapers that publicized the hearings and the dates the notice ran
04/05/2018	The Arizona Department of Housing (ADOH) held two (2) public meetings for input and comment on the Plan. The first was a meeting held at the annual Housing Forum on August 25, 2017. The second was the official public hearing held April 5, 2018. The date, time, and location of the Public Hearing was provided to sub-grantees, Policy Advisory Council members and other interested parties through email, and posting on the Arizona Department of Housing website at <a href="http://www.housing.az.gov">www.housing.az.gov</a> . Additionally, the hearing was advertised in the 5 major newspapers in the state including the Arizona Daily Sun (Flagstaff), Arizona Daily Star (Tucson), Arizona Republic (metropolitan Phoenix), Kingman Daily Miner (Kingman) and the Yuma Sun (Yuma). The public hearing notification was published at least ten calendar days prior to the date of the Public Hearing. The public hearing transcript and sign in sheets have from been attached to the SF424 Application.

**IV.7 Miscellaneous**

<p><b>Business Officer:</b> Kathy Blodgett, CDR Programs Administrator, <a href="mailto:kathy.blodgett@azhousing.gov">kathy.blodgett@azhousing.gov</a>, 602-771-1021  <b>Principle Investigator:</b> Michael Frary, Energy Specialist, <a href="mailto:michael.frary@azhousing.gov">michael.frary@azhousing.gov</a>, 602-771-1042</p> <p><b>PAC: Additional Information regarding member representation</b>                  The state's Policy Advisory Council (PAC) is a collaboration of people from various organizations from around the state, each represents the interests of low-income and priority populations through advocacy or assistance programs or both. The PAC are from local utility companies, Nonprofits, and local governments. The following is a current PAC member list and a brief description of the organization including those persons whom they serve:  <b>Arizona Community Action Association -ACAA</b> is a 501 (c)(3) non-profit agency created in 1967 to address poverty across Arizona. Through a collaboration of nearly 300 organizations and individuals, ACAA develops and implements strategies to address and ultimately eliminate poverty.</p> <p><b>Arizona Department of Economic Security - Division of Aging and Adult Services (DAAS)</b>                  DAAS supports at-risk Arizonans to meet their basic needs and to live safely, with dignity and independence through a number of programs and initiatives. These include aging and disability services, support for victims of domestic violence, options for people who are homeless or near homeless, protective services for adults who are being abused, neglected and or exploited, services to prevent eviction and loss of utility and telephone services, and Councils, Commissions and special initiatives that address the issues of Arizona's most vulnerable populations.</p> <p><b>Arizona Public Service - APS</b> is Arizona's largest and longest serving electric company. APS funds programs to assist limited income households with energy savings through their Energy Support Program or the Medical Care Equipment Program. APS' Project SHARE (Service to Help Arizonans with Relief on Energy) specifically targets persons 60 years of age and older, persons under 60 experiencing special hardships and persons with disabilities. The SHARE program assists these targeted persons with payment of their electric bill.</p> <p><b>City of Phoenix - Neighborhood Services Division</b> - The City of Phoenix, Neighborhood Services Division preserves and revitalizes neighborhoods and helps residents access city services. Foreclosure prevention, CDBG, housing rehabilitation and repair, lead hazard control, and landlord/tenant counseling are some of the programs for low-income persons offered through this division of the City of Phoenix government.</p> <p><b>Foundation for Senior Living (FSL)</b> - One of the largest 501(c) 3 organizations in Arizona. Serving the community since 1974, the organization's mission is to provide home and community based services and develop energy-efficient affordable housing, to promote health, independence and dignity for all.</p> <p><b>Gila County</b> - Work The Community Action Program (CAP) in Gila County has been in existence since 1980. CAP receives funding from the Arizona Department of Economic Security, Pinal Gila Council for Senior Citizens, Arizona Department of Housing, and many other funding sources. The funding is geared towards helping residents become more self-sufficient through case management and emergency assistance. Programs offered through Gila County include Utility Payment/Deposit Assistance, Eviction Prevention Rent Assistance, Utility Discount Programs - APS, SW Gas, Lifeline, Weatherization, Housing Rehabilitation and Emergency Repairs. Applicants for assistance must meet federal Poverty Income guidelines and have a documented need.</p>
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**Maricopa County Human Services Department (MCHSD), Community Development Division** - The MCHSD mission is to provide and coordinate essential support and social services to vulnerable populations to enhance economic, educational, and social opportunities and strengthen communities.

MCHSD funds and administers housing (weatherization, housing rehabilitation, emergency repairs, foreclosure prevention) and social service programs (Head Start, Adult Day Health Care, Utility Assistance, Homeless Assistance) for low-income households including children, families, elderly and the disabled.

**Northern Arizona Council of Governments (NACOG)** - NACOG is a non-profit membership corporation representing local governments to provide a wide variety of services within the four Arizona counties of Apache, Coconino, Navajo, and Yavapai. NACOG is the Area Agency on Aging, Head Start and Workforce Development agency for the region. Additionally, NACOG provides weatherization, housing rehabilitation and emergency repairs for low-income households, targeting the elderly and families with children.

**Salt River Project (SRP)** - SRP is the oldest multipurpose federal reclamation project in the United States. SRP been serving central Arizona since 1903, providing electricity to approximately 1 million retail customers in a service area that spans 3 Arizona counties. SRP offers a variety of programs to help customers save energy and money. These programs target appliance recycling, rebates for duct test and repair, financing for larger energy-efficiency projects, rebates for purchase of new energy-efficient heat pumps, rebates for energy efficient pool pumps and discounted prices for CFL bulbs.

**Southwest Gas (SWG) Corporation** - SWG has been providing natural gas service for eighty plus years and currently serves more than 1.9 million customers throughout Arizona, Nevada and California. SWG has customer assistance programs for low-income households such as no cost to the customer weatherization repairs and utility bill assistance payments in addition to rebates for appliance connections to natural gas.

**UNS Energy Services/Tucson Electric Power (TEP)** - TEP and its sister company, Unisource Energy Services offers comprehensive energy services through reliable, traditional resources and a growing renewable power portfolio. TEP/UNS also offer many ways to help customers use energy more efficiently. Additionally, TEP/UNS offer assistance to limited income (based on federal poverty levels) customers through discounts, weatherization, and emergency bill payment programs.

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

N/A

**Carry over Rule**

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

ADOH concurs with DOE that sub-grantees should be making every effort to expend funds allocated for a specific program year in that year. ADOH has adopted the policy that any sub-grantee that does not expend at least 90% of their allocated funds for a given program year will not be eligible to carry over funds to the following program year. All agencies that spend out 90% or better of their allocated funds will be allowed to carry over any remaining unexpended funds.

The remaining unexpended funds from sub-grantees that did not meet the 90% carry over test will be pooled together and reallocated. The funds will be split equally among the agencies that did meet the 90% expenditure requirement.

**Performance Based Funding Re-allocation**

Quarterly performance goals and standards are made a part of the contractual agreement between the Grantee and Sub-grantee. The Grantee may, based on a review of the progress of sub-grantee completed units and expenditures, move funds from a non or under-performing sub-grantee to a sub-grantee meeting or exceeding their performance goals. The Grantee will review the performance of all sub-grantees on a monthly basis. The first re-allocation of funds would occur at 6 months with additional re-allocations if needed at the 8 month and 10-month time periods. It is the goal of the Grantee to use this method to ensure annual program funds are expended thereby reducing or eliminating carry-over and improving overall program performance.

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

**V.1 Eligibility**

**V.1.1 Approach to Determining Client Eligibility**

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

Every dwelling weatherized must meet both client and building eligibility requirements.

**Arizona definition of low-income:** Household Income is at or below 200% of the federal poverty level determined in accordance with criteria established by the Office of the Secretary, U.S. Department of Health and Human Services.

Describe what household eligibility basis will be used in the Program

The sub-grantees are to follow the state income qualifying guidelines found in the Low-Income Home Energy Assistance Program (LIHEAP) Policy Manual available from the Arizona Department of Economic Security (DES) website at: <https://des.az.gov/services/aging-and-adult/community-services/energy-assistance>. The LIHEAP State Plan for Arizona has allowed for the income qualification at 200% or below of the Federal Poverty Limit (FPL). Sub-grantees should also reference WPN 18-3 for Poverty Income Guidelines and Definition of Income.

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

The client is eligible for weatherization services for six-months from the date the client was determined to be income eligible, contingent upon residence eligibility. During this six-month time period, an energy audit shall be completed or the eligibility of the household for weatherization will need to be re-established by re-certification of income eligibility.

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

The following information is required to be included in client files:

1. Client File Checklist (required)
2. Eligibility Determination (including the required Annual Income Calculations Form) & Client Information including hard copy evidence provided by the sub-grantee that the client is income eligible to receive WAP services. This evidence may include, but is not limited to, third party verification from the source of income (employer, unemployment agency, social security office) of the family or source documentation for each income source listed on the application.
3. Certification of Zero Income Form (required if applicable)
4. Proof of Ownership or Signed Rental Agreement
5. Deferral Information (if applicable)
6. State Historic Preservation Documentation (if applicable)
7. Previous Weatherization Checklist. (required form)
8. Client Complaints and Documented Resolution
9. Progress Form; Includes client sign-off on:
  - a. Receipt of "Client Rights and Responsibilities Form"
  - b. Client Agreement (visits for quality assurance and funder monitoring)
  - c. Receipt of Warrantees
  - d. Statement of Completion
10. Clients Rights and Responsibilities Form (required form)
11. Household Action Plan (required form)
12. Client Health and Safety Evaluation Form (required form)
13. Work Agreement/Scope of Work
14. Priority Checklist and Copy of REM w/Field Waiver Request (if applicable)
15. Final test out documentation
16. Residential Diagnostic Evaluation Form (required form that covers both the initial and final inspections)
17. Quality Control Inspection Checklist (required form)
18. Hazard Disclosure Form; Includes client sign-off that information, notifications and release were given to them regarding:

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- a. Lead Paint
- b. Mold Assessment and Release
- c. Radon
19. Lead Safe Weatherization (if applicable)
20. Certified Renovator Documentation (if applicable)
21. Pre-work and Post-work photos
22. Photos of Appliances/HVAC (before and after replacement)
23. Materials and Labor Costs: including invoices and purchase orders (Contractor and crew based)
24. Bid/Equipment/Calculation/Specification Details
25. Inventory Sheets
26. Low-Cost/No-Cost Documentation
27. Landlord/Tenant Agreement (required form if applicable)
28. Refusal for Services, Indemnification & Waiver of Claims
29. Refrigerator Protocol
30. Health & Safety (HSD) Waiver
31. Sub-grantee Statement of Completion
32. Utility Release Form

The client is eligible for weatherization services for six-months from the date the client was determined to be income eligible, contingent upon residence eligibility. During this six-month period, an energy audit must be completed. If an energy audit is not completed during the six-month period, the eligibility of the household for weatherization will need to be re-established by re-certification of income eligibility.

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

Elderly

Handicapped

Families with children under the age of 5

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

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

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

**Qualified Aliens Receiving Weatherization Benefits**

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

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

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

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

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

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

Procedures to determine that units weatherized have eligibility documentation

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

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1. Verify that the home's occupants are income qualified for WAP
2. Verify that the home has not been previously weatherized by a thorough examination of the following:
  - The state database
  - Previous weatherization client files
  - The Sub-grantees weatherization program internal tracking system (i.e. database or spreadsheets)
  - Visual inspection of unit for evidence of previous retrofit weatherization measures

The Sub-grantee must then complete the ADOH Previous Weatherization Checklist and retain it in the Client File. The No Previous Weatherization Checklist Form is available for download from the ADOH weatherization web page at: <https://housing.az.gov/documents-links/forms/weatherization>

3. Perform a site inspection of the unit to make sure the condition of the home is safe to perform weatherization work

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

- Perform a random sampling desk top review of the State's database for 75 percent (75%) of the DOE jobs. This helps to verify income levels as well as the eligibility of measures and their SIR prior to any reimbursement of expenditures to the sub-grantees.
- During field inspections, the grantee will monitor client files for proper documentation of income eligibility.
- Verify that the State's Previous Weatherization Checklist has been completed, signed and included in the client file.
- Inspect the home to make sure that it was in safe working conditions.

Describe Reweatherization compliance

**Re-weatherization**

The Recovery Act amended the DOE Weatherization dates and now allows grantees and sub-grantees to re-weatherize homes previously weatherized prior to September 30, 1994. This provision gives grantees the flexibility to re-visit those homes 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. DOE reminds grantees and sub-grantees that in selecting previously weatherized homes to re-visit, there remains more than 34 million federally eligible households that have received no weatherization services.

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

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

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

Grantees and sub-grantees may not charge DOE for additional work on homes that have already been reported to DOE as completed, weatherized units. WPN 11-03 provides specific guidance on this type of activity.

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

Describe what structures are eligible for weatherization

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

The primary housing types served by the Arizona WAP program are single family both block and stick built construction; manufactured housing; and multi-family housing. Sub-grantees should exercise caution in dealing with non-traditional type residential units such as shelters, and apartments over commercial space, etc. to ensure they meet program regulations for eligibility. Consideration on



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weatherizing these types of units should be coordinated with the Grantee.

The weatherization of non-stationary campers, trailers and RV's that have an eligible applicant/s is not allowed.

Describe how Rental Units/Multifamily Buildings will be addressed

**Rental Requirements**

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

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

State policy regarding rental units specifies that for a reasonable period of time, not less than twelve months, the tenant will not be subjected to rent increases unless those increases can be demonstrated to be related matter and conditions other than the weatherization measures performed. Sub-grantee must obtain the Landlord and Tenant's signature on the Landlord/Tenant Agreement and State policy also provides an avenue for complaint in such matters. Tenants and landlords are informed in writing that no undue or excessive enhancement shall be provided to the rental unit or building by weatherization assistance, this is to include the installation of heating and air conditioning units, and appliances, as this is required to be provided by the landlord pursuant to A.R.S 33-1324:  
<https://www.azleg.gov/FormatDocument.asp?inDoc=/ars/33/01324.htm>

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

If a multi-unit building is under an assisted or public housing program identified by the U.S. Department of Housing and Urban Development (HUD), the property owner, manager or authorized agent will follow the Property Certification Procedure outlined below:

**1. Property Certification**

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

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

**2. Property Occupancy Report**

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

Required property information includes:

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

Required building-unit information includes:

- a listing of all units and information for each units including:
  - building identification
  - building address
  - certified annual income
  - household size, and
  - whether the household income was certified in the last year.

Upon completion of the Property Certification and the Multifamily Occupancy Report, the property owner (or property owner's representative) will submit both files to

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HUD at: [energyaction@hud.gov](mailto:energyaction@hud.gov) and to DOE at [Derek.Schroeder@ee.doe.gov](mailto:Derek.Schroeder@ee.doe.gov). The submitted documentation will then be reviewed by HUD following the process outlined below:

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

For further clarification and guidance refer to WPN 17-4 HUD Multifamily Housing Procedure for Certifying Income-Eligible HUD Assisted Buildings

#### **Leased Dwelling Units**

Note: Grantees and sub-grantees are reminded that the supporting documentation for applicants applying for weatherization that may be on a wait list or for other reasons must have their eligibility documentation updated every 6 months from the date of the initial intake date.

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

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

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

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

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

#### **Describe the deferral Process**

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

Deferral conditions may include, but are not limited to:

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

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

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

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

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

### V.1.3 Definition of Children

Definition of children (below age): **18**

### V.1.4 Approach to Tribal Organizations

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

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

Members of a sovereign Tribal Nation with residences located within the borders of the State of Arizona may receive services through the ADOH sub-grantee WAP provider serving their area. Tribal Members served by the ADOH Sub-grantee network will be required to obtain permission from their Tribal Councils for weatherization work performed on their property by outside parties including local governments or non-profits. Permission must be obtained before work can begin.

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

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

Individual sub-grantees must meet the requirements of 10 CFR 440.15 and are selected on the basis of their:

- Experience and performance in Weatherization or housing renovation activities;
- Experience in assisting low-income persons in the area to be served; and
- Capacity to undertake a timely and effective Weatherization Program.
- Preference is given to any Community Action Agency or other public or non-profit entity, which has, or is currently administering an effective program under 10

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CFR 440.15 or under Title II of the Economic Opportunity Act of 1964, with program effectiveness evaluated by consideration of factors including, but not limited to the following:

- The extent to which the past or current program achieved or is achieving Weatherization goals in a timely fashion;
- The quality of the work performed by the sub-grantee;
- The number, qualifications and experience of staff members of the sub-grantee

- Any new or additional sub-grantee shall be selected at a public hearing and must meet the above criteria
- Grantee staff onsite inspection of performance of the sub-grantee
- Transcripts of the public hearing which affirm that there are no public objections to any of the sub-grantees selected.

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

- For units assisted with DOE funding the sub-grantee must have an in-house Building Performance Institute (BPI) Building Analyst (BA) or an agreement with a third party BPI BA to perform initial and/or final audits. The BPI BA inspector must not install any measures required by the scope of work generated from the initial audit.
- For units assisted with DOE funding the sub-grantee must have an in-house Quality Control Inspector (QCI) or an agreement with a third party QCI contractor that has had no previous history (audit or work completed) with the unit inspected. The QCI cannot be the same person who performed the initial or final audits.
- Sub-grantees must be in compliance with all ADOH contracts for all programs and funding sources.
- Within 90 days of being selected to receive WAP funds, Sub-grantees must submit copies of liability insurance; equipment calibrations; evidence of Lead Firm Certification; project implementation schedule; and an organizational chart that outlines the job responsibilities of each person working in the WAP program and their respective certifications.
- Sub-grantees must have developed WAP Program Guidelines (WPGs) or Weatherization Policies and Procedures that have been approved by ADOH and adopted by their governing body.

The ten (10) sub-grantees chosen to perform weatherization work are located in the Annual File under sub-grantees.

### V.3 Priorities for Service Delivery

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

- Elderly
- Handicapped
- Families with children under the age of 5

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

### V.4 Climatic Conditions

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

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

- Zone 1 Plateau Province

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

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- Zone 2 Central Transition

Zone 2 is the transition zone between the higher and lower elevations. This zone encompasses the center of Arizona and consists of mountainous and highland regions. Zone 2 has middling elevations and moderate heating and cooling degree-days. The range for cooling degree-days is 1200 to 2200 and the heating degree-days is 2200 to 3800

- Zone 3 Basin Province

Zone 3 is the zone with the highest average temperatures, lowest elevations and the most cooling degree-days. This zone encompasses the Southern portion of Arizona and consists of hot desert and basin regions with cooling degree-days more prevalent than heating degree-days. The range for cooling degree-days is 2,500 to 5,200 for this area of the state.

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

**V.5.1 Technical Guides and Materials**

Achieving an energy-efficient house or unit is really a question of doing a few things very well and understanding that the house is a system, with all components of the house working together. A few examples of the components considered are:

- Reduction of air infiltration (duct sealing, air flow, pressure balance)
- Properly insulated home (focuses on insulation performance, not just R-value)
- Addressing solar heat gain (shade screens and reflective coatings)
- Installing efficient equipment per manufacturer specifications
- Base loads (refrigerators, CFL, LED)

**Technical Guides and Materials**

Grantee, in consultation with the South West Building Science Training Center (SWBSTC) has developed Arizona’s Weatherization Field Guide to be compliant with WPN 15-4. The Field Guide was distributed to all sub-grantees who received a hard copy, digital copy and a web address where the guide can be accessed on-line. Upon receiving the Field Guide, the sub-grantee signed a document acknowledging their receipt. Sub-grantees are held accountable to make sure all weatherization work meets or exceeds the standards set forth in the Field Guide. This document must be put in their file and updated annually.

Grantee will ensure that sub-grantees are providing their contractors with the required information on their expectation of work quality, and program guidance by including the following language in their contract:

- Sub-grantee must certify it has informed contractors that work must meet the standards as outlined in the Arizona Weatherization Field Guide and the Standard Work Specifications. This certification is done annually and must be signed off by the Sub-grantee and an authorized employee of the contractor company.
- All energy audits performed by the sub-grantee or it’s contractor will meet or exceed the requirements set forth in WPN 16-8

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

Consistent with the approved energy audit all materials used for weatherization must meet 10 CFR 440, Appendix A to Part 440—Standards for Weatherization Materials found at:

<http://www.ecfr.gov/cgi-bin/text-idx?ecfr=sid=23fe3d3cfc461955f6c730af864c7c7;rgn=div5;view=text;node=10%3A3.0.1.4.24;idno=10;cc=ecfr#10:3.0.1.4.24.0.85.22.50>

**V.5.2 Energy Audit Procedures**

Audit Procedures and Dates Most Recently Approved by DOE

**Single-Family :** REM 15.5 as of 11/23/16

**Manufactured Housing :** REM 15.5 as of 11/23/16

**Multi-Family :** Arizona WAP currently does not have an approved multifamily priority list. Multifamily with 5 or more units per building will have to go through DOE for approval. See multifamily section for further details.

Comments

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The WAP Energy Audit Procedure must be used by all sub-grantees to gather, record and analyze data on structures. This data must be used to deliver weatherization materials/measures in a fashion that protects the health and safety of the client, increases the durability of the structure, reduces client energy costs, and increases client comfort in a cost effective manner.

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

- A site audit that meets WPN 16-8 requirements, and records all relevant data on the structure needed to perform cost effectiveness tests is conducted.
- The Cost Effectiveness Procedure must be followed to determine cost effectiveness of potential weatherization materials/measures
- The Pressure Diagnostic Procedure must be completed and the findings documented following the Reporting Procedures
- A health and safety audit of the structure must be completed and the findings documented following the Reporting Procedures
- A final inspection of the structure must be completed and findings documented following the Final Inspection Procedures

If working in an area or municipality where code exceeds DOE requirements and a permit was pulled, code should be followed.

**A Site specific computer energy model is required:**

It is expected that a site specific computer energy model is conducted. The measures listed for the respective climate zone and building type are modeled with any additional measures and the savings-to-investment report is created ranking all measures by SIR from greatest return to least.

As the Grantee updates to the newest REM versions, communication will be sent to the agencies to flow down update requirements.

**Fuel Switching**

Per WAP Memorandum 11: WAP does not permit the general practice of non-renewable fuel switching when replacing furnaces/appliances. However, DOE does allow the changing or converting of a furnace/appliance using one fuel source to another on a limited, case-by-case basis. These approvals will only be granted when all related costs demonstrate the effectiveness of the fuel switch over the life of the measure.

To request consideration of a waiver for approval of fuel switching, the sub grantee must follow the requirements outlined in WAP Memorandum 11 and submit a request that includes a site specific REM demonstrating cost effectiveness, to the ADOH Energy Specialist PRIOR TO any work being done. The waiver request and REM will be reviewed by the ADOH Energy Specialist for approval. Failure to submit a waiver prior to work will result in disallowed cost.

**Multifamily Audit procedures**

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

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

Because the state does not have an approved multifamily audit process, all multifamily projects MUST be submitted to DOE through the Grantee's CD& R Program Administrator and approved prior to any work being started. The following information is required in order for the project to be submitted to Grantee and sent to the DOE Project Officer for approval.

- Site plan of complex
- Pictures of complex
- Results of audit completed on the complex
- ASHRAE 2016 calculations
- Scope of Work
- Budget consisting of:
  - Measure to be performed using DOE funds and cost
  - Measure to be performed using leverage funds and cost

**V.5.3 Final Inspection**

A weatherized unit is a dwelling unit on which an approved energy audit or priority list has been applied and weatherization work has been completed. Sub-grantees and their contractors/vendors have an obligation to perform their work to the SWS and the Arizona Weatherization Field Guide. The use of DOE funds on a unit may include, but are not limited to: auditing, testing, measure installation, and inspections. Therefore, a dwelling unit meeting both the definition of a DOE weatherized unit and has DOE funds used directly on it, may be included in the DOE production numbers reported. In order to make sure these requirements are met, two separate

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inspections must be completed. A final inspection and a Quality Control Inspection must be done to all completed homes in order for them to be considered a completed DOE job and be reimbursed for expenditures.

Note: Weatherization crews, including supervisory persons that also work to install weatherization measures on a unit, should not perform the final inspection of the unit. DOE recommends the final inspection be performed by a person(s) not directly associated with actual work that was performed on the unit. In the event that this provision cannot be met due to staffing levels or budget constraints, Grantee must be notified annually in writing why this provision cannot be met and the sub-grantee will be subjected to a higher percentage of site inspections by grantee.

A final inspection by sub-grantee:

- Shall be performed after all work is completed and final test out has been performed.
- Shall be performed on all jobs before it can be counted as a completed job.
- Must be completed by designated inspector who did not conduct the initial energy audit and was not directly involved with the weatherization measures/work completed on the job. Special consideration will be taken for sub-grantees with limited staff or long distance travel. Sub-grantees who would like to request a waiver of this requirement must submit a letter in writing to the ADOH Energy Specialist stating the circumstances why this requirement cannot be achieved and how they plan to address conducting the final inspection. This letter must be submitted annually at the time of contract signing. Sub-grantees that request the waiver and are approved, will be subject to a higher field audit percentage by the state.
- Shall verify that all cost effective opportunities were completed.
- Shall verify all invoices for the job are invoiced correctly, nothing is billed incorrectly or billed for services/work not performed.
- Shall verify that the reported house characteristics are correct.
- Shall include a review of the diagnostic result, both pressure and combustion safety, to verify that all applicable tests were completed.
- Shall complete diagnostics on a minimum of ten percent of completed homes to compare with reported results.
- Shall include a review of all measures listed on the Work Performed Report to verify installation has been completed in a safe and effective manner following program requirements.
- Shall also include an analysis of the energy audit to ensure that it was completed properly; all areas of the audit have been addressed; and the scope of work reflects a comprehensive energy audit.

Once a sub-grantee has completed their final inspections, the job must be turned over to a qualified Quality Control Inspector (QCI) for a Quality Control Inspection. A qualified QCI will be someone who has been certified by the Building Performance Institute (BPI) to perform Quality Control Inspections for weatherization. After the QCI has reviewed and passed the job, it may be reported as a completed home to the Grantee and DOE.

A Quality Control Inspection:

- Shall be conducted after all work by the sub-grantee is completed and their final inspection has been completed.
- Shall be performed on all jobs before it can be counted as a completed job
- Shall include an analysis of the energy audit to ensure that it was completed in an efficient manner with all areas of the audit having been addressed and the scope of work reflects a comprehensive energy audit.
- Shall verify reported diagnostic numbers are correct.
- Shall verify that all cost effective measures were completed.
- Shall verify that all invoices for the job are invoiced properly, nothing billed incorrectly, or billed for services/work not performed.
- Shall include a review of the diagnostic results for pressure and combustion safety to verify that all applicable tests were completed.
- Shall include a review of all measures listed on the Work Performed Report to verify installation has been completed in a safe and effective manner, following program requirements.
- Shall verify the work was performed to the SWS provided by the Department of Energy and the Arizona Weatherization Field Guide.
- Shall fill out and sign the ADOH WAP QCI Checklist, sign it and provide a copy for the file, stating the unit is complete and ready to be reported to ADOH WAP and DOE. The QCI Checklist is available from the ADOH WAP website at: <https://housing.az.gov/documents-links/forms/weatherization>.

There are two types of QCI

1. The independent QCI inspector is an inspector that had no involvement in the job except for the Quality Control Inspections. The individual did not perform the initial audit or any work on the home. In this scenario the Grantee must monitor a minimum of 5%.
2. The Independent Auditor/QCI is a person that performs the initial audit and develops the scope of work but is not involved with any of the work performed on the home. This same person performs the Quality Control Inspection. If this method is chosen by a sub-grantee, they will be subjected to more oversight by the state; the state will monitor 15 percent of the jobs.

The State WAP program allows the sub-grantee to select which type of QCI method they will follow for the program year thereby determining the level of State oversight of the sub-grantee. Smaller sub-grantees typically follow method 1. and larger typically follow method 2 as they have QCI certified inspectors on staff.

**Lack of Compliance with QCI**

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

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

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

However, if the sub-grantee approaches the Grantee for technical assistance, the Grantee will provide assistance to the sub-grantee so they may address the Grantee's concerns. This request for assistance must be made by the sub-grantee in a reasonable time frame during the allowable follow-up period. (Refer to #3, above)

#### **V.6 Weatherization Analysis of Effectiveness**

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

Grantee has a process to establish measurable expected outcomes through a performance-based contract with the WAP sub-grantees. Sub-grantees are required to input data into the AZWAP database. Data includes housing types; measures installed; cost of installed measures; and pre and post energy audit diagnostics. Grantee analyzes this data on a monthly basis, which helps to determine training and technical assistance needs of the sub-grantees as well as best practice installation trends across the network.

Monitoring visits also help to identify what training a sub-grantee and their contractors might need to improve the performance of the sub-grantee and the program overall. Each sub-grantee gets a minimum of one (1) annual monitoring visit with additional visits as necessary based on performance of the sub-grantee.

Monitoring visits are also used as an opportunity to provide technical assistance as needed. Grantee also uses a process for releasing Technical Bulletins to the WAP Sub-grantee network to maintain quality performance and regulatory compliance.

Constant communication with the WAP network is necessary to program effectiveness as it brings consistency and clarification of expectations, guidelines and regulations. Grantee participates in the WAP Network Peer-to-Peer meetings, which are held approximately four (4) times per year. When issues common to the network are identified during the Peer-to-Peer meeting, the Grantee is able to determine additional training needs.

Finally, the Grantee maintains a Policy and Procedures Handbook that indicates the Grantee's expectations for the performance of sub-grantees including their client education, progress on completed units and expenditures, ability to follow DOE requirements; Field and Fiscal Monitoring reports; if concerns are found, how quickly they are addressed; and their billing practices. Sub-grantees submit quarterly progress reports as a performance review. This performance review used on a quarterly basis to determine the sub-grantees effectiveness in WAP.

#### **V.7 Health and Safety**

Please see the Arizona Department of Housing Weatherization Health and Safety Plan that has been uploaded as an attachment to the SF424

#### **V.8 Program Management**

##### **V.8.1 Overview and Organization**

The Arizona DOE Weatherization Program is located within the Arizona Department of Housing (ADOH). In addition to DOE funds for weatherization, ADOH manages Weatherization funds awarded by DES LIHEAP Weatherization Program and Public Utility funds.

An Organization chart showing how the office is structured is attached to the SF-424. The responsibilities of the ADOH staff implementing the WAP program are



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outlined in the Budget Justification attached to this plan and are as follows:

**Assistant Deputy Director/Programs** - provides executive leadership to the program; specific programmatic and policy direction; approval of procurement transactions; oversight of Public Hearing process, planning and reporting.

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

**Program Administrator** - directs day to day programmatic activities, supervises program staff, approves WAP contracts, compiles and submits reports, recommends program and policy direction, reviews and approves sub-grantee reimbursements, participates in audits.

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

**Energy Specialist** - provides training, technical assistance and on-site monitoring of sub-grantees.

**Program Specialists** - prepare WAP contracts, organize sub-grantee reporting, process reimbursement documentation, conduct desk monitoring and site monitoring of sub-grantees.

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

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

**Mission**

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

**V.8.2 Administrative Expenditure Limits**

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

Arizona will retain 5% of the allowable 10% for administration and apply the SEEPIA allowed exception of up to an additional 5% of the sub-grantee award to be used for administration. The maximum administrative funding that any sub-grantee will receive is 10% of their total awarded allocation.

**V.8.3 Monitoring Activities**

The state has a responsibility to perform monitoring and oversight of the work performed by the sub-grantee. DOE requires the state to perform a comprehensive monitoring of each sub-grantee annually. DOE requires 5 percent inspection of completed jobs and also recommends performing inspection on in-progress homes. The state will visit a minimum of 5 percent of completed jobs. If the state discovers significant deficiencies (health and safety violations, poor quality installation of materials, major services missed, etc.), the state will elevate both the number of homes reviewed and the frequency of visitation until the deficiencies are resolved.

The Monitors for the state and certificates held will be:

Name	Type of Monitor	Funded by
Michael Frary	Technical/QCI Certified	50% Administrative
Trisha Ekenberg	Financial & Program	50% Administrative
Daniel Boyle	Financial & Program	5% Administrative
Samantha McDaniel	Financial & Program	5% Administrative
Kathy Blodgett	Administrative(Bus. Mgr.)	15% Administrative

We receive funds from DES LIHEAP and one of the state utilities to assist with the travel budget and funds for monitoring the 10 weatherization sub-grantees. ADOH WAP uses approximately seventy percent (70%) of its budgeted Administration and T&TA costs for monitoring of the sub-grantees.

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In addition, 100% of all jobs will be reviewed by desktop review via the Arizona WAP web-based database.

**A. Role**

The sub-grantees will be routinely monitored to:

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

**B. On-Site Monitoring**

On-site monitoring of sub-grantees is performed by technical and fiscal monitoring program staff to identify methods, deficiencies, and successes in program operations and to assess technical assistance needs to develop appropriate training courses. Inspection of completed dwelling units is done to monitor prioritization of weatherization measures, accuracy of energy audit, job costs, quality of workmanship and material, and that the work completed is reflected in the job files. Inspection of warehouse and review of materials inventory are completed to insure adequate space and security at reasonable costs for the material inventory. Also, material inventory and condition of materials are verified. ADOH reviews sub-grantees entries into the AZWAP database as well as monthly payment requests to determine if the sub-grantee is meeting its goals and expenditures in compliance with expenditure schedules. Program and fiscal monitoring will be used to determine the program and operational effectiveness of sub-grantees. Customer files, and sub-grantee financial systems, records and reports will also be routinely monitored to test the sub-grantee's ability to prudently deliver, support, and manage installations of allowable cost effective and energy efficient measures.

**B.1 On-Site Technical**

On-site technical monitoring will be done by a state monitor that has received their Quality Control Inspector certification. The inspection will be of homes that have received a Quality Control Inspection by the sub grantee's Quality Control inspector, have expended DOE funds on them and have been reported into the state's database as completed.

Sub-grantees will be notified of on-site technical monitoring visits at least two weeks prior to the visit. The Grantee responsibilities related to the on-site technical monitoring event include the following:

Grantee will visit weatherization sub-grantees at least once a year for monitoring, according to a written monitoring plan and monitoring schedule included in the State Plan. Client files will be reviewed to include the following:

1. Client File Checklist (required form)
2. Eligibility Determination (including the required Annual Income Calculation form) & Client Information
3. Certification of Zero Income form (required if applicable)
4. Proof of Ownership or Signed Rental Agreement
5. Deferral Information (if applicable)
6. State Historic Preservation Documentation (if applicable)
7. Previous Weatherization Checklist (required form)
8. Client Complaints and Documented Resolution
9. Progress Form (See 12.5); Includes client sign-off on:
  - o a. Receipt of the Weatherization Client Rights and Responsibilities Form
  - o b. Client Agreement (visits for quality assurance and funder monitoring inspections)
  - o c. Receipt of Warrantees
  - o d. Statement of Completion
10. Weatherization Client Rights and Responsibilities (required form)
11. Household Action Plan (required form)
12. Client Health and Safety Evaluation (required form)
13. Work Agreement/Scope of Work
14. Priority checklist & Copy of REM w/Field Waiver Request (if applicable)
15. Final test out documentation
16. Residential Diagnostic Evaluation (required form that covers both the initial and final inspections)
17. Quality Control Inspection Checklist (required form)
18. Hazard Disclosure Form; Includes client sign-off that information, notifications and release were given to them regarding:
  1. Lead Paint
  2. Mold Assessment and Release

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3. Radon

19. Lead Safe Weatherization (if applicable)
20. Certified Renovator Documentation (if applicable)
21. Pre-work and Post-work photos
22. Photos of Appliances/HVAC (before and after replacement)
23. Materials and Labor Costs: including invoices and purchase orders (Contractor and crew based)
24. Bid/Equipment/Calculation/Specification Details
25. Inventory Sheets
26. Low-Cost/No-Cost Documentation
27. Landlord/Tenant Agreement (if applicable)
28. Refusal for Services, Indemnification & Waiver of Claims (if applicable)
29. Refrigerator Protocol
30. Health & Safety (HSD) Waiver
31. Sub-grantee Statement of Completion
32. Utility Release Form

Grantee will perform monitoring audits on a minimum of five (5%) percent of weatherization completions. Grantee will inspect in-progress units as needed. The field monitoring will be an analysis of quality of field practices, including:

- Audit procedures and compliance with audit protocols and work orders
- Diagnostics
- Overall effectiveness
- Compliance with state field standards
- Workmanship
- Appearance
- Thoroughness
- Health and safety issues
- Agency final inspection procedures
- Training needs

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

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

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

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

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

**B.2 On-Site Fiscal**

In accordance with the State Plan, on-site fiscal monitoring visits are required to evaluate sub-grantees' general administration and program management systems at least once a year. ADOH WAP performs an annual review of the Financial Audits for all 10 sub-grantees per the requirements in WPN 16-4.

Grantee will notify sub-grantees of scheduled on-site fiscal monitoring event at least two weeks prior to the visit. The visit typically requires a minimum of two days to complete and requires frequent interaction with sub-grantee staff.

Key issues identified during the fiscal monitoring:

- Procurement

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- Invoicing techniques and fiscal oversight practices
- Accurate job costing
- Proper designation of expenses between Administration and Program Operations
- Property records and inventory control

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

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

**C. Desk Top Monitoring**

Every month, each agency will be monitored through the AZWAP.org database of all jobs submitted for that month. The AZWAP.org database will be closed to completed jobs on the 20th of each month. Upon receipt of the sub-grantee's request for reimbursement of expenses a 100% desk top review of completed jobs will occur. The goals of desk top monitoring are:

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

If a compliance issue occurs, sub-grantees will be issued a desk top monitoring report that identifies items needing correction and the request for reimbursement will not be processed. The sub grantee will be given 15 days to comply with the necessary corrections. If the sub-grantee fails to comply in the 15-day time frame, funding may be withheld until compliance occurs. A final desk audit report will be sent to the agency after all issues have been addressed. If any of the identified issues are uncorrectable, the sub-grantee will not be reimbursed and the unit will not be considered a completed DOE unit.

**D. Tracking**

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

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

**E. Analysis**

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

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

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state has established procedures for monitoring the utilization of such funds by project operators.

The controls and procedures to be implemented are as follows:

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

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

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

T&TA activities are intended to maintain or increase the efficiency, quality and effectiveness of the Weatherization Program at all levels. Such activities shall be designed to maximize energy savings, minimize production costs, improve program management, crew and contractor quality of work, and reduce the potential for waste, fraud, abuse and mismanagement. The state assesses the training needs of its sub-grantees through monitoring visits and state meetings; planned for one field monitoring per sub-grantee and semiannual meetings, funds permitting on the semiannual meetings.

##### **Methods Used to Provide Training**

- Formal classroom
- On-site training
- Hands-on training
- Certification Training

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

All Tier 1 training will be done at an IREC accredited training center. ARIZONA WAP IREC accredited formal training is carried out at the South West Building Science Training Center (SWBSTC), which is operated by FSL Home Improvements, a non-profit organization. The SWBSTC is one of the 15 U.S. Department of Energy "Legacy" weatherization training facilities in the country.

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

The ARIZONA WAP requires that the sub-grantee and its contractors participate in weatherization related trainings that build or enhance their knowledge, skills and abilities to provide weatherization services/energy efficiency retrofits in accordance with the 10 CFR, Part 440 and guidelines set out by the U.S. Department of Energy for the Weatherization Assistance Program.

##### **Current SWBSTC course offerings include:**

- WAP Boot camp – This camp combines Energy 101, Pressure Diagnostic 101, General Thermal Performance, Residential Retrofit Application 101, and Combustion Safety course into a weeklong training course that will provide weatherization professionals with an introduction to energy principles, thermal performance, health and safety standards, LSW, auditing, pressure diagnostics, and field repair. This course provides a combination of classroom and hands-on instructions that will prepare candidates to perform the tasks required of weatherization technicians within the current Weatherization Program Guidelines.
- Energy 101
- Pressure Diagnostics 101
- Combustion Safety
- General Thermal Performance
- REM design
- WAP admin
- Lead RRP Certification
- BPI Certification for Building Analyst
- OSHA 10/30 Certifications
- Energy Auditor Certification
- Installer Certification
- Quality Control Inspector certification/Recertification
- Success with Weatherization

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

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

Each sub-grantee will be required to maintain training records for its employees and contractors participating in the weatherization program. The training record will list all their training courses they have attended, certifications they possess and date of expiration of those certifications. This information is expected to be updated on an annual basis and provided to Grantee.

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

**Required Training**

**Crew Leader**

- Renovation, Repair and Painting Rule (RRP)
- OSHA 30-hour training
- Building Performance Institute (BPI) Building Analyst Certification
- Success with Weatherization (Critical Details)
- WAP Boot Camp

**Auditor and Inspectors**

- Renovation, Repair and Painting Rule (RRP)
- OSHA 10-hour training
- Building Performance Institute (BPI) Building Analyst Certification
- Success with Weatherization (Critical Details)
- WAP Boot Camp

**Quality Control Inspectors**

- Renovation, Repair and Painting Rule (RRP)
- OSHA 30-hour training
- Building Performance Institute (BPI) Building Analyst Certification
- Success with Weatherization (Critical Details)
- WAP Boot Camp
- Quality Control Certification

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

**Within 6 months of Employment**

- WAP Boot Camp
- Renovation, Repair and Painting Rule (RRP)
- OSHA 10 or 30-hour training (Depending on position held)

**Within 1 year of employment**

- Combustion Safety
- Success with Weatherization (Critical Details)

**Tier 1 Training**

Tier 1 training requires all WAP workers, including contractors, to go through a comprehensive training for their specific occupation of work, i.e. Auditor, Crew Chief, and Installer, which follows a curriculum that is in line with the Job Task Analysis (JTA) for their occupation. This training will be required to be taken at a facility with a DOE approved accredited training program for the JTA being taught.

Tier 1 training will be based on a rotating once every three year training schedule for each JTA: Auditor, Crew Chief and Installer. The Tier 1 schedule will begin with the Auditor training in Mid Program Year 18. The following year will be Crew Chief training and finally year three will cover Installer training. Year 4 will rotate back to Auditor training, etc. QCI certification will occur every three years with the next required training in the fall of 2020.

**Tier 2 Training**

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Unlike Tier 1 training Tier 2 training does not require an accredited program. Tier 2 training is made up of field training and classroom training. Tier 2 is not a scheduled training. Rather, the training will be done when concerns arise during a monitoring visit. If there are consistent issues, the sub-grantees must send workers to training that will address the issues.

Arizona WAP provides sub-grantees with T&TA funding to support attendance and participation at weatherization training events such as the DOE National Weatherization Conference and Energy Out West Weatherization Conference, which is also considered Tier 2 training. It is expected that essential program personnel attend these conferences to stay current with new regulations, processes and technologies. Arizona WAP is aware that some sub-grantees might have travel restrictions due to budget constraints. It should be noted that funds to pay for sub-grantee travel are provided as part of the Weatherization grant award and proper usage of these funds will be closely monitored by Arizona WAP.

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

**Contractor Training**

Training of contractors is an allowable cost through T&TA funds, though any costs associated with training contractors shall be preceded with a retention agreement in exchange for the training. Reimbursement of labor, mileage, meals and lodging costs for contractors attending trainings is **not allowable**. Sub-grantees shall consider whether the term of the retention agreement aligns with the cost of training provided. Sub-grantees will be responsible to ensure their contractors are meeting the requirements for Tier 1 and Tier 2 training. On an annual basis, Sub-grantees must provide a completed WAP Sub-grantee/Contractor Certification Verification Form to the Grantee for desk monitoring purposes to assist with determining if DOE training requirements WPN 15-4 are being met.

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

**Certified Quality Control Inspectors**

Arizona Department of Housing (ADOH) Weatherization Policies and Procedures require each sub-grantee to have a Certified Quality Control Inspector on staff or have a contractual agreement with a third party Certified QCI Inspector. There are currently two (2) third party QCI inspectors being used by the 7 out of 10 of the sub-grantees serving rural Arizona. Metro sub-grantees have staff Certified QCI. Arizona has not experienced a reported delay in obtaining a QCI for completed DOE units. However, through a contractual agreement, ADOH has the ability to make the three Certified QCI inspectors from Foundation for Senior Living available to the sub-grantee network should there become a backlog. This makes up to five (5) third party Certified QCI available to the sub-grantee network.

**Client Education**

Client education activities are encouraged. Sub-grantees have been trained on client education techniques and opportunities. This training is reinforced during field monitoring visits as the monitor is trained to speak with clients about various energy saving (and some non-energy savings) steps they can take such as; changing filters once a month, using CFLs or LEDs, responsible management of their thermostats, water heater temperature usage and settings, combustion appliance safety, moisture control, and lead safety. Sub-grantees are required to distribute the lead booklet, "Renovate Right" (when potential for hazard exists), and mold and moisture awareness, pamphlets "A Brief Guide to Mold, Moisture, and Your Home" to clients prior to weatherization. Client education can occur at different times throughout the process and can include distribution of client educational material at the time of application as well as one-on-one during and post weatherization work by the energy auditor and/or field crew staff. Each agency must determine the best method of ensuring energy education is performed. Sub-grantee must have the client sign the Hazard Disclosure Form (See Chapter 12. Forms) acknowledging receipt of the lead, mold and radon materials. Additionally, sub-grantee should complete the Household Action Plan Form (See Chapter 12. Forms), have the client sign and provide a copy to the client. The Original signed form should be retained in the Client's file. The Household Action Plan Form is available from the ADOH WAP website Forms page at: <https://housing.az.gov/documents-links/forms/weatherization>

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

The use of weatherization funds to address disaster relief activities for officially declared disasters is allowed under the following conditions:

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

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

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

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

The average cost of the dwellings unit cannot exceed \$6,500. Further guidance is available from WAPTAC.org website: reference: Weatherization Program Notice 12-7. Sub-grantees may also contact the Grantee with questions.