

Nebraska Weatherization Assistance Program

POLICIES & PROCEDURES MANUAL



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Policies and Procedures Manual
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PROGRAM OVERVIEW

Mission

The Weatherization Assistance Program (Weatherization) is an energy efficiency program that helps low-income households manage the increasingly high cost of energy, while helping to ensure their health and safety. Weatherization work is performed on homes to help them stay warmer in the winter and cooler in the summer.

Services are offered at no cost to eligible households by the U.S. Department of Energy (DOE) and the U.S. Department of Health and Human Services through local community action agencies, non-profit organizations, or local governments in every state, the District of Columbia, among Native American Tribes and U.S. Territories.

Funds are allocated for administration of the Weatherization Program at the state level, the Nebraska Weatherization Assistance Program (NeWAP) is administered by the Nebraska Department of Environment and Energy (NDEE).

Services

Since the program's creation in 1976 it has evolved from a program that installed plastic window coverings, caulk, and weather-stripping to a program that utilizes highly trained workers using advanced diagnostic and evaluation tools. Locally based, professionally trained weatherization crews and contractors use computerized energy assessments and advanced diagnostic equipment, such as blower doors, manometers, and infrared cameras, to create a comprehensive analysis of the home.

They determine the most cost-effective measures appropriate for installation and also identify any health and safety concerns. Weatherization providers also inspect households to help to ensure the occupant's safety by checking indoor air quality, combustion safety, carbon monoxide, and identifying mold issues.

Each home's audit creates a customized work order, trained crews install the energy efficient and health and safety measures, and a certified Quality Control Inspector ensures all work is completed appropriately.

Subgrantee Selection

Pre-Award Solicitation

The Nebraska Department of Environment and Energy (NDEE), as the Grantee, is mandated by 10 CFR 440.15 to ensure that each Subgrantee is a Community Action

Agency (CAA) or other public or nonprofit entity. If additional WAP Subgrantees are deemed necessary, interested organizations will be solicited through a competitive Request for Proposals (RFP) issued by the NDEE.

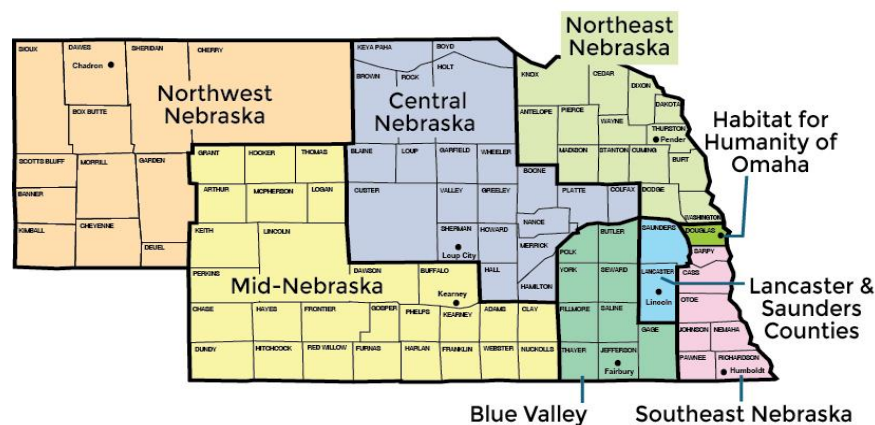
Policy and Procedures

Subgrantees are required to abide by the Nebraska Department of Environment and Energy – Financial Assistance Subaward (NDEE-FAS) agreement, the latest DOE approved “Installation Standards and Field Guide for Single-Family and Manufactured Homes”, and the NeWAP Policies and Procedures Manual in administering the program.

Service Area-Organization Network of the Nebraska Weatherization Assistance Program (NeWAP) Subgrantees

Existing Subgrantee Network

- Blue Valley Community Action Partnership (BVCAP)
- Central Nebraska Community Action Partnership (CNCAP)
- Northeast Nebraska Community Action Partnership (NENCAP)
- Habitat for Humanity of Omaha (HFHO)
- Community Action Partnership of Lancaster and Saunders Counties (CAPLS)
- Community Action Partnership of Mid-Nebraska (CAPMN)
- Northwest Nebraska Community Action Partnership (NWCAP)
- Southeast Nebraska Community Action Partnership (SENCA)



Funding

The NeWAP currently receives funding from three (3) sources:

1. The United States Department of Energy (DOE),
2. The Nebraska Department of Health & Humans Services (NDHHS) supplements the funding with a percentage of the Low-Income Home Energy Assistance Program (LIHEAP) funds received in Nebraska, and
3. The State of Nebraska General Funds

Program Benefits

Energy Savings

The Department of Environment and Energy completes an analysis annually of NeWAP effectiveness annually whose results are used to provide program feedback regarding the effectiveness of specific weatherization measures, and also to assist in identifying training needs or training effectiveness.

Health and Safety Benefits

The first priority of weatherization is homeowner health and safety. NeWAP utilizes construction standards from regulatory bodies such as OSHA, ASHRAE & BPI. Weatherization standards require checking the house for high levels of harmful gases such as carbon monoxide, running diagnostics to measure the building's leakage and mechanical system airflows, and by helping to prevent or treat problems with mold or radon gas. Additionally, field staff identifies and works to eliminate hazards such as hot water heaters being set too high, improper usage of heating equipment, or flammable materials in contact with flue pipes.

State-wide Funding

Federal NeWAP funding brings millions of dollars, allocated across the state, into Nebraska to help reduce the flow of money out of the state for imported energy and helps to assure affordable housing for the state's low-income residents.

ELIGIBILITY

Client Intake

Clients will apply for the Weatherization Assistance Program directly to the Subgrantee Service Provider within their service territory. Subgrantees shall have a written procedure in place to process applications and ensure eligibility, which shall include these key steps:

- Entering the client into the NDEE BCJO database (www.neobcjo.com)
- Ensure application completion. See [Client File Income Documentation Requirements](#)
- Ensure client income eligibility. See [Determining Client Income Eligibility](#)
- Confirm building/structure eligibility. See [Determining Building Eligibility](#)
- Notification of application receipt/status.

Maintaining the Privacy of Recipients of Services

Transparency requirements placed on weatherization financial assistance programs shall be followed.

Required information shall be provided to the requestor. However, NDEE and Subgrantees must comply with all requirements on the Government to protect the privacy interests of individuals who participate in these financial assistance programs, as per CFR 200.338. Personally identifying client information must be kept confidential and must not be made available to the public.

Accessibility to client information must be limited to pertinent Subgrantee and program personnel.

Eligible Clients and Dwellings

Weatherization Assistance Eligibility

A dwelling unit shall be eligible for weatherization assistance if it is occupied by an income eligible family unit (see [Determining Client Income Eligibility](#)) **AND** the structure is eligible (see [Determining Building Eligibility](#)). Every dwelling weatherized must meet both the client eligibility and the structure eligibility requirements.

Determining Client Income Eligibility

A client shall be eligible for weatherization assistance if the household's occupant income:

- Is at or below 200 percent of the poverty level as determined in accordance with criteria established by the Director of the Office of Management and Budget.
- If the dwelling unit contains an occupant who has received cash assistance payments under Title IV or XVI of the Social Security Act or applicable State or local law during the twelve-month period preceding the determination of eligibility for weatherization assistance. Applicants receiving Supplemental Security Income (SSI) funds will automatically qualify for weatherization services.
- Applicants receiving LIHEAP Utility Assistance from Nebraska Department of Health and Human Services (NDHHS) during the current program year will automatically qualify for weatherization services. "During the 12-month period" is defined as having received within the twelve-month period, but not restricted to the entire period during that program year.

The applicant must provide evidence or income documentation satisfactory to the outreach worker that the household meets the eligibility requirements. The documentation must be maintained in the client file and made available for inspection by the Subgrantee employee, State and Federal Funding staff.

Setting Verified Eligibility Period:

Applicant income must be verified or calculated for the one-year period prior to the certification month. Income data for a part of a year may be annualized in order to determine eligibility—for example, by multiplying by four the amount of income received during the most recent three months.

A minimum of three months' income documentation must be available. If the household is determined to be ineligible based on the average income for three months, the applicant should be notified that 12 months of documentation may be required to re-determine eligibility. Client income must be verified for the three-month period prior to the certification month or the twelve-month period if necessary.

Continuing Period of Eligibility

- Applications on file for one year or more must be re-certified for the year prior to pre-inspection. If weatherization work is expected to begin 12 months from the date of verified eligibility, the household shall show continued eligibility.
- Weatherization work begins on the date the Energy Audit on-site inspection is completed.

Expiring Eligibility

- If weatherization work has not begun after 12 months from the date of verified eligibility, the household income shall be re-verified.

Client File Income Documentation Requirements

Client eligibility verification shall be documented in the client file in accordance with the most recent

DOE WPN guidance and shall include, as a minimum:

- Which 3-month period was annualized to calculate the annual income, or which 12-month period was considered
- A list of all sources of client income for each household member, 19 years of age or older, who received income during the year prior to the certification month. Children 18 years of age or younger who have no income, do not have to provide sources of income nor a notarized statement of no income.
- Documentation of income from each source for the period(s) being considered See [Income Documentation Table](#) below.
- The date and initials of the Subgrantee employee verifying the income
- Applicants who have undocumented or zero income must provide a notarized statement declaring their income, or lack thereof, for the previous 12 months.

Eligibility Determined by Outside Subgrantee/Program

If income eligibility is determined by an outside Subgrantee or program, i.e. LHIEAP or HUD (see WPN 17-4), any documentation used to determine eligibility, such as a copy of the LHIEAP list or a copy of the DOE/HUD building list, will suffice as evidence of client eligibility. This documentation and any related documents must be retained in the client file.

Use of the annual LHIEAP list provided by NDHHS is allowed to determine eligibility for the LHIEAP Weatherization Grant. The LHIEAP list includes a date for the program year in which it may be used. In order to use the LHIEAP list to show eligibility, the project must be completed and reported in the same Program Year as the issued LHIEAP list.

Income is defined as the most recent DOE issued WPN in effect. The Poverty Income Guidance and Definition of Income, comes in WPNs labeled as WPN “year” – 3, with the “Effective Date” the guidelines are to be implemented.

When using Social Security Benefit Letter to calculate income, the deduction for Medicare is not considered income. Use the net value after the Medicare deduction for the monthly benefit.

Tax forms may be used to verify income only if the certification period is from January through December; this generally means tax forms are not a useful source of income documentation.

For self-employed individuals, utilize a notarized statement declaring their income for the previous 12 months.

Approach to Tribal Organizations

In accordance with Federal rule, the State of Nebraska recommends that tribal organizations be treated as local applicants eligible to submit an application to operate a Weatherization Assistance Program. Native Americans will receive assistance as eligible individual applicants under program guidelines.

Qualified Aliens Eligibility

Subgrantees shall ensure that weatherization services shall only be provided to eligible populations. All client files will contain an Alien Certification form WX15-United States Citizenship Attestation with verifiable documentation. All qualified aliens continue to be eligible to receive assistance and services under the Weatherization Assistance Program if they meet other program requirements.

Subgrantees must request documentation from WAP applicants and provide such documents to NDEE staff who verify eligibility status through the Systematic Alien Verification for Entitlements (SAVE) Program. The SAVE Program is a web-based service that helps federal, state and local benefit-issuing agencies, institutions, and licensing agencies determine the immigration status of benefit applicants so only those entitled to benefits receive them.

Eligible Units with Nonqualified Residents:

The income of all household members, regardless of eligibility, must be documented, verified, and included in the calculation of the benefit amount. Section 2603(5) of the LIHEAP Act (42 U.S.C. §8622(5)) defines “household” as: “any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.” Unless individual members of the household can demonstrate that they purchase energy independently, e.g., by signing individual leases, there is no authority to exclude their income. Ineligible household members must be excluded from the total household count when establishing household eligibility. Only eligible household members should be included in the total household count while the income from all household members (including ineligible members) is included in the household income calculation.

Priority Groups

Among eligible clients there are program priorities which the Nebraska Weatherization Assistance Program and the weatherization Subgrantees observe. Priority is given to:

- Low-income elderly clients (age 60 or over)
- Low-income clients with disabilities (any individual who has a physical or mental disability which constitutes or results in a substantial handicap to the individual's employment; or a person who has a record of having, or is regarded as having, a physical or mental impairment which substantially limit one or more of the individual's major life activities; or someone who has a disability which would make the individual eligible to receive disability insurance benefits or supplemental security income from the Social Security Administration or developmentally disabled assistance from the Department of Health and Human Services)
- Low-income families with children under the age of 6 years old
- High Energy Burden
- High Residential Fuel Usage

Emergency Heating and Cooling assistance may take precedence over all other priorities. Emergencies are defined as life-threatening housing conditions and shall be documented in the client file.

See: [Heating/Cooling Repair or Replacement Assistance \(LIHEAP-HCRR\)](#)

Outreach to Eligible Clients

Local agencies may use a variety of outreach methods, including:

- Informing organizations or advocacy groups that have a special interest in, or regular contact with, persons characterized above. (Area Agencies on Aging, Dept. of Children and Families, homeless shelters, public housing authorities, etc.)
- Arranging for applications to be taken by, or at the site of, those organizations or advocacy groups.
- Placing multi-lingual posters and materials describing the program in public areas and buildings.
- Media advertising including placing TV and radio ads to reach people who cannot read and those with limited English skills.
- Providing interpreters for non-English speaking applicants or applicants with communications handicaps.

- Working with energy providers to provide customers with program information.

Determining Building Eligibility

Every dwelling unit weatherized must meet both the client eligibility and the building eligibility requirements. Subgrantees are required to keep documentation regarding building eligibility in each client file for review during Program Compliance and Onsite Project monitoring visits by Department of Environment and Energy WAP staff. A minimum of 20 client files will be reviewed at each Subgrantee during Program Compliance monitoring to assess compliance with this requirement.

Reweathering Compliance

Subgrantees are required to retain records of all dwellings that received Federal funds including LIHEAP, HUD, or USDA "weatherization" activities. Dwellings may be reweatherized if 15 years have passed since the completion of original services and quality control inspection. Nebraska has been advised that additional implementation guidance of the new re-weatherization policy is forthcoming. Nebraska will ensure compliance with any additional DOE guidance.

If a previously weatherized dwelling unit has been damaged by fire, flood, natural catastrophic weather or environmental occurrence, weatherization crews may return to a unit reported as a completion without regard to date of weatherization. 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to the materials is not covered by insurance or other form of compensation. The use of USDOE WAP funds is limited to eligible weatherization activities and the purchase and delivery of weatherization materials (WPN 16-7). No more than ten (10) percent of a Subgrantee's USDOE completions may be re-weatherized without prior approval from the Department of Environment and Energy.

Addresses of completed weatherized units and dates they were completed are tracked by Subgrantees through the NDEE database system. Each agency references new applications to that database to comply with re-weatherization regulations in 10 CFR 440.18(f)(2)(iii) Allowable expenditures. The Department of Environment and Energy also uses a database to track WAP clients and retains client BCJO files for completed units for ten years. The database is used to cross-reference submitted completed units to already completed units. Subgrantees are also responsible to let the Department of Environment and Energy know when a unit is a re-weatherized unit.

Historic Preservation Designation

Structures will be assessed for compliance with the State Historic Preservation Office (SHPO) Programmatic Agreement. Weatherization services or select

measures may not be eligible on certain homes as identified by a Section 106 review.

On November 6, 2020, the NDEE extended the Programmatic Agreement (PA) with the Nebraska State Historical Preservation Office (NSHPO) and the USDOE until December 31, 2030. Properties funded under the WAP are considered “undertakings” subject to review under Section 106 of the National Historic Preservation Act, 16 U.S.C. 470f (NHPA) and its implementing regulations at 36 CFR 800, and include rehabilitation, energy efficiency, retrofits, renewables, and weatherization (undertakings). SHPO contact information is available at the following link:

<http://www.ncshpo.org/shpodirectory.shtml>

Click on the State of Nebraska to find the Nebraska SHPO contact information.

Section 110(k) of the NHPA applies to USDOE funded activities. Recipients shall avoid taking any action that results in an adverse effect to historic properties pending compliance with Section 106.

Expected Lifetime of the Structure

Structures will be assessed to ensure that weatherization measures will be effective before the expenditure of grant funds. The expected lifetime of measures and their benefit will be taken into consideration when assessing structure eligibility. Conditions which constitute such limitations are clarified in the latest DOE Approved Field Guide & Installation Standards, Chapter 2-Health & Safety Plan.

Ineligible Units

No weatherization grant funds shall be used for the following:

- To weatherize a dwelling unit which is condemned, scheduled for demolition, or designated for acquisition or clearance by a Federal, State, or local program within twelve months from the date weatherization of the dwelling unit would be scheduled to be completed. Subgrantees must check with city or county authorities or the City Health Department for condemnation proceedings.
- To install or otherwise provide weatherization materials for a dwelling unit weatherized previously in the last 15 years since the completion of original service and quality control inspection.
 - With the exception of: That such dwelling unit has been damaged by fire, flood or act of God and repair of the damage to weatherization materials are not paid for by insurance. If a previously weatherized dwelling unit has been damaged by fire, flood, natural catastrophic weather or environmental occurrence, weatherization crews may return to a unit

reported as a completion without regard to date of weatherization. 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to the materials is not covered by insurance or other form of compensation. The use of USDOE WAP funds is limited to eligible weatherization activities and the purchase and delivery of weatherization materials (WPN 12-7).

- No owner-occupied residence shall be weatherized if it is being offered for sale.
- No renter-occupied residence shall be weatherized if it is being offered for sale.
- Dwellings used for commercial purposes.

Eligible Housing Types

Eligible housing types include owner and renter-occupied single-family homes, manufactured (mobile) homes, and multifamily buildings. Specific dwelling construction types eligible for weatherization through the NeWAP include:

1. Framed Homes
 - a. Single family owner-occupied
 - b. Single family rental
 - c. Multi-family dwellings
2. Manufactured Homes
 - a. Owner-occupied
 - b. Renter-occupied

Priority will be given to the weatherization of single-family or other high energy-consuming dwelling units.

Eligible Owner-Occupied Dwellings

Owner-occupied dwelling units, occupied by households meeting the eligibility criteria, are eligible for weatherization assistance. A client who is purchasing a home under contract is considered an owner if the Subgrantee can verify the transaction and the contract has been recorded at the county courthouse. Agencies must use care when verifying ownership involving clients purchasing a house under contract. And a copy of the contract, or information documenting the transaction, must be filed in the client file.

Eligible Rental Dwellings

Renter occupied housing units are eligible for weatherization services if they meet all other eligibility requirements. Signed permission from the owner of each eligible dwelling unit must be obtained and documented in the client file prior to performing any inspections, tests, or weatherization measures on a dwelling. Rent to own and contract for deed arrangements, not verifiable as described above, shall be considered rental properties. Additional USDOE guidance can be found in 10 CFR 440.22(b)(2) and USDOE Weatherization Program Notice 16-6: Weatherization of Rental Units and USDOE Weatherization Program Notice 16-5: Multifamily Weatherization. Rental units may be weatherized when occupied by an eligible client; and:

- Subgrantees shall use the financial assistance guidelines for dwelling units to determine eligibility.

- Subgrantees shall obtain a signed agreement (WX14-Landlord-Tenant Agreement/Permission Form) from the owner/landlord of the building or his designated agent authorizing the work to be done. Subgrantees should develop a detailed description of the weatherization measures authorized and costs assigned to the landlord should Landlord Financial Assistance Be Utilized. Rents shall not be raised solely due to the weatherization assistance provided under this part. The agreement shall include a provision that the landlord agrees not to raise the rent for at least one year from the time the work is completed, unless raising the rent is based on factors unrelated to the weatherization improvements. The client shall be provided a copy of the signed agreement. Such documentation shall be permanently maintained in the file of the client whose unit is weatherized.
- In order to weatherize an entire multi-family building, the building must have at least 66 percent (50 percent for duplexes or four-plexes) including those units that will become eligible within 180 days under a Federal, State or local government program for rehabilitating the building or making similar improvements to the building. If the building is partially occupied, vacant units may be weatherized if 66 percent of the total units are occupied by eligible tenants, but the maximum funding which can be used for the building is determined by the number of eligible units.
- The maximum amount of grant funds which can be spent for weatherization is determined the same way as in single-family owner-occupied units, which is by managing the average cost per unit. For reporting purposes, all units receiving weatherization must be reported as “completed units.”
- Approved measures (10 CFR 440, Revised Appendix A) that are applicable to multi-family units should be assessed, prioritized and implemented in an energy savings/cost effective manner appropriate to the particular building.
- No undue or excessive enhancements shall accrue to the value of weatherized dwelling units in Nebraska. Weatherization measures to be completed on rental units, as on owner units, must be cost-effective, as determined by NEAT/MHEA Audit.
- Subgrantees shall document how the benefits of weatherization services accrue primarily to the low-income tenants residing in the rental unit if the tenants do not directly pay their own primary heating bill. Examples and guidance can be found in WPN 16-5 and DOE Memorandum 35.
- The benefits of weatherization assistance will accrue primarily to low-income tenants.

Multi-family Building Investment Limits

The total amount of funds that can be invested in a multi-family project is determined as follows: Multiply the total number of income-eligible units in the multi-family building by the current statewide average cost per unit. The total is the maximum amount of USDOE funding available to weatherize the building. All units in the building can be served and all units should be reported to USDOE. Subgrantees must submit multi-family projects to the Department of Environment and Energy for review and approval before work begins and costs are incurred. The Department of Environment and Energy reviews the proposed.

Procedure for Certifying Income-Eligible HUD Assistance Buildings

USDOE Weatherization Program Notice 17-4 provides the guidance and procedures for determining the eligibility of residential multifamily buildings associated with U.S. Department of Housing and Urban Development (HUD). Please refer to **WPN 17-4** when determining eligibility requirements are met on HUD Qualified Assisted Buildings.

Guidance

To ensure that a multifamily building meets the income eligibility requirements set by DOE pursuant to the certification process established by HUD, property owners and managers shall submit two documents to HUD:

- 1) A **Property Self-Certification** form that specifies that the building in question meets DOE's income eligibility requirements, and
- 2) A **Property Occupancy Report** from current property records that confirm compliance with DOE's income eligibility requirements.

The Multifamily Property Certification Form and Multifamily Occupancy Report Worksheet can be found in DOE's Weatherization Program Notice 17-4.

Shelters

Shelters may be eligible for weatherization assistance. For purposes of this provision, a shelter is defined as a dwelling unit or units whose principal purpose is to house, on a temporary basis, individuals who may, or may not, be related to one another and who are not living in a nursing home, prison, or similar institutional care facility. Shelters eligible for weatherization assistance are domestic abuse shelters and homeless shelters. Facilities that provide services to a shelter are not eligible. The policies regarding shelters are similar to the policies for multi-family dwellings, including program expenditure limits. Agencies must obtain prior approval from the NDEE before weatherizing shelters.

Non-Traditional Dwellings

Subgrantees must exercise caution in dealing with non-traditional type dwelling units to ensure that they meet Program regulations on whether the unit is, in fact, eligible. The weatherization of non-stationary campers and trailers that do not have a mailing address associated with the eligible applicants is not allowed. The use of a post office box for non-stationary campers or trailers does not meet this requirement.

Deferring Weatherization Services to Eligible Clients

Although a client may be eligible for the Weatherization Program, there are situations or conditions where weatherization services should be deferred (i.e. delayed or postponed). Deferring work on a dwelling does not mean the dwelling will never be weatherized. If the situation or condition causing the deferral is remedied weatherization work can continue.

For example:

- A dwelling shouldn't be weatherized if it has a roof that leaks or will likely leak; however the dwelling can be weatherized later if the roof is replaced or repaired.
Or
- A dwelling undergoing remodeling; the dwelling cannot be weatherized while it is being remodeled. However, after the remodeling is completed, the dwelling may be weatherized.

The energy auditor should do a quick visual assessment of the dwelling to see if there are any factors or conditions identified which would require deferring work on the dwelling. Although some of the factors for deferring work on a home can be identified through a screening process during the early stages of contact with the client, many of the factors/conditions cannot be identified until the Subgrantee shows up at the client's house. In cases of deferral, the client is to be referred to other sources of funding to help alleviate the issues causing the deferral.

Deferral Notification

When a Subgrantee defers work on a dwelling, it must notify the client, and the landlord when appropriate, in writing of the reason using the Weatherization Deferral Notice (Wx-4). A copy of the notification, with documentation justifying the decision to defer services, must be kept in the client file. Agencies should attempt to identify all reasons why work is being deferred on a home and notify the client or landlord of all the reasons and what must be done in order for weatherization work to begin.

Hopefully, the decision to defer weatherization can be made before work, or any significant work begins on a dwelling. However, there are times when work will have begun on a dwelling before one of the situations or conditions is identified. In those cases, the Subgrantee should defer doing any additional work.

INCOME DOCUMENTATION	
Income Source	Acceptable Documentation
Alimony	Court order; pertinent pages of separation agreement or divorce decree that identify the applicant and amount of alimony. (If court ordered payments are not being received by the applicant, a notarized statement to this effect will be accepted.)
Annuities	Statement from issuing organization.
Direct Deposits	Copies of 2 or more bank statements listing the date and amount of deposit; letter from local bank stating source and amount of direct deposit income; verification of income from benefit source.
Dividends or Interest, as regular source of income	Statement from bank or brokerage firm
Estates or Trusts, as regular source of income	Fiduciary statement or current statement from bank or brokerage firm.
Gambling or Lottery Winnings (net)	Statement of net winnings.
Insurance Proceeds or Dividends, as regular source of income	Statement from insurance company (note: one-time insurance payments or compensation for injury are not considered income.)
HUD Form 50059	Copy of the current form for the tenant.

INCOME DOCUMENTATION	
Pensions, Government or Private	Award letter; copy of checks; letter from administrative agency.
Rents	Income tax form; rent receipts; notarized statement from applicant listing each apartment and the rent received per month, as well as the description and amount of deductible expenses. When the tenant is a family member and is paying no rent to the owner, a notarized statement should be received from the tenant and signed by the owner stating that no rents are being collected.
Royalties	Income tax return; current statement from company issuing checks.
Self-employment Income	Business records for 3 months prior to the date of application; IRS form for income from previous year; notarized statement of gross adjusted income, including list of deductions and amounts, for previous 3 months.
Social Security Benefits	Award letter; checks; full statement from bank or brokerage firm (if direct deposit); SSA Form 2458 (Report of Confidential Social Security Benefit information).
Strike Benefits	Award letter; copy of checks; letter from union
Training	Award letter; copy of checks; letter from appropriate administrative agency.
Unemployment	Notice of Benefit Rate letter (Form Benefits L0403x).
Veterans Benefits	Award letter from Veterans Administration of Department of Defense; copy of check.
Wages and Salaries before Deductions	Letter from employer on company stationery; wage, earnings, or pay stubs; any combination of the above to document total earnings for <u>3 months prior to date of application</u> .
Zero Income Verification (Wx-16)	Form must be completed and signed by the Weatherization Client and Witnessed and Notarized by a Notary Public.

FIELD POLICIES AND PROCEDURES

This section summarizes the policies and procedures associated with weatherization work completed in the field. Field work includes, but is not limited to the following:

- A Health and Safety Inspection of the home.
- Implementation of Health and Safety work.
- An Energy Audit (EA) of the home.
- Implementation of the Energy Efficiency work, as required by program policies.
- In-Progress Inspections on a minimum of 10% of all weatherized homes completed by a Building Performance Institute, Inc. (BPI) Certified Quality Control Inspector (QCI) from the State Department of Environment and Energy.
- A Quality Control Inspection completed by a BPI certified QCI prior to submission to the Department of Environment and Energy for reimbursement.
- A QCI on a minimum of 10% of all homes submitted for, and prior to reimbursement, completed by a State Monitor that is also a BPI certified QCI.

Detailed information concerning the Health and Safety and the Energy Efficiency work standards and requirements are outlined in the Retrofitting Nebraska Installation Standards for Single Family and Manufactured Housing document available for <https://neo.ne.gov/programs/wx/wx-sws-2018/wx-retrofitting-2019.html>.

Health and Safety Inspection and NeWAP Funding Eligibility

While the primary purpose of the Weatherization Program is to reduce energy use, it is also important to ensure that any work done does not create or exacerbate a Health and Safety issue in the home or threaten the health and/or safety of the weatherization workers. Prior to starting any work on a home Subgrantees must:

- Take into consideration the health concerns of the clients and any possible effect the work will have on their health or medical condition,
- Identify any Health and Safety issues that could pose a threat to the occupants or the weatherization workers, and
- Identify any Health and Safety issues that must be corrected before weatherization work can proceed.

Health & Safety Inspection

A pre-audit Health & Safety Inspection must be conducted, by and Energy Auditor, at each dwelling unit prior to completing an Energy Audit to identify any actions that need to be taken to maintain the physical well-being of the occupants, to allow weatherization workers to effectively perform weatherization work, and to assess if

any health and safety actions will become necessary as a result of weatherization work. Energy Auditors are to utilize the NeWAP *Mold Assessment and Release Form* (Wx5) and, if needed, the NeWAP *Weatherization Deferral Notice* (Wx4) to inform the client of any required actions.

When it is determined that a client's health is fragile and/or the weatherization activities would constitute a health or safety hazard, either during the Health & Safety Inspection or as a result of completion of the Home Health and Safety Screening Questionnaire (Wx7), the Energy Auditor must include this information in the Audit Comments section of the Energy Audit.

Lead Testing

Lead testing of all painted surfaces that may potentially be disturbed during the weatherization process must be tested in homes built or manufactured before 1978. The lead test documentation must be saved in the client file and the client shall be informed of the testing and the results.

Spillage Testing

Spillage testing shall be conducted on all naturally drafting combustion appliances, with open draft diverters, in every client home as part of the Energy Audit. Spillage testing on sealed combustion units is not required.

The purpose of this test is to document the current venting conditions of any combustion appliances and to determine if any corrective actions or a deferral is required.

Combustion Analysis and Efficiency Testing

A Combustion Analysis shall be performed on ALL combustion appliances at the dwelling regardless of equipment location, inside or outside the building envelope, and regardless of the appliances venting type.

Naturally drafting appliances with open draft diverters shall be tested at the appropriate diverter.

Sealed combustion and/or direct vent appliances, with safely accessible exhaust outlets, shall be tested at the outlet. Units without safely accessible outlets shall be drilled, tested and appropriately sealed using high temperature caulk.

The Energy Auditor shall use the testing results to determine whether appliances are operating within safe ranges or if corrections are required. Combustion results must be compared to the BPI 1200 (2017) Standard. The testing results for the existing equipment efficiency must be used in the analysis when running site-specific audits to verify the cost-effectiveness (SIR) of all individual audit measures as well as the cumulative SIR of the home. Homes with a cumulative Savings-to-Investment Ratio (SIR) of less than 1.0 must not be weatherized.

Results must be documented in the client file with a copy of the Combustion Analysis testing diagnostic results and associated photographs.

Gas Leak Testing

All accessible gas supply lines shall be leak tested for gas leaks and the results

shall be documented in the client file with a copy of the Combustion Analysis testing diagnostic results and associated photographs. Appropriate measures shall be taken to address any leaks found as per the NeWAP Health and Safety Plan.

Implementation of Health & Safety Work

Program funds may be used to remediate Health and Safety issue when:

- The problem poses an immediate threat to the occupants and/or weatherization personnel, or
- The problem results from, or is exacerbated by, the weatherization work.

Health and Safety issues that exist in a home that cannot be appropriately resolved with weatherization funds must be corrected before weatherization work can be implemented. The following Health and Safety issues may be addressed with weatherization funds:

Heating System Repair and Replacement

Prior to weatherizing the building envelope, all program heating plants must be inspected. Heating plants that cannot be repaired must be replaced. If an owner or client refuses a safety inspection, the home must be deferred.

The program covers costs (to specified limits) to correct deficiencies in eligible heating plants. In owner occupied units, if the cost to correct the Health and Safety issues exceeds program limits the unit must be replaced. In renter occupied homes, if the cost to correct deficiencies exceeds program limits, the owner must repair or replace the heating plant. If the replacement is made in accordance with program efficiency and installation requirements, the Nebraska Weatherization Assistance Program (NeWAP) may contribute funds for the replacement of the heating plant and flue liner, if one is necessary.

The program covers costs (to specified limits) to correct deficiencies in unsafe solid fuel combustion heating systems. If a dwelling is heated by unvented combustion space heaters and an inoperable eligible heating system is present, the eligible heating system must be repaired or replaced to eliminate the need for unvented space heaters.

Heat Pump and Central Air Conditioning Repair

The program covers costs (to specified limits) to correct deficiencies in heat pumps and central air conditioning systems in owner occupied homes. In renter occupied homes, if the cost to repair the deficiencies exceeds program limits the owner may repair or replace the unit. However, if the central air conditioner or heat pump is replaced in accordance with the requirements of the Field Guide and Installation Standards, the NeWAP may contribute funds to the replacement cost.

Water Heater Repair and Replacement

Prior to weatherizing the building envelope, water heaters must be inspected and units with deficiencies that cannot be repaired must be replaced. The program covers costs (to specified limits) to correct deficiencies in water heating systems. In owner occupied units, if the cost to correct the Health and Safety issues exceeds program limits the unit must be replaced. In renter occupied homes, if the cost to correct deficiencies exceeds program limits, the building owner must repair or replace the water heating system. However, if the replacement is made in accordance with program installation requirements, the NeWAP may contribute funds for the replacement.

If the owner or client refuses a HVAC equipment safety inspection, the home must be deferred.

Safety Devices

Installation of carbon monoxide detectors and smoke/fire alarms, as per manufacturer's instructions, is required on initial inspection of the home. One unit should be located in the vicinity of every bedroom, one on each occupiable level and one adjacent to a combustion appliance.

Carbon Monoxide Detectors

Non-working, outdated and missing carbon monoxide detectors must be installed in all weatherized homes.

Smoke/Fire Alarms

Non-working, outdated and missing smoke/fire alarms must be installed in all weatherized homes.

Propane Alarms

Non-working, outdated and missing propane gas detectors must be installed in framed homes and manufactured housing, on permanent foundations, that have propane combustion appliances. The gas detectors must be permanently installed according to the manufacturer's instructions using 110V power.

Asbestos in the Home

The presence of asbestos or suspected asbestos containing material (ACM) in a weatherization home requires Subgrantees to take reasonable and necessary precautions to prevent asbestos contamination in the home.

Asbestos in Attics, Walls, Roofs and Foundations

- In homes where friable suspected ACM, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present:
 - The sub-grantee must take precautionary measures as if it contains asbestos, such as utilizing personal air monitoring.
 - Wall insulation measure work must be completed from the interior of the home.
 - Costs associated with asbestos testing, abatement or replacement with new siding are not eligible expenditures in the Nebraska Weatherization Assistance Program.
- In homes with asbestos siding, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present and in good condition:
 - Installing dense-pack insulation from the exterior is allowed.
- Removal of siding is allowed to perform energy conservation measures; however precautions must be taken not to damage the siding. Asbestos siding should never be cut, sanded or drilled. Where possible, insulate the exterior walls through the interior of the home.
- The costs associated with testing, abatement or replacement with new siding are not eligible expenditures in the NeWAP.
- In homes where friable suspected ACM siding, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present, blower door testing, using positive pressure techniques, must be completed.
- In homes with asbestos siding, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present and in good condition, blower door testing, using either negative or positive pressure techniques, must be completed.

Asbestos in Vermiculite

- The costs associated with vermiculite *abatement* or *encapsulation* are not eligible expenditures in the NeWAP. However, the costs associated with vermiculite/asbestos *testing* is an eligible Health & Safety expenditure, to specified expenditure limits and when AHERA sample testing is conducted by a certified tester.
- If the presence of asbestos has been previously confirmed or if the sub-grantee believes that vermiculite insulation is present, when blower door tests are performed, it must be performed using pressurization instead of depressurization.

Asbestos on Pipes, Furnaces, other Small Covered Surfaces

- An appropriately trained crew leader, auditor or inspector shall complete an initial visual inspection of all surfaces and subsurfaces, piping, and equipment for a suspected ACM.

- Assume asbestos is present in suspect covering materials.
- In homes where friable suspected ACM, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present:
 - The sub-grantee must take precautionary measures as if it contains asbestos, such as utilizing personal air monitoring.
 - Blower door testing must not be completed.
 - The costs associated with asbestos testing, abatement or encapsulation not eligible expenditures in the NeWAP.
- In homes with asbestos, as determined by an appropriately trained crew leader, auditor or inspector or testing, is present, encapsulated and in good condition:
 - Weatherization work may continue.

Blower door testing, using either negative or positive pressure techniques, must be completed.

Indoor Air Quality and Mechanical Ventilation

Appropriate ventilation is an important health and safety concern in buildings. The costs associated with ensuring that a home has sufficient ventilation are eligible for reimbursement.

Minimum Ventilation Requirements

NeWAP follows the latest DOE approved American Society of Heating, Refrigerating and Air-Conditioning Engineers Standard 62.2 for Ventilation and Acceptable Indoor Air Quality in Low-Rise Residential Buildings (ASHRAE 62.2) requirements for minimum ventilation requirements. Subgrantees install mechanical ventilation as needed in homes to ensure that homes are not “too tight” and sufficient “fresh air” is provided.

- Subgrantees are required to complete pre- and post-weatherization ASHRAE 62.2 evaluations (Redcalc) to ensure that the home meets the Standard for Acceptable Indoor Air Quality and include both evaluations in the client file.
- If the ASHRAE normative Appendix A is employed and an existing fan is being replaced or upgraded to meet whole-house ventilation requirements, take actions to prevent zonal pressure differences greater than 3 pascals across the closed door, if one exists.
- Exhaust fans **must** be vented to the outdoors, and never into building attics or *crawl spaces*. They should have tight-fitting *backdraft dampers*.
- Measure the fan flow of existing fans and of installed equipment to verify performance.

Air Leakage Between Attached or Tuck-Under Garages and the Living Area

Subgrantees must seal all openings, penetrations, cracks, and doors between a garage and the home. Penetrations between the garage and house can leak hazardous fumes and sealing the openings minimizes those risks.

Building Structure

Building rehabilitation or bringing homes into compliance with the latest building code requirements is beyond the scope of the weatherization. NeWAP funds will not be used to meet existing code compliance issues unless the installation of a measure necessitates so.

NeWAP does allow a maximum cost of \$300 to implement minor repairs when necessary to effectively weatherize the home. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implement.

Pollutants – Volatile Organic Compounds and Refrigerants

The removal of pollutants and hazardous waste materials is allowed and required if they pose a risk to occupants and workers. Pollutants generated in the course of weatherization work shall be disposed of according to local laws, regulations and/or Federal guidelines.

If pollutants pose a risk to workers and removal cannot be performed or is not allowed by the client the unit must be deferred.

Radon

Radon mitigation and/or testing is not eligible Health & Safety costs, however the following radon precautions are implemented in all weatherized homes to reduce the possibility of exacerbating any potential radon issues:

- Whenever site conditions permit, cover exposed dirt floors within the pressure/thermal boundary with 6 mil (or greater) polyethylene sheeting, lapped at least 12" and sealed with appropriate sealants at all seams, walls and penetrations.
- Air seal existing sumps in such a way that water can drain from above and below the sump cover.
- Seal and caulk visible, accessible penetrations, openings or cracks in below-grade walls and floors that contact the ground with a sealant that meets the requirements of ASTM C920.

- Other precautions may include, but are not limited to, sealing any observed floor and/or foundations penetrations isolating the basement from the conditioned space, and ensuring crawlspace venting is installed.

The following additional radon precautions will be implemented in all weatherized homes equipped with active radon mitigation systems:

- Verify that the radon vent fan is operating.
- If a previously installed radon mitigation system is not operating correctly advise the client to consult the system installer of the state radon office.

Biological Concerns and Unsanitary Conditions

The program covers costs (to specified limits) to remediate minor conditions that may lead to or promote biological concerns and/or unsanitary conditions that can impact client, crew or contractor health concerns and may cause deferral of weatherization services. Addressing bacteria, viruses or major biological and/or unsanitary conditions is not an allowable reimbursable cost.

NeWAP does allow a maximum cost of \$300 to remediate minor conditions that may lead to or promote biological concerns and unsanitary conditions. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implemented.

Deferral may be necessary in cases where conditions in the home pose a health risk to occupants and/or weatherization workers.

Minor Electrical Concerns

The program covers costs (to specified limits) to correct minor electrical deficiencies/issues that may cause deferral of weatherization services.

NeWAP does allow a maximum cost of \$300 to implement minor electrical repairs. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implemented.

Injury Prevention of Occupants and Weatherization Workers

The program covers costs (to specified limits) to make minor repairs and installations to help prevent possible occupant/weatherization worker injuries and/or cause deferral of weatherization services.

NeWAP does allow a maximum cost of \$200 to implement minor repairs. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implemented.

Lead Based Paint

- Subgrantees must follow EPA's Lead; Renovation, Repair and Painting Program (RPP) when working in pre-1978 housing unless testing confirms the work area to be lead free.
- Deferral is required when the extent and condition of the lead-based paint in the house would potentially create further H&S hazards, the sub-grantee will inform the client of the of the issues associated with a deferral in the Weatherization Deferral Notice (Form WX4) completed by the Weatherization Representative and signed by the client or building owner.
- Only those costs directly associated with the testing and lead safe practices for surfaces directly disturbed during weatherization activities are allowable.
- Testing to determine the presence of lead in paint that will be disturbed by WAP measure installation is allowed with EPA-approved testing methods.
- Testing methods must be economically feasible and justified.
- Job site set up and cleaning verification by a Certified Renovator is required.
- Grantees must verify that crews are using lead safe work practices during monitoring.
- Client file must include Certified Renovator certification: any training provided on-site; description of specific actions taken; lead testing and assessment documentation; and, photos of site containment set up. Including the location of photos if it is not referenced in the file.

Mold and Moisture

- NeWAP subgrantees must ensure that weatherization work is performed in a manner that does not cause or contribute to mold problems, and when the work is performed properly, may alleviate mold conditions.
- Where severe Mold and Moistures cannot be addressed, deferral is required.
- Mold cleanup is not an allowed H&S cost.
- Surface preparation where weatherization measures are being installed (e.g., cleaning mold off window trim in order to apply caulk) must be charged as part of the ECM, not to the H&S budget category.
- All clothes dryers and exhaust fans must be vented to the exterior.
- The NeWAP requires a full ground laid moisture barrier must be installed whenever possible in accessible *crawl spaces* and under manufactured and modular homes *except* when one exists, or the space has a concrete floor.
 - The moisture barrier must be a Class I *vapor retarder*, a minimum of 6 mils thick, extended up the walls and the support columns at least 12 inches and the joints must overlap a minimum of 12 inches.

- When installing insulated skirting without adequate clearance to install a full ground laid moisture barrier, the moisture barrier must extend a minimum of 24 inches beyond the insulation.

The program covers costs (to specified limits) to implement limited water damage and minor source control repairs to help to insure long-term stability and durability of installed measures.

NeWAP does allow a maximum cost of \$300 each to implement minor repairs. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implemented.

Pest Removal

The program covers costs (to specified limits) to remediate minor pest issues that can impact client, crew or contractor health concerns and may cause deferral of weatherization services.

Subgrantees are limited to a maximum cost of \$300 for pest removal, the screening of windows and incorporating pest exclusion practices. Approval to exceed this limitation can be reviewed on a case by case basis by the Nebraska Department of Environment and Energy prior to any work being implemented.

Health and Safety Problems Occurring After Weatherization

Program funds may (with Department of Environment and Energy approval) be used to address problems that become evident after weatherization work is completed and that can be directly attributed to weatherization work completed in the home.

Energy Audit

NeWAP Subgrantees are responsible for conducting a site-specific inspection and Energy Audit on all frame, masonry, modular, and manufactured housing on all weatherization eligible dwelling units for both the Department of Energy (DOE) Weatherization Low-Income Assistance Program and the Department of Human Services Low Income Housing Energy Assistance Program (LIHEAP) Weatherization prior to implementing any weatherization work.

Approved Audit Tool

- The Weatherization Assistant (NEAT/MHEA Audit) as approved by the U.S. Department of Energy (DOE) shall be used by all Subgrantees to conduct audits on site-built and manufactured homes. The audit tool will be used in determining the Savings to Investment Ratio (SIR) of each weatherization measure and the correct priority of weatherization improvements for each dwelling unit.

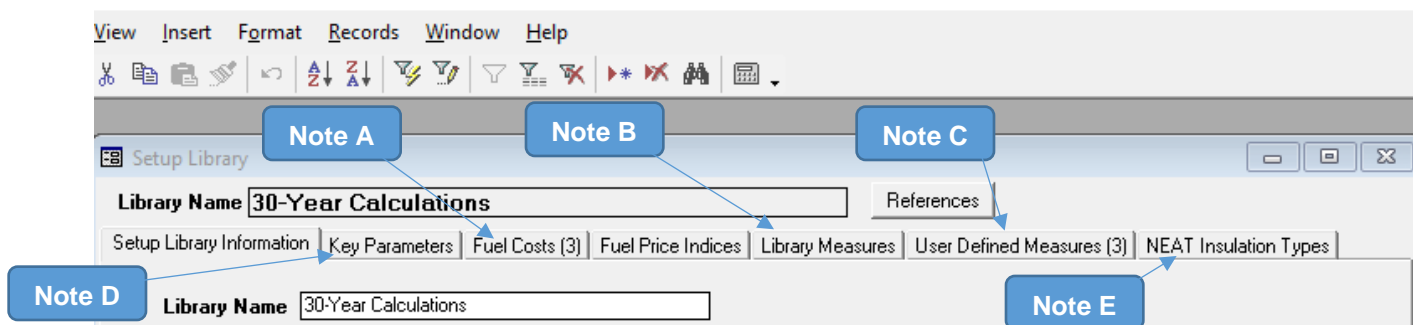
- The current version to be used is: Version 8.9.0.5 5, the NeWAP received a conditional approval to use the Weatherization Assistant version 8.9 (NEAT/MHEA) from DOE as listed herein on March 31, 2021. The NeWAP conditional approval expires on June 30, 2026.
- The NEAT audit will be used for all site-built single-family homes and buildings with four units or less.
- The MHEA will be used on all manufactured homes.
- Either the NEAT or MHEA audit can be used for manufactured homes where the building envelope has been altered with light conventional framing, manufactured homes installed on permanent foundations, conditioned basements, and modular homes. Auditors will select the audit tool which will provide the best opportunity to maximize the energy savings for these irregular combined construction types.
- The NeWAP does not have an approved multi-family audit tool. Subgrantees should contact the NDEE for guidance prior to accepting any application of a project larger than four units. Multi-family building audits must receive approval from NDEE and DOE prior to implementation.

NEAT/MHEA Program Setup

Subgrantee Energy Auditors are responsible for the appropriate setup of the Weatherization Assistant and for ensuring consistency within the network by:

- Selecting the NEAT/MHEA weather file (local weather data) in the evaluation based upon the physical location of the client home.
- Using the three-year average state fuel costs (Note A), provided annually by NDEE through Technical Working Group Meetings, when running site-specific audits provided annually by NDEE through Technical Working Group Meetings
- Using local material and labor costs, if Subgrantees cannot use actual material and labor costs, use estimated material and labor costs updated a minimum of every 12 months.
- Evaluating all Energy Efficiency Library Measures (Note B), approved by DOE in the latest NeWAP Energy Audit approval, for implementation in the home.
- Including for evaluation all User Defined Energy Conservation Measures (ECMs) approved for use by DOE incorporation into the NeWAP network. To ensure consistency within the network, approved User Defined Measures will be provided to the Subgrantee Energy Auditors (including savings and measure life data) through Technical Working Group Meetings (Note C)
- Including material and labor costs for every DOE approved Energy Efficiency Library Measure (Note B).

- Adjusting material and labor costs/modifications experienced as a result of changes in the construction industry.
- Ensuring that Measure costs are not inflated to avoid performing the measure.
- Maintaining uniformity in measure costs across all devices used within a Subgrantee agency to run energy audits.
- Ensuring that the Minimum Acceptable SIR (Under the Setup Library/Key Parameters (Note D)) is set to 1.0 in both the NEAT and MHEA.
- Verifying that NEAT Insulation (Note E) Types included in the Setup Library only includes allowable insulation types for each specified category and that each category has at least one type listed. The R-values included should align with manufacturer specs for each type of insulation the agency uses and information provided by NDEE through Technical Working Group Meetings and individual auditor trainings. Where there are multiple feasible options for insulation, efforts should be made to select the insulation type that will provide the highest SIR.



NEAT/MHEA Data Preservation

Subgrantee Energy Auditors are responsible for database preservation and when changes are made to any setup parameters, Subgrantees must ensure steps are taken to preserve the existing database information so historical audits will not be altered. This preservation should follow the Subgrantees records retention policy.

Energy Audit Prioritizations

- The NEAT/MHEA determines all of the energy efficient cost-effective work to be completed on the home, any work complete must be documented and justified in the audit Recommended Measures Report. ***Energy Efficiency weatherization work completed on a home without being verified as cost-effective on the Recommended Measures Report is not eligible for reimbursement.***
- Individual Energy Conservation Measures (ECMs) and the “overall” package of measures (including ECMs and all Incidental Repair Measures (IRMs)) must be determined by the NEAT/MHEA as cost-effective. Each individual ECM and “overall” package of measures installed in a dwelling unit must have a savings-to-

investment ratio (SIR) which meets or exceeds 1.0. As per the NEAT/MHEA Recommended Measures report, a measure shall only be implemented where the SIR of that measure is a minimum of 1.0 (with the exception of air sealing), and where the “overall” package Cumulative SIR is 1.0 or greater.

- The prioritization of individual ECMs will be based on the NEAT/MHEA Recommended Measures Report SIR calculations
- The energy audit determines the cost-effectiveness of individual ECMs and prioritizes all measures in order of cost- effectiveness. Each dwelling will be evaluated for all eligible measures and all of the prioritized ECMs from the audit that meet the SIR ratio requirement must be installed in the unit in the order of cost-effectiveness, as funding allows. Skipping, cherry picking or deviating from the audit prioritized list of measures would be in conflict with the intent of the rules and is prohibited. Per WPN 19-4, Attachment 8, Measure Skipping of cost justified major measures (air sealing, duct sealing, attic, wall and floor or belly insulation) is not permitted at any time.
- “*Evaluate All*” must be selected whenever possible for the replacement option in the NEAT/MHEA tool when selecting replacement options to allow the tool to evaluate all active ECMs and selection the options with the highest SIR. If “*Evaluate All*” is not selected justification must be provided in the comments section of the measure.
- Resistance from a client to install any measures and/or materials planned for implementation as a result of NEAT/MHEA energy audit (***for Health & Safety reasons***) should be addressed with appropriate client education and/or the re-running the energy audit with a different (but acceptable) material to determine if the substitute material is cost-effective for implementation. If no cost-effective option for the material can be identified and the building owner or occupant still declines a measure (***not defined as a major measure***) the auditor must include in the comments section of the Measure and include in the client file a comprehensive justification, including background/source documents that support the decision to skip a specific measure. All other weatherization measures must be installed. If the auditor cannot access background/source documents that justifies the buildingowner/occupant’s decision to decline a measure or the measure is defined as a “major measure,” the situation must be fully documented in the client file and the job must be deferred due to client refusal.

General Rules for Use of the NEAT/MHEA

- Cost of a measure must include the total estimated cost of both the labor and material for that measure.
- Agencies with in-house crews must calculate estimated labor costs based on a consideration of the cost, time and number of staff involved with any particular measure.

- Choose EVALUATE ALL for all measures.

The screenshot shows the NEAT Audit software interface. The 'Retrofit Options' dropdown menu is highlighted with a yellow star and is set to 'Evaluate All'. The interface includes fields for Audit Name, Client ID, Client Name, and various audit categories like Heating, Cooling, Ducts/Infiltration, etc. A 'Run Audit' button is visible on the right side.

- Mandatory Replacements as an ECM (“Include in SIR” checked) is allowed only with written NDEE approval.
- Mandatory Health & Safety measures are allowed (“Include in SIR” NOT checked) so long as the measure satisfies the requirements of a Health and Safety measure.
- If for any reason a recommended measure is not possible to install, appropriate photo and written documentation must be included in the client file and appropriately noted in the comments section of the appropriate Energy Audit page before choosing “EVALUATE NONE” Mandatory choice as the measure option the NEAT/MHEA program.

The screenshot shows the NEAT Audit software interface with the 'System Code' section expanded. The 'System Code' is set to 'Furnace', and the 'Replacement System' is set to 'High Efficiency Replacement Ma'. The 'Fuel' is set to 'Natural Gas'. The 'Include in SIR' checkbox is unchecked. A note on the right states: "** No Duct fields because Duct Insulation Candidate Measure is OFF for this Parameter Set **".

- Fuel Switching or fuel conversions when replacing furnaces/appliances is not **generally** permitted. However, fuel switching is allowed when changing or converting a furnace/appliance using one fuel source to another on a limited, case-by-case basis when LIHEAP funds are used and written approval is received from NDEE prior to the implementation of the work. DOE funds **may not** be used for fuel switching or fuel conversions.

- The energy savings of all ECMs shall be calculated based on the post-weatherization, post- fuel conversion, heating and/or cooling source. When doing a fuel conversion on a dwelling the Heating and Cooling tabs of the NEAT/MHEA audit will list the new heating and cooling systems as the replacement systems in order to allow the audit to accurately calculate the SIRs of all ECMs effected by the heating and cooling loads. Since the NEAT/MHEA audit is not designed to evaluate for fuel conversions, auditors will have to select the new fuel source on the Heating tab and will have to enter data for existing and anticipated equipment as a work around.

Energy Auditor

It is the responsibility of the Energy Auditor to accurately assess the existing conditions in a client's home, based on visual and diagnostic testing. Accurate data entry is necessary for a reliable determination of energy conservation measures (ECMs) for a home.

- All people conducting energy audits must be a Certified Home Energy Professional (Quality Control Inspector or Energy Auditor) recognized by the Building Performance Institute (BPI).
- Subgrantees may contract out energy audit services to Certified Home Energy Professional (Quality Control Inspector or Energy Auditor) recognized by the Building Performance Institute (BPI).

The auditor is also responsible for inputting the most accurate data possible into the Approved Audit Tool based on the data collected during the on-site audit of the home.

On-Site Visit Procedures and Documentation

Subgrantees must complete a thorough on-site inspection and energy audit of each approved client home prior to beginning the weatherization process. During the on-site visit the Energy Auditor shall complete and document accordingly in the client file the following information:

- NEAT/MHEA data collection. All applicable data pertaining to the building envelope necessary to run a complete energy audit (data about windows, doors, appliances, existing insulation, etc.) shall be gathered using the appropriate NeWAP Input Collection Forms,
- Photo documentation of all exterior faces of the home,
- Existing relevant conditions encountered in the visit,
- Pre-Weatherization Blower Door testing results,
- Existing ventilation systems and conditions for use in estimating ASHRAE 62.2 ventilation requirements,
- Results of lead testing of painted surfaces that may potentially be disturbed during the weatherization process in all pre-1978 homes,
- Spillage testing results of atmospheric vented combustion appliances,

- Combustion analysis of tested appliances and ambient air,
- Combustible gas leak testing results,
- Any additional diagnostic testing results completed in the home and documentation indicating why the additional diagnostic(s) were required and/or completed.

Field Collection Forms

All Energy Auditors will utilize the Input Data Collection Forms and diagnostic testing forms developed within the NeWAP network and available for electronic download from the NDEE website at <https://neo.ne.gov/programs/wx/wx-resources.html>

Photo Documentation

Energy Auditors will take photographs of the **pre-weatherization conditions and diagnostic testing results** of each dwelling unit. The photos should be organized and documented appropriately describing how it relates to weatherization work. Photos should include but are not limited to:

- exterior sides of the dwelling,
- existing insulation levels,
- appliances and their labels,
- diagnostic test results, anticipated Health & Safety work,
- potential IRM or deferral reasons,
- documentation of where weatherization work will be performed, and
- any existing damage that may impact the weatherization process.

Agencies should store photos in an electric format in the client files for future reference vs. printing photos for inclusion in the client file.

Pre-Weatherization Blower Door Testing, Air Sealing Targets and ASHRAE 62.2 Calculations

A pre-blower door test is required on all dwelling units with results documented and included in the audit/client file in either hard copy or electronic format. Additionally, an assessment of existing ventilation systems within the home must be completed with the results documented and included in the audit/client file in either hard copy or electronic format. Auditors must measure the amount of air each exhaust fan is moving, estimate post-weatherization ventilation needs, and formulate a plan to achieve the needs.

In manufactured homes pre-weatherization pressure pan testing of all registers in the home with results documented and included in the audit/client file in either hard copy or electronic format.

ASHRAE 62.2 Calculations

- NeWAP auditors are to use the latest version of RedCalc to calculate the Target Mechanical Ventilation rate based on the ASHRAE 62.2 Standard, Ventilation and Acceptable Indoor Air Quality in Residential Buildings for the home.

Whole House Air Sealing Testing and Targets

- If the pre-blower door test CFM of the home is below or within 10% of the Target Mechanical Ventilation Rate as determined by REDCalc, the Energy Auditor will establish the NEAT/MHEA *Target Mechanical Ventilation Rate* at 90% of the pre-blower door leakage rate. Energy Auditors will also provide contractors/crews with written and photo documentation of the Minor Air Sealing bypasses to be sealed such as, but not limited to:

- Holes/openings in walls,
- Plumbing and/or heating chases or building entry points,
- Joints in sill plate (mud sill) and around utility openings in foundation,
- Missing or severely cracked glass in exterior walls,
- Sealing the box sill area (if this work is not completed as an Energy Conservation Measure), and
- Door weatherstripping and/or sweeps.

The costs associated with this work is eligible for reimbursement as a General Heat Loss Measure (GHLM) and is limited to the GHLM maximum cost of \$250.

- If the pre-blower door test CFM of the home is greater than 10% of the *Target Mechanical Ventilation Rate* as determined by REDCalc, the Energy Auditor will utilize the formula calculation provided below to establish the NEAT/MHEA *Target Mechanical Ventilation Rate* for calculating the SIR for the Blower Door Guided Air Sealing of the home. The costs associated with this work (including set-up fees) are eligible for reimbursement as an Energy Conservation Measure (ECM) if the SIR for the Measure is 1.0 or greater.
- Subgrantees field staff and contractors must make every reasonable effort to meet the *Target Mechanical Ventilation Rate* calculated and specified by the Energy Auditor.
- If the *Target Mechanical Ventilation Rate* calculated and specified by the Energy Auditor cannot be achieved, a reasonable explanation must be included in the audit/client file and on the QCI inspection report.
- If environmental, structural, or other reasons prevent the completion of a blower door or exhaust ventilation testing, an appropriated description of the reason(s) is to be located audit/client file in either hard copy or electronic format.

The air sealing target for the home shall be calculated on the dwelling unit's pre-blower door test CFM50 and the home's total conditioned area using the table below:

Pre-Weatherization CFM ⁵⁰	Target CFM
> 5,000 CFM ⁵⁰	2 CFM/sq.ft.
3,000-4,999 CFM ⁵⁰	1.5 CFM/sq.ft.
1,500-2,999 CFM ⁵⁰	1 CFM/sq.ft.
< 1,500 CFM ⁵⁰	.75 CFM/sq.ft.

Example:

A dwelling's CFM⁵⁰ is recorded at 3,122 CFM⁵⁰ that has a conditioned area of 960 sq. ft. would have a target of 1,440 CFM⁵⁰ (1.5 x 960 = 1,440)

Manufactured Housing Duct Leakage Pressure Pan Testing and Targets

- Energy Auditors will complete and document pre-weatherization pressure pan testing all in manufactured homes and the Energy Audit will specify a 2.0 Pascal (per register) “after” Duct Sealing Target for calculating the Measure SIR. The Energy Auditor will also provide contractors/crews with written and photo documentation of the Minor Air Sealing bypasses to be sealed such as, but not limited to:
 - Sealing joints between the registers and the floor,
 - Sealing wire and pipe penetrations,
 - Sealing the connection furnace to the trunk line, and
 - Appropriately aligning, securing mis-aligned ducts.
- The costs associated with this work are eligible for reimbursement as an Energy Conservation Measure (ECM) if the SIR for the Measure is 1.0 or greater.
- Subgrantees field staff and contractors must make every reasonable effort to meet the duct sealing target specified by the Energy Auditor.
- If the Duct sealing Target specified by the Energy Auditor cannot be achieved, a reasonable explanation must be included in the audit/client file and on the QCI inspection report.

Audit Measure Categories

Work completed under the Nebraska Weatherization Assistance Program (NeWAP) shall be categorized by, and is reimbursable, under one of the following categories: Energy Conservation Measure, Health & Safety Measure, General Heat Waste Measure or Incidental Repair Measure.

- An Energy Conservation Measure (ECM) is work completed for its anticipated energy savings. ECM costs must include all material, labor, and ancillary items and must meet a Savings-to-Investment Ratio (SIR) of 1.0 or greater to be installed with NeWAP funds.
 - A User Defined Measure is an ECM established in the NeWAP with prior approval from the U.S. Department of Energy.

- Approved User Defined ECMs must be created and active in an agency's library of measures utilizing the method for calculating energy savings as provided by NDEE.
- NeWAP's DOE approved User Defined Measures Include:
 - Replace Storm Door
 - Replace Patio Door with Insulated Wall and Walk Door
 - Triple Jalousie Window Reduction/Replacement
- A Health & Safety Measure (HSM) is completed to eliminate a health and safety hazard, the elimination of which is necessary to effectively complete weatherization work or to remedy situations occurring as a result of weatherization work. Costs associated HSMs must include all material and labor costs, are tracked and reported separately and are not added to the cost of any ECMs or the Cumulative SIR cost of the home.
 - Auditors can use the predefined HSMs listed in the NEAT/MHEA system, and/or create allowable User Defined Health & Safety measures as needed.
 - HSMs included on the energy audit should be entered as an Itemized Cost so they appear on the input report under the Additional Measures section. When creating an HSM, the "include in SIR" box will not be selected. HSMs must be identified as a HSM in the title of the measure.
- A General Heat Waste Measure (GHWM) covers measures approved by DOE for installation in eligible homes without NeWAP subgrantees being required to provide justification for the Measure in the site-specific Energy Audit. NeWAP's DOE approved General Heat Waste Measures Include:
 - Limited Weatherstripping, Caulking and Sealing of Direct Penetrations,
 - Installing Outside Combustion Air to Existing Furnaces,
 - Outlet and Switchplate Insulators,
 - Ductwork Repairing, Sealing and Insulating, and
 - Replacing Missing HVAC System Filter Covers.

Per WPN 19-4, Attachment 1, Section II Field Procedures the total cost of GHW Measures (including labor) must not exceed \$250.

- An Incidental Repair Measures (IRM) is a repair for the effective performance or preservation of newly installed weatherization materials which is not part of a standard installation and must be related to an ECM being installed.
 - IRMs are audited as stand-alone measures, and their costs will be separate from ECMs, HSMs and GHWMs.
 - The cost of an IRM will include incidental repair materials and labor.
 - The total cost of all IRMs is added to the cost of the package of weatherization measures to calculate the whole unit or cumulative SIR.
 - The cost of the total package of ECMs, including the cost of all IRMs for the building, must have a cumulative SIR of 1.0 or greater.

- All IRMs must be included on the energy audit, entered as Itemized Costs so they appear on the input report under the Additional Measures section.
 - The box next to “Include in SIR” must be checked so the measure will be included in the cumulative SIR.
 - IRMs must be identified as an “IRM” in the title of the measure.
 - The comments section must indicate which ECM(s) it is incidental to, along with an explanation of how each IRM is necessary for the effective performance or preservation of the ECM.
- If a package of measures does not have a qualifying SIR (has a cumulative SIR of less than 1.0), it would be necessary to remove the combination of the ECM and its related IRM with the lowest SIR.
 - Agencies should save copies with all measures (ECM’s and associated IRM’s) in client file, and if measures does not meet SIR or cumulative goes below 1.0, this should be documented in the file.
 - If the IRM was deemed necessary for effective performance of the ECM, then both the ECM and the IRM must be removed in the attempt to meet the dwelling SIR.
 - This process (removing the lowest ECM and its associated IRM) would continue until the package of measures (and each ECM) has a qualifying SIR.
 - If one IRM is necessary to protect or enhance more than one ECM, (e.g. roof repair protecting attic insulation, sidewall insulation, and foundation insulation) then all of those ECMs together must be considered for removal until the SIR for the package of measures is 1.0 or greater.
- IRMs must be limited to those minor repairs necessary for effective performance or preservation of measures installed by the Sub-grantee.
- As per DOE policy related to the inclusion of IRMs in the package of weatherization measures includes:
 - Justification for the cost and need of each IRM must be documented in the client file with photos and written explanation.
 - The total cost of the package of weatherization measures including any IRMs must have a calculated SIR of 1.0 or greater.
- IRMs must be limited to those minor repairs necessary for effective performance or preservation of measures installed by the Sub-grantee.
- As per DOE policy related to the inclusion of IRMs in the package of weatherization measures includes:
 - Justification for the cost and need of each IRM must be documented in the client file with photos and written explanation.
 - The total cost of the package of weatherization measures including any IRMs must have a calculated SIR of 1.0 or greater.

Inspections

Subgrantee Quality Control Inspections

Subgrantees must complete a final QCI on the weatherized home before reporting it to the NDEE as a completed home and requesting reimbursement. The QCI must be completed by a Certified QCI certifying that the work has been completed in accordance with the latest DOE approved Nebraska Standard Work Specification Field Guide and Installation Standards. A copy of the Subgrantee QCI documentation is required to be kept in the client file for future state and federal monitoring.

Additional restrictions regarding Subgrantee QCIs include but are not limited to:

- Subgrantees using one person to perform both the Energy Audit and the QCI are not allowed to utilize that person to perform weatherization work on a dwelling.
- Subgrantees using separate individuals as Energy Auditor and QCI can allow the Energy Auditor to perform weatherization work on a dwelling, however the QCI is not allowed to perform any weatherization work on a dwelling.
- Subgrantees utilizing an independent privately contracted QCI will provide documentation of certification of the QCI performing the inspections on completed units and include all QCI inspection forms within the client or building files.

State Monitor In-Progress Inspections

NDEE BPI Certified QCIs/Technical Monitors conduct In-Progress Inspections visiting work sites during several phases of project implementation. In-progress inspections provide on-site technical guidance, training, and assistance to Subgrantees regarding (but not limited to) lead safe work, health & safety assistance, initial and quality control inspections and the implementation of energy efficiency work.

In-Progress Inspections will be completed on ten (10) percent of all units for each Subgrantee monthly or every other month as needed to reach targeted percentage of units per Subgrantee.

In-Progress Inspection reports are sent to Subgrantees outlining all monitoring activities completed as well as recommendations, findings, and any questioned costs.

Subgrantees have 30 days to respond and provide documentation that required actions were completed.

If it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

State Monitor Quality Control Inspections

NDEE Certified QCIs/Technical Monitors conduct QCI monitoring on monthly site visits to completed weatherized homes. State Monitor QCIs will be completed on Subgrantee units submitted for reimbursement to NDEE. The Inspections also include (but are not limited to) client file review, final diagnostic testing and energy audit review.

Statewide NeWAP Monitor QCIs are typically completed on a minimum of ten (10) percent of all units for each Subgrantee however program requirements may vary based on Subgrantee personnel conditions such as:

- Subgrantees operating with a combined Energy Auditor and QCI will have a minimum of ten (10) percent of all completed units inspected.
- Subgrantees operating with separate Energy Auditors and QCIs will have at least five (5) percent of all completed units Inspected.

QCI reports are sent to Subgrantees outlining all monitoring activities completed as well as recommendations, findings, and any questioned costs. Subgrantees have 30 days to respond and provide documentation that required actions were completed.

If it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

File Review Monitoring

File review monitoring is completed by NeWAP Monitors on every weatherized home receiving a Quality Control Inspection. This review helps to ensure that subgrantee is adhering program audit and documentation requirements. The file review can include (but is not limited too) the following documentation:

- Historical Review
- Approval/Denial Letters (S)
- Landlord Release/Approval
- Lead Hazard and RRP Documentation
- Mold Assessment and Release Documentation
- Health & Safety Questionnaires, Consents and Assessments
- Mechanical System, DSTO and CAZ Testing and Inspection Documentation
- ASHRAE Calculations
- Input Collection Forms
- Project Pictures
- NEAT/MHEA Input and Recommended Measures Reports
- Work Orders
- Bids Requested and Received
- Work Orders, Invoices and Change Orders (if applicable)
- Window Specs (if applicable)
- Agency Final and QCI Inspection Forms
- Building Check and Job Order (BCJO) Form

Desktop Energy Audit Reviews

The NDEE Building Program Specialist completes Desktop Energy Audit Reviews on ten (10) percent of weatherized home. These audits reviews ensure that the appropriate audit tool is used, input values are in accordance with program requirements, energy efficiency measures identified based on SIR's are implemented, etc. Additionally, these

reviews help to denote issues and concerns within the network that can be discussed or reviewed during quarterly Technical Working Group meeting or can indicate procedural changes that need to be incorporated into the audit or audit training process.

Implementation of Energy Conservation Measures

Following the completion of work addressing Health and Safety issues in the home; Energy Conservation Measure (ECM), General Heat Waste Measures (GHWM) and Incidental Repair Measure (IRM) work is implemented. Work standards and implementation requirements are outlined in the latest approved *Retrofitting Nebraska Installation Standards for Single Family and Manufactured Housing* document available on the Nebraska Department of Environment and Energy website.

HEATING/COOLING REPAIR or REPLACEMENT

Heating/Cooling Repair or Replacement Assistance (LIHEAP-HCRRRA) is an option available to NeWAP Subgrantees to complete repair or replacement work for clients, in owner occupied homes. LIHEAP-HCRRRA assistance is available to clients that are not eligible for the Weatherization Assistance Program due to previous weatherization or in cases where the homeowner elects not to proceed with full weatherization services in the home. The program covers a maximum cost of \$5,000.00 per residence to repair/replace heating and/or cooling systems.

LIHEAP-HCRRRA covers a maximum of \$500.00 in costs to correct deficiencies in eligible heating or cooling systems. If the cost to repair heating or cooling the system exceeds \$500.00 the unit must be replaced.

Detailed information concerning the work standards and requirements are outlined in the *Retrofitting Nebraska Installation Standards for Single Family and Manufactured Housing* document available for <https://neo.ne.gov/programs/wx/wx-sws-2018/wx-retrofitting-2019.html>.

Eligibility Requirements and Verification of Emergency Need

Homes eligible for LIHEAP-HCRRRA assistance **must**:

- be owner occupied units,
- meet NeWAP income eligibility requirements or (for heating systems only) have received energy assistance payments paid under the Low Income Home Energy Assistance Program of 1981 during the same program year that the LIHEAP-HCRRRA application for assistance is received,
- have furnaces that have emergency repair or replacement needs verifiable through one of the following:
 - redtag confirmation,
 - written documentation provided by a qualified heating technician, or
 - on-site sub-grantee inspection.

- have air-conditioning systems that have repair or replacement needs verifiable through one of the following:
 - redtag confirmation,
 - written documentation provided by a qualified heating/cooling technician, or
 - on-site sub-grantee inspection.

And have documentation that the home's permanent resident(s) include:

- A child under six years of age, who receives ADC,
- A person 70 years of age or older, or
- Has a severe illness or condition which is aggravated by extreme heat as verified by a medical statement signed by a licensed healthcare provider.

(Exception: In the case of damage by fire, flood, or act of God and repair or replacement of the damage equipment is not paid for by insurance, the **additional** air-conditioning documentation is not required.)

- not have received LIHEAP-HCRRRA assistance within 5 years.
LIHEAP-HCRRRA *Eligibility and Verification of Emergency Need* documentation is required to be kept in the client file for future state and federal monitoring.

Quality Control Inspections

Subgrantee Quality Control Inspections

Subgrantees must complete a final Quality Control Inspection (QCI) on LIHEAP-HCRRRA work before reporting it to the NDEE as completed and requesting reimbursement. The QCI must be completed by a Building Performance Institute, Inc. (BPI) Certified Quality Control Inspector certifying that the work has been completed in accordance with the NeWAP Work Specification Field Guide and Installation Standards. The Inspections also include (but not be limited to) client file review and final diagnostic testing. A copy of the Subgrantee *QCI Documentation* is required to be kept in the client file for future state and federal monitoring.

State Monitor Quality Control Inspections

Department of Environment and Energy (NDEE) Certified Quality Control Inspectors/Technical Monitors will conduct Quality Control Inspection monitoring on homes where LIHEAP-HCRRRA work is completed. State Monitor QCIs will be completed on Subgrantee units submitted for reimbursement to NDEE. The Inspections also include (but not be limited to) client file review and final diagnostic testing. Statewide State Monitor Quality Control Inspections are completed on (10) percent of all units submitted for reimbursement. State QCI reports are sent to Subgrantees outlining all monitoring activities completed as well as recommendations, findings, and any questioned costs. Subgrantees have 30 days to respond and provide documentation that required actions were completed.

If it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

Health and Safety Problems Occurring After Emergency

Program health & safety funds may be used to address problems that become evident after Heating/Cooling Repair or Replacement work is completed, is documented during the QCI and that can be directly attributed to the Heating/Cooling Repair or Replacement work completed in the home

MONITORING

NeWAP Monitoring Activities

NeWAP Monitoring works to achieve, “100 percent right, 100 percent of the time”. To ensure quality workmanship throughout the State, the Department of Environment and Energy (NDEE) implements a comprehensive project and program compliance monitoring strategy in compliance to USDOE’s WPN-20-4 and Updated WAP Monitoring Guidance. The strategy consists of visits by NDEE staff to Subgrantees to review program administration and compliance functions as well as onsite visits to inspect weatherized homes. Specific program monitoring includes:

- **Administrative Monitoring:** Conducted by the Fiscal Compliance Analyst annually reviewing a number of issues including but not limited to expected production goals, client files, individual unit expenditures and administrative systems to assure compliance with all applicable rules and regulations.
- **Fiscal Monitoring:** Conducted by the Fiscal Compliance Analyst, annually, reviewing a number of issues including but not limited to overall program expenditures, the tracking of funds and administrative systems to assure compliance with all applicable rules and regulations.
- **Technical:** Conducted by the two Department of Environment and Energy BPI Certified Quality Control Inspectors/ Technical Monitors, on a monthly basis during several phases of project implementation, reviewing a number of issues including but not limited to diagnostic testing results, output and input reports, work orders, billing costs and the installation of measures

This monitoring strategy provides access, through the NeWAP Network of Subgrantees, to review weatherization services provided in each of the state's ninety-three (93) counties.

Monitoring Personnel

Two Technical Monitors, one Building Program Specialist, one Fiscal Compliance

Analyst, and the WAP/SEP Division Grant Section Supervisor of the WAP program at the Subgrantee level as outlined in the State Plan.

Administration/Fiscal Compliance Monitoring

A successful monitoring program improves Subgrantee operations, identifies problems early enough for corrective action, and promotes quality work. The NDEE considers monitoring to be an assessment of Subgrantee performance in fulfilling program objectives.

An Administrative/Fiscal Compliance Monitoring will be conducted annually with each Subgrantee consisting of an administrative review and a fiscal review. Prior to monitoring, the Fiscal Compliance Analyst will review the Subgrantees required annual Single Audit and previous year's Administration and Fiscal Compliance Monitoring to verify that the Subgrantee has resolved any findings from these audits and monitoring.

The financial review will encompass the examination of all completed programs not previously reviewed and will include, at a minimum, the following:

- A check of the contract files against contract procedures,
- Sample journal entries,
- Inventory reconciliation,
- Cost categories,
- Administrative expenses,
- Agency's Financial and Procurement manual,
- Insurance coverage and allocations,
- Bank statements,
- Cost allocation plan,
- Subgrantee Single Audit (A0133), and
- Internal control procedure.

The program administration review will include:

- The outreach support level and client application process,
- Review of client files for compliance with all federal and state WAP rules and regulations regarding mandated documentation of:
 - household income,
 - client certification of eligibility,
 - owner/landlord permission for weatherization,
 - rent declaration,
 - fuel release statement,
 - inspection statement,
 - lien/debt statement,
 - a complete Building Check & Job Order form/site-specific audit,
 - complete material cost information,

- funding source designation,
- final quality control inspection, and
- client release
- Client certification and prioritization system,
- Inspection/quality control systems,
- Subcontracting system,
- Review of goals for serving elderly, disabled, and families with Children under 6 years old, high-energy use and high-energy burden,
- Review of procurement systems, and
- Review of general management and administrative practices.

A minimum of 20 client files of all USDOE and LIHEAP units completed in the time period being reviewed during the Program Compliance Administrative/Fiscal Monitoring visit will be examined.

NDEE staff will review Subgrantee management systems to ensure compliance with rules, regulations, and mandated file documentation. Material records will be examined and inventory will be inspected to verify the adherence to Federal specifications.

NDEE will issue a report within thirty (30) calendar days to the Weatherization Program Director, Agency Executive Director and the Board President detailing the monitoring findings along with recommendations for Subgrantee improvement. The Subgrantee is required to respond within thirty (30) calendar days with a corrective action plan that includes steps to be taken to address findings identified during the onsite monitoring. NDEE Program Monitors and staff will follow-up during onsite visits to ensure that the corrective actions are implemented as directed.

Administrative/Fiscal Compliance Monitoring Report Terminology

- **Finding:** Findings are defined as the Subgrantee's failure to comply with regulations and/or guidance.
- **Concern:** Concern is defined as a Subgrantee's inconsistency to comply with guiding documents (SWS, Subgrantee Operations Manual, Service Agreement, 10 CFR 440, 2 CFR 200, WPNS, etc.).
- **Recommendations:** Recommendations are best practices. They are suggestions for best course of action.
- **Commendation:** Commendation is defined as a notice or performance beyond the contract requirements.

Performance and Risk Assessment

NDEE developed a risk assessment instrument that will be used annually by Fiscal Compliance Analyst to assess each individual Subgrantees risk. The risk assessment takes into account issues associated with:

- Compliance and Program Management
- Program Expenditures
- Program Production
- Monitoring Results

Based on the results of the Risk Assessment, NDEE adjusts the amount of desktop monitoring, on-site visits and the number of units inspected for each agency. In addition, NDEE conducts quarterly check-in calls with all agencies assessing spending and performance issues while addressing any concerns or challenges subgrantees are experiencing.

Levels of Sub-Grantee Performance

Exemplary Performance

- Exceeds program expectations. Program is visionary, excels in all program aspects, highly responsive and innovative.

Stable

- Meets program expectations. Activities are generally accurate, effective, organized, sound, proficient, and proactive. Good administration systems. NDEE expects every agency to meet this standard of performance with no more than three (3) deficiencies overall in the following three categories:
 - Technical, Compliance,
 - Program Management, and
 - Fiscal Oversight.

In the technical category, a finding will become a deficiency if found evident in more than two (2) client files or units.

Vulnerable

- Noncompliance issues. Sometimes meets program expectations. Marginal administrative systems exist. If after two (2) consecutive monitoring visits, an

agency shows a pattern of continued findings in the same category, then the agency is considered vulnerable.

NOTE: INCREASED MONITORING (10% +) MAY BE CONDUCTED ON AGENCIES DEEMED TO BE VUNERABLE UNTIL SUCH TIME AS THE AGENCY HAS CORRECTED ITS DEFICIENCIES.

At-Risk

- Frequently does not meet program expectations. Inadequate, poor, substandard, incomplete, or deficient documentation exist. There is poor communication between state and agency staff. Inadequate administrative systems exist. Additionally, new NeWAP programs are on **New Subgrantee Status**, is operating during a probationary period. The Probation Status can last from 6 to 12 months depending upon the competencies of the new Subgrantee makeup.

NOTE: INCREASED MONITORING (10% +) MAY BE CONDUCTED ON AGENCIES DEEMED TO BE AT-RISK UNTIL SUCH TIME AS THE AGENCY HAS CORRECTED ITS DEFICIENCIES. IN ADDITION, FUTURE FUNDING MAY BE WITHHELD FROM AGENCIES DEEMED TO BE AT-RISK.

See **Risk Assessment Attachment**^{***}

Technical Monitoring

The NDEE Technical Monitoring process includes the following steps for both In-Progress and QCI monitoring visits:

- A Monitoring Report identifying any findings, concerns, questioned costs, recommendations, commendations, or best practices, indicating any required corrective action is written,
- The Report is reviewed and signed by the NDEE Planning and Aid Division Section Supervisor and sent to the Subgrantee in 30 days of the monitoring visit.
- The Subgrantee has 30 days to respond, resolve any corrected action needed and provide documentation that required actions were completed.

NDEE utilizes a tracking spreadsheet and the NeWAP online database to ensure all follow-up on Technical Monitoring has been completed in a timely manner.

Additionally, Technical Monitors complete an annual monitoring report on their inspections of samplings of completed and/or in-progress units. The NDEE technical monitors will write an annual report to each individual Subgrantee to summarize any findings, concerns or recommendations that they have found, or identify possible training needs.

When it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

Onsite Inspection of In-progress Units

NDEE BPI Certified QCIs/Technical Monitors conduct In-Progress Inspections visiting work sites during several phases of project implementation. In-progress inspections provide on-site technical guidance, training, and assistance to Subgrantees regarding (but not limited to) lead safe work, health & safety assistance, initial and quality control inspections and the implementation of energy efficiency work.

In-Progress Inspections will be completed on ten (10) percent of all units for each Subgrantee monthly or every other month as needed to reach targeted percentage of units per Subgrantee.

In-Progress Inspection reports are sent to Subgrantees outlining all monitoring activities completed as well as recommendations, findings, and any questioned costs. Subgrantees have 30 days to respond and provide documentation that required actions were completed.

If it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

Quality Control Inspection

NDEE Technical Monitors will complete Quality Control Inspections on units submitted for reimbursement to NDEE as per Section 3 of WPN 15-4. The Inspections also include (but are not limited to) client file review, final diagnostic testing and energy audit review.

Statewide NeWAP Monitor QCIs are typically completed on a minimum of ten (10) percent of all units for each Subgrantee however program requirements may vary based on Subgrantee personnel conditions such as:

- Subgrantees operating with a combined Energy Auditor and QCI will have above ten (10) percent of all completed units inspected.
- Subgrantees operating with separate Energy Auditors and QCIs will have at least five (5) percent of all completed units Inspected.

QCI reports are sent to Subgrantees outlining all monitoring activities completed as well as recommendations, findings, and any questioned costs. Subgrantees have 30 days to respond and provide documentation that required actions were completed.

If it is determined that a serious problem and/or deficiency exists that is an immediate threat to the health and safety of a weatherization client, NDEE will issue an Immediate Action Directive to the Subgrantee who must take action to immediately rectify the issue.

File Review Monitoring

NDEE Technical Monitors complete on-site file reviews on every weatherized home receiving an In-Progress or Quality Control Inspection. This review helps to ensure that subgrantee is adhering program audit and documentation requirements.

Lead Safe/OSHA Weatherization Site Visits

NDEE Technical Monitors make periodic unannounced site visits to homes that are being weatherized to observe whether the required lead-safe work and OSHA practices are being used by crews and contractors. This provides the NeWAP with an opportunity to clarify and demonstrate best practices related to lead-safe weatherization and OSHA requirements.

Desktop Energy Audit Review

The NDEE Building Program Specialist completes Desktop Energy Audit Reviews on ten (10) percent of weatherized home. These audits reviews ensure that the appropriate audit tool is used, input values are in accordance with program requirements, energy efficiency measures identified based on SIR's are implemented, etc. Additionally, these reviews help to denote issues and concerns within the network that can be discussed or reviewed during quarterly Technical Working Group meeting or can indicate procedural changes that need to be incorporated into the audit or audit training process.

PROGRAM and FINANCIAL MANAGEMENT

Program Management

Management of Work

All Subgrantees are to administer and manage their programs in such a way as to ensure that properties are timely and accurately weatherized, and that provides for all funding allocations to be spent within the program year for which they are allocated.

Weatherization Personnel

The Nebraska Weatherization Assistance Program (NeWAP) Subgrantees are required to maintain staffing sufficient to meet all production and client service goals for the program.

Notification, in writing, must be given to Nebraska Department of Environment and Energy (NDEE) for either the Weatherization Director or the Weatherization Quality Control Inspector (QCI) within thirty (30) days of their hire or departure. Please provide name and title of employee.

Executive Directors and Board Chairs/Presidents

Notifications, in writing, will be given to the NDEE if any change in the Agency's Executive Director, Weatherization Director and Board Chair/President within thirty (30) days of appointment or departure. NDEE also requests the mailing addresses of Board Chairs/Presidents where they prefer to receive mail (home or business).

Oversight of Work Being Performed

Subgrantees shall provide oversight of work while it is in process. This can include review of information provided by auditors to ensure accuracy, completeness, sufficient detail is provided in all work orders, timeliness of scheduling and conducting assigned audits, and customer service and satisfaction. Subgrantees are encouraged to have staff, as possible, to perform unannounced visits to job sites where work is in process. This allows the Subgrantee to determine that contractors and staff or crews are completing work appropriately, and to also verify compliance with OSHA, RRP, LSW and employee compliance with program requirements. Customer service and care of the job site while work is being performed is also important. If unable to make an on-site visit, the Subgrantee may opt to contact the client while the work is in process, checking in to make sure everything is proceeding as planned.

Addressing Poor Performance

Subgrantees are expected to monitor and address poor performance and workmanship issues for all staff (employee or contracted), including energy auditors and weatherization contractors approved to work. Poor performance and workmanship issues can result in probation, suspension, or termination of the individual/entity from future participation in the program with any Subgrantee.

Corrective Action Plans

If a monitoring visit by DOE, LIHEAP, NDEE, or their representatives, either programmatic or technical, results in areas of concern or findings being identified that were not corrected at the time of the visit, the Subgrantee must provide a written corrective action plan that addresses the steps the Subgrantee has taken to correct the identified issue, and measures the sub grantee is putting in place (with a timeline) to prevent future occurrences. All corrective action plans must be provided to NDEE within the timeframe as defined in the written report.

Failure to submit the required corrective action plan, or failure to comply with the submitted and approved corrective action plan, can result in the Subgrantee's contract being reduced, and funds reallocated, or termination of the contract.

Client Appeal Processes

Every Subgrantee shall develop an appeal/grievance process and submit this process for approval as part of their procedures. Every client must be notified of their right to appeal, and the Subgrantee's appeal process. Further, every Subgrantee shall maintain documentation related to client appeal requests and outcomes and provide such records upon request.

NeWAP Weatherization Database

Subgrantee staff will be provided access to the NeWAP database that may be accessed through the internet. All approved applications are to be entered by the Subgrantee into this database. As applicants are selected for weatherization, their case information will be updated in the database. It is critical that all client files are updated in timely and accurate manner. This database will not only provide data for the purposes of case managements for both the Subgrantees and NDEE, but also serves as the data source for the NeWAP federal reports.

Approved Users

Only those users approved by the Subgrantee's designated authority will be permitted access to the database. Approved users will be provided a link to the database for purposes of registration. The user's email address is the user id. An

email address may only be associated to a single Subgrantee. A user may only access and update data associated with their Subgrantee of record. All users associated to a specific Subgrantee will have access to inquire and update all open jobs for that Subgrantee.

Database Functions

The user may select from the following options:

- Create BCJO - This function is used to add new jobs to the database. When a user adds a new job, the database will automatically assign the job number following the completion and saving of data.
- Search BCJO's - The search function is used to locate BCJO's already in the database. The user may search using a single or a combination of search options. These options include:
 - I. Subgrantee
 - II. BCJO Number
 - III. Job Number
 - IV. Job Status
 - V. Client Name
 - VI. Client Address
 - VII. Zip Code
 - VIII. County
- Reports - Users will be able to see reports for their associated Subgrantee. Only users with NDEE Admin profiles will see statewide report results.

Database BCJO Procedures

Subgrantees must follow the following procedure when creating, submitting and executing a BCJO for reimbursement:

- Subgrantee must complete and submit a BCJO immediately after an on-site inspection and an Energy Audit on a dwelling has been completed. State monitors will automatically receive an email from the NeWAP Database system that a dwelling is "In-progress" of being weatherized. This will enable State monitors to select dwellings for completion of an "In-progress" monitoring.
- Subgrantee should schedule completion of weatherization measures as normal after Energy Audit is completed and BCJO has been submitted. State monitors will contact Subgrantee to determine expected work dates and

schedule In-progress monitoring. (If Subgrantee is not contacted, it can be assumed dwelling was not selected for In-progress monitoring.)

- After completion of an In-progress monitoring for any dwelling, the State QCI will issue a letter to Subgrantee identifying any findings, recommendations, commendations, concerns, or technical and training needs determined by the monitoring. Subgrantee must provide a written response to each In-progress letter within 30 days of receipt. As applicable, Subgrantee's response must (i) describe resolution to any finding identified and confirm that any follow-up work requested by the State QCIs has been completed; (ii) respond to or acknowledge any findings, recommendations, commendations, concerns, and or technical and training needs included in the In-progress letter. (To be clear, a response from the Subgrantee must be sent to NDEE regardless if there were findings or not.) A copy of the signed letter and the Subgrantee response must be attached to the client file in the NeWAP Database.
- When the Subgrantee has completed weatherization work on a home and the Subgrantee Quality Control Inspector (QCI) has completed their inspection, they will sign off on the BCJO that they have inspected the dwelling
- Another NeWAP Database system email will be sent to the State monitors and NDEE staff to let them know this dwelling has passed the Subgrantee QCI and would be ready as a possible selection for the State monitors to inspect for their QCI. A check-box titled, "Release for Reimbursement" will be added to the State QCI section of the BCJO and will allow the State monitor to select homes they will not monitor and can be attached to a reimbursement for submittal. Those dwellings that did not get selected for "Release for Reimbursement" will be monitored by NDEE QCIs. After the State QCI monitoring and follow-up work (if any) has been completed, the State QCI will check the "Release for Reimbursement" check-box to release that BCJO for reimbursement. By following this process, the dwellings inspected by both the Subgrantee QCI and the State QCI, ensures that all work, including missed-measures and all follow-up work has been completed prior to submitting it for reimbursement.
- The above State QCI monitoring is not limited to this specific procedure and State QCIs can still schedule random inspections on an as needed basis.
- Subgrantee agency administrative personnel proof the BCJO, add any additional attachments, and then execute it on the NeWAP Database.
- BCJO is ready for reimbursement.

QCI Verification Procedures

- Only Subgrantee BPI Certified QCI staff or contracted BPI Certified QCI may sign off on completed dwellings on the NeWAP Database.

- Subgrantee agency staff that are not Certified QCIs, cannot sign off on BCJOs to submit a BCJO as completed.
- Subgrantees allowing uncertified QCI staff to use their BPI Certified QCI staff or contractor's password to submit BCJOs, will be put on "high risk," if NDEE is informed this is occurring.
- The NeWAP Database is accessible through the internet and a Subgrantee BPI Certified QCI can access the database remotely from any computer, tablet, or smartphone if need be to complete the BCJO after their inspection has been completed and sign off on the dwelling.

DOE WPN 15-4, Section 3, Requirement Quality Control Inspector:

Quality Control Inspectors (QCI) working for, or contracted by, the WAP must possess the knowledge, skills and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis (JTA) for Quality Control Inspectors. This applies to all individuals who perform an evaluation and sign off on work performed in homes, including final inspectors and Grantee monitoring staff.

Financial Management

This section provides information and instructions on financial management activities and issues relative to the administration of the Nebraska Weatherization Assistance Program (NeWAP). The section refers to a number of expenditure limits and allowances established by the U.S Department of Energy (DOE), Nebraska Department of Health and Human Services – Low Income Home Energy Assistance Program (LIHEAP) or by the Nebraska Department of Environment and Energy (NDEE).

Fiscal reporting for the Weatherization Program is done through the NeWAP Weatherization Database.

Funding Sources

There are currently three funding sources for the NeWAP, they are Department of Energy (DOE) funds, State of Nebraska General Funds and Low Income Home Energy Assistance Program (LIHEAP) Funds. DOE funds are allocated to the state in the form of a grant from the U.S Department of Energy. State legislation required a disbursement of \$100,000 per year from the General Funds for the next two fiscal years. LIHEAP funds come from the state's LIHEAP funds as a Subaward from Nebraska Department of Health and Human Services (NEDHHS). State legislation requires at least 10% of the state's annual LIHEAP allocation be Sub awarded to the NDEE Weatherization Program. LIHEAP funds do have to be used in accordance with NEDHHS LIHEAP rules and regulations with two exceptions; 1.) Poverty Income Level eligibility at 200 percent of the federal poverty level, and 2.) Multifamily

requirements in accordance with DOE requirements, as stipulated in the LIHEAP State Plan.

SAMs and DUNS Number

A DUNS (Data Universal Numbering System) number is required for any company or entity that works through or with the government. The DUNS number is a unique identifying number for a specific business. All Subgrantees are required to have a current DUNS number. All Subgrantees are also required to have a current registration with the SAM (System for Award Management) and to keep this registration current. Documentation of the Subgrantee's DUNS and CCR registration is required.

Allocation of Funds

Program funds are allocated to Subgrantees according to the following formula using a weighted average based on population.

$$\{Population (C) \quad \{200\% \text{ of Poverty} (C) \quad \{Poverty(C) \quad \{Elderly(C)$$

$$0.1 X \{Population (S) + 0.2 X \{200\% \text{ of Poverty} (S) + 0.3 X \{Poverty (S) + 0.4 X \{Elderly (S)$$

C = County S= State

Contracts

NDEE enters into a Financial Assistance Agreement (agreement) with Subgrantees for the provision of weatherization services using separate Financial Assistance Agreements for each different funding source. Subgrantees must comply with all the terms and conditions of their current agreement, and any subsequent amendments. The agreement is the legal document between NDEE and the Subgrantee. Failure of a Subgrantee to comply with an agreement requirement may result in disallowed costs.

Issuing Aid Agreements

The weatherization fiscal process begins with the issuance of the weatherization Aid Agreements. Prior to the beginning of each agreement program year, NDEE sends Subgrantees Federal Financial Agreements for the upcoming program year.

The Subgrantee's executive director must sign and date the Nebraska Department of Environment and Energy – Financial Assistance Agreement (NDEE-FAA) for each contract. The Subgrantee must then return the signed and

dated NDEE-FAA for each contract to NDEE. Subgrantee will also accept the Aid Agreement on the NeWAP Weatherization Database.

The NDEE Director then signs and dates the NDEE -FAA for the contracts and returns to the Subgrantee, one fully executed copy. Also, the NDEE Director will execute the Aid Agreement on the NDEE Weatherization Database.

Obtaining Contract Funds

Subgrantees can request a cash advance at the beginning of the DOE and LIHEAP contract. After the initial cash advance, Subgrantees obtain additional contract funds through the submission of monthly fiscal reports.

Contract, Cash Advance Procedures

- Service Providers operating the Weatherization Assistance Program may request advances based on the allocated budget of the Service Provider's Aid Agreement and the projected cash needs from time of advance request up to the next request for reimbursement submittal.
- Advance requests may be submitted after an Aid Agreement has been awarded and signed by authorized representatives of the Service Provider and the Nebraska Department of Environment and Energy (NDEE).
- The initial advance request must be made to the Weatherization Assistance Program Division Chief or the Fiscal Compliance Analyst by letter or by email for NDEE approval. The mechanism for requests after the initial request will be through the NeWAP Database on the reimbursement request form that is associated with a specific Aid Agreement (DOE or LIHEAP).
- Advances will be limited to the projected cash needs to carry out the purpose of the approved program or project at the time of each monthly reimbursement request submittal up to the next monthly request for reimbursement.
- If the Service Provider has any advance payment in excess of incurred costs and projected production expenses at time of reimbursement submittal, the excess advance shall be refunded with the monthly reimbursement request.
- NDEE will determine an allowable advance for each Service Provider based on monthly performance at time of reimbursement submittal. Any outstanding advances in excess of allowable advance amount shall be refunded to NDEE at time of reimbursement request or within 5 days of notification by the NDEE.

- Advance amounts will be provided as long as Subgrantees maintain or demonstrate procedures to minimize the time elapsing between the transfer of advance funds to their account and their disbursement payments.
- In any month within an Aid Agreement period in which no projected production or expenditure of funds and/or no requests for an advance have been made, an email or letter of request for advance must be submitted at time of monthly reimbursement submittals to the Weatherization Assistance Program Division Chief or the Fiscal Compliance Analyst to reinstate an advance payment towards projected production for the succeeding months' reimbursement.
- To be eligible for an advance, the reimbursement requests must be submitted on or before the 10th day of the month, or the next business day if it should fall on a weekend or holiday.

Requests for amendments to this budget must be submitted to the Department of Environment and Energy for approval. Failure to do so may result in delay of payments to the Subgrantee.

Reimbursement during the Contract Period

The Department of Environment and Energy agrees to reimburse the Subgrantee for the following authorized expenditures:

- actual costs of materials;
- labor and program support;
- actual administrative expenses not to exceed the amount specified in Appendix D;
- cost of liability insurance;
- training and technical assistance expenditures not to exceed the amount specified in Appendix D; and
- CPA audit expenditures not to exceed the amount specified in Appendix D.
- Health and safety expenditures will be reported as a material cost, a labor cost or a program support cost.

The Subgrantee will submit to the Department of Environment and Energy reimbursement documentation that is sufficient to support payment under the NDEE's accounting procedures. The reimbursement submitted for payment must include the completed job orders and the material expenditures for each unit.

Monthly Claims Processing Process

When claims reports are received by NDEE, the process below is followed:

- NDEE Weatherization staff reviews the claims for accuracy. If errors are found, the staff will work with the Subgrantee in attempting to correct the claim. If the staff can correct the errors, the claims will be corrected and sent to the next step of the review process. If the errors can only be corrected by the Subgrantee, the Subgrantee will have to resubmit the claims.
- Claims are reviewed by the Grant Section Supervisor. Claims denied by the Grant Section Supervisor, for whatever reason, are returned to the NDEE Weatherization Staff and must be corrected and resubmitted.
- Claims are then sent to the NDEE Finance Department, where information from the claims is input into the state's financial accounting system.
- The Finance Division then sends the claims to the Accountant III where they are again reviewed and processed. Once approved, the Accountant III processes the claims and issues warrants or completes the electronic transfer of funds.
- The warrants or electronic transfer notices are sent from the Accountant III to the State Department of Administrative Services, who sends the warrants or notices to the Subgrantees.

Barring circumstances outside the control of the NDEE, claims received by the tenth (10th) calendar day of the month will be processed by the end of the month. Claims received after the tenth (10th) calendar day of the month will be processed as soon as possible. However, there is no guarantee claims received after the due date will be paid by the end of the month.

Contract Close-Out

Upon completion or notice of termination of a Subaward, the following procedures will apply for close-out:

1. The Subgrantee will not incur new obligations after the termination or completion of the Subaward and will cancel as many outstanding obligations as possible. NDEE shall give full credit to the Subgrantee for the federal share of non-cancelable obligations properly incurred by the Subgrantee prior to termination, and costs incurred on, or prior to, the termination or completion date of this Subaward.
2. Subgrantee shall immediately return to NDEE any unobligated balance of cash advanced or shall manage such balance in accordance with NDEE instructions.
3. Within a maximum of 60 days following the date of expiration or completion, Subgrantee shall submit all financial, performance, and related reports by the Subgrantee Reporting Requirements. NDEE reserves the right to extend the due date for any report and may waive, in writing, any report it considers to be unnecessary.

4. NDEE shall make any necessary adjustments upward or downward in the federal share of costs.
5. The Subgrantee shall assist and cooperate in the orderly transition and transfer of Subaward activities and operations with the objective of preventing disruption of services.
6. Close-out of this Subaward shall not affect the retention period for, or state or federal rights to access to, Subgrantee records, or Subgrantee responsibilities regarding property or with the respect to any program income for which Subgrantee is still accountable under this Subaward. If no final audit is conducted prior to close-out, NDEE reserves the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted at a later time.

Deobligation, Suspension & Termination of Subaward

Weatherization funding to a Subgrantee may be deobligated, suspended or terminated by mutual consent or by documentation of a specific cause and written notification of the Subgrantee.

A Subgrantee may request deobligation of a portion of its weatherization award prior to the expiration date specified in its Subaward if the Subgrantee is unlikely to completely obligate the award. Upon deobligation the NDEE may reallocate the deobligated amount to another Subgrantee. Subgrantee production goals will be adjusted to reflect the deobligation. The amount that is deobligated must carry the same percentage of Administration funds.

NDEE may also suspend or terminate a Subaward in the event of fraud or repeated failure to comply with fiscal and programmatic requirements.

Causes for suspension or termination of award may include but are not limited to:

- Lack of production - failure to serve clients
- Inefficient use of resources
- Repeated non-compliance
- Repeated findings in monitoring reports
- Waste, fraud, and abuse
- A Subgrantee on high risk status that is making no progress on action plans or directives provided by NDEE when such status is imposed
- Failure to provide timely responses to requests for action plans to address problems
- Failure to remove staff identified by NDEE as causing inefficiencies, repeated mistakes, or

- Behavior detrimental to the Weatherization Assistance Program

Program Income

DOE generally defines program income as any funds earned by Grantees and/or Subgrantees from non-Federal sources during the course of performing DOE Weatherization work.

Subgrantees must track program income and expend it first to avoid reporting at year's end. The income generated must be used to complete additional dwelling units in accordance with DOE rules. Program Income must be reported quarterly and expenditures of program income approved in advance by the Department of Environment and Energy. Reporting forms are available from the Department of Environment and Energy.

Inventory Control

Local agencies must establish a written inventory policy. Written inventory policies must include the coordination of all functions – including scheduling, completions, purchasing, storage, and cash flow.

Local agencies must maintain records, perform inventories, and maintain control systems to prevent loss, damage, or theft of equipment, tools, materials, and supplies.

All non-expendable purchases with a value of \$5000 or more, and which have a useful life of more than a year, must be tagged with a unique number to reflect funding sources and must be logged into property control records for identification purposes.

All materials received must be accounted for by invoices from vendors which describe the material(s), number of units, unit cost, total costs, shipping charges, if any, and sales tax.

ALLOWABLE EXPENDITURES

Appendix B-SPECIFIC Terms and Conditions of the Nebraska Department of Environment and Energy – Financial Assistance Award (NDEE -FAA) describes what expenditures are allowed within the administration, support, labor, and materials budget categories. It is very important Subgrantees understand and follow the requirements described in that section of the Subaward.

Expenditure Limits and Allowances

NeWAP expenditure limits are a result of U.S. Department of Energy (DOE) rules and/or NDEE policies.

DOE expenditure limits relate to limits on the average expenditure or Health and Safety expenditures per home.

The NDEE expenditure limits relate to limits on the amount of program funds that can be spent for such things as:

- furnace and water heater repairs,
- incidental repair work,
- General Heat Loss work,
- minor Health and Safety work intended to reduce deferrals, and
- blower door guided infiltration reduction work.

NDEE also limits how much agencies are allowed as support for completed and incomplete homes.

Finally, there are limits as to how much the state will reimburse agencies for travel costs associated with attending meetings, training, etc.

Costs limits and allowances can be found in the Appendix D-Budget of the NDEE - FAA.

General Standards of Allowable Costs

Allowable weatherization costs must be:

1. Reasonable for the performance of the contract and of benefit to the program for which the funds are provided.
2. Allocated to the contract under these policies.
3. Within any limitations or exclusions set forth in these policies or in the contract as to type or amount of cost of items.

4. Consistent with policies and procedures that apply uniformly to other activities of the organization.
5. Determined in accordance with generally accepted accounting principles.
6. Adequately documented.
7. Correction of pre-existing code compliance issues is not an allowable cost other than where weatherization measures are being conducted.

General Standards of Fiscal Accountability

Method of Compensation

NDEE will reimburse Subgrantees for all allowable costs upon receipt of authorized requests for reimbursement as directed by NDEE.

Accounting and Auditing

Subgrantees are responsible for complying with all applicable guidelines and procedures, demonstrating responsible management of cash flow, inventory control, equipment purchase, and administrative costs.

Subcontracting

Subcontractors must be selected using competitive procedures among potential bidders for weatherization services.

Recordkeeping

Subgrantees must keep records that fully disclose the following

1. Amount and disposition of funds received.
2. Total Installed Measure Cost of a weatherization project.
3. Total Building Cost by funding source,
4. Source and amount of funds used from all funding sources

Records must be retained as per the [DOCUMENTATION and RECORDKEEPING](#) Section.

Reports

Subgrantees will provide reports or answers in writing to specific questions or surveys requested by NDEE or its funding sources by the specified deadline.

Equipment Purchases

1. All purchases of equipment with values exceeding \$5,000 require NDEE written approval.
2. Requests for vehicles purchased with DOE funding require prior written DOE approval. Allow 90 days for DOE review.
3. See [Procurement and Contracting](#) for additional policies, including procurement with multiple fund sources and equipment sharing with non-weatherization programs.

Authorized Expenditures

OMB 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements, Cost Principles for State, Local, and Indian Tribal Governments, and Cost Principles for Nonprofit Organizations, are used as general guidelines for determining which weatherization costs are allowed.

1. Exceptions exist where costs conform to specific categories in the applicable contract, policies and procedures, weatherization budget, state law, or local ordinance.
2. NDEE determines the proper interpretation of the federal or state procedures as they relate to costs allowed or prohibited under this program.

Administration Costs

Administrative costs are costs associated with those functions of a general nature not clearly identifiable with a program. These functions include planning, budgeting and accounting, and establishment and direction of local agency policies, goals, and objectives.

Allowable administrative costs include costs associated with functions such as:

1. General board/committee meetings
2. Executive Director.
3. General staff meetings.
4. Office management.
5. Accounting, auditing, and budgeting.
6. Corporate legal services.
7. Personnel management.
8. Purchasing and distribution of supplies.
9. Insurance and bonding.

10. Receptionist, switchboard, mail distribution, filing, and other central clerical services.
11. Word processing and computer services.
12. Computer equipment used for administrative functions.
13. Organizational and procedure studies.
14. General record keeping.
15. Office space/facilities lease or rental – including outstations.
16. Utilities in the office space/facilities.
17. Postage.
18. Duplicating/copying.
19. Telephone equipment and services.
20. Administrative staff training.
21. Applicable state and local taxes.
22. General personal liability and property insurance (Liability insurance for onsite work is a program cost).

Charge direct supervision of program services to those functions, not to administration. Personnel typically identified as administration may relate, at times, more directly to program activities than to administration. Even some hours of “management staff” may be properly allocated to program support costs, but only if the positions are not included in an indirect cost pool.

Cost Allocation Plans

Cost allocation plans used to spread central administrative costs across Subgrantees programs must be in accordance with the OMB circulars.

Indirect Rates

Subgrantees may apply a federally approved indirect cost rate to charge administrative costs only if the agency has an approved indirect cost agreement with a cognizant federal agency. The application of indirect cost charges may not result in exceeding applicable contract budget limits.

Program Operation Costs

Program operation costs are costs that can be clearly identifiable with a program and are comprised of Weatherization Measures, Health and Safety Measures, Weatherization Related Repair Measures, Program Support, Vehicle and Equipment, and Other Program Operations

Weatherization, Health and Safety, Weatherization-Related Repair and Installed Measure Costs

Examples include:

1. Securing building permits when necessary for the installation of weatherization measures.
2. Approved renewable energy systems
3. Material Costs
 - a. Material costs charged by a subcontractor.
 - b. Purchase and delivery of materials.
 - c. Storage or warehousing of weatherization materials.
 - d. Payment of staff involved in purchasing, inventory, and distribution of weatherization materials.
 - e. Payment for labor involved in fabricating materials.
4. Labor Costs
 - a. Labor Costs
 - b. Local agency weatherization crew costs (salary and benefits).
 - c. Supervisory on-site labor such as crew chiefs.

Program Support Costs

Examples include:

1. Weatherization audit and inspection.
2. Consumer Conservation Education.
3. Direct supervision of program services and other direct program management/oversight responsibilities.
4. Intake and outreach staff.
5. Printing.
6. Office space and utilities.
7. Telephone calls.
8. Copying.
9. Postage.
10. Equipment, vehicle, and tool maintenance—including computer and other electronic equipment and software used by weatherization program activities.

11. Lease or rental of tools, equipment, and vehicles.

Vehicle and Equipment Costs

Examples include:

1. Purchase of vehicles.
2. Equipment and tool purchase—including computer and other electronic equipment and software used by weatherization program.

Other Program Operations Costs

Examples include:

1. Financial Audit
2. Liability Insurance
 - a. Program-related liability insurance—including POI insurance.
 - b. Payments for liability insurance covering personal injury and property damage for on-site work.
 - c. Liability insurance for onsite work.
3. Applicable state and local taxes on purchases to the same budget category and funding source as the purchased item or service.

Training & Technical Assistance Costs

A cost category is permitted to cover training and technical assistance (T&TA) costs. T&TA costs must be included in the Subgrantee's T&TA annual budget and approved by NDEE prior to their expenditure. Activities not included in the budget must be submitted to and approved by NDEE independently prior to their payment with T&TA funds

Expenditure of contract funds awarded specifically for training and technical assistance (T&TA) purposes are subject to the following conditions:

1. Training must have direct application and benefit to Subgrantee weatherization programs and staff. If the training is not strictly for the benefit of the weatherization program Subgrantee must document how other programs will share the training costs.
2. Priority is to be given to direct training opportunities for staff, crews, and subcontractors.
3. Staff salaries while attending training, providing training, traveling to and from training, and participating in on-the-job training is an allowable expense.

4. Time Sheets must distinguish between production time and the actual hour's production staff spent in training activities.
5. T&TA funds cannot be used for:
6. Salaries not related to training activities.
7. Vehicle or equipment purchases

INFORMATION AND TRAINING

The complexity of the administrative and technical requirements of the Nebraska Weatherization Assistance Program (NeWAP) requires access to all program related information for effective administration. This Section describes the program information that must be available to access for all Subgrantee weatherization coordinators and staff.

Required Program Documents

- Weatherization Federal Funding Award Agreements (FFA), including the Special Terms and Conditions and the General Conditions
 - Weatherization Program FFAs are issued each program year to Subgrantees. Each weatherization funding source (DOE and LIHEAP) has a separate agreement.
- Nebraska Weatherization Assistance Program State Plan
 - A Weatherization State Plan is submitted and approved by DOE annually describing program requirements as per 10 CFR Part 440 and grant guidance issued annually by DOE. NDEE will hold two meetings, one with the NDEE Policy Advisory Committee and one with the Subgrantee agencies during the draft State Plan development. States are required to hold a public comment period and a public hearing on each year's state plan.
- DOE and other federal regulations:
 - DOE's rules and regulations for the Weatherization Program and pertinent Office of Memorandums can be found on the DOE Weatherization website at: <https://www.energy.gov/eere/wap/weatherization-program-notices-and-memorandums>
 - 10 CFR Part 440, DOE regulations for the Weatherization Assistance Program for Low Income Persons
 - 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which supersedes and streamlines requirements from OMB Circulars A-21, A87, A-110, and A-122 (which have been placed in OMB guidance); Circulars A-89, A-102, and A133; and the guidance in Circular A-50 on Single Audit Act follow-up. This is effective with 2016 weatherization contracts
 - OMB Circulars A-110, Uniform Administrative Requirements for Grants with Non-Profits, or A102, Uniform Administrative Requirements for State and Local Governments and OMB Circulars A-122, Cost Principles for

Non-Profits, or A-87, Cost Principles for State and Local Governments—effective through 2015 weatherization contracts.

- The latest DOE approved version of the NeWAP Installation Standards for Single Family and Manufactured Housing
 - NDEE updates the *Installation Standards for Single Family and Manufactured Housing* when policies, procedures, or rule changes warrant a revision. It is made available for download to program Subgrantees and weatherization contractors on the Weatherization Page of the NDEE website.
- The NEAT/MHEA Audit User's Manual
- Program Notice-WPNs and Memorandums
 - WPNs are used to provide written notification to DOE grantees and Subgrantees on new policies or procedures or changes to existing policies or procedures. Program Notice will have priority over this Policies and Procedures Manual.
- Written and Email Correspondence from NDEE
 - NDEE frequently sends written memos or emails to the agencies concerning general program issues such as, providing information, answering questions from agencies, etc.
- Fillable Forms
 - Required NeWAP forms must be used by Subgrantees and are available for download to program Subgrantees on the Weatherization Page of the NDEE website.

NeWAP Weatherization Database

The NeWAP uses a computer system called the NeWAP Weatherization Database. The database produces the following:

- Building Check and Job Orders (BCJO)
- Production and Fiscal Reports

The Database is also used to store job specific Client data and Forms including but not limited to:

- Audit Input Date Report
- Recommended Measures Report
- Health & Safety Approval
- Beyond Repair Approval

- CAP Agency QCI Form(s)
- NDEE QCI Form(s)
- Pictures
- QCI Follow-Up Notes
- Energy Burden Income Calculation Spreadsheet with Completed Pre-Consumption Data
- United States Citizenship Attestation with Verifying Documentation
- Zero Income Verification
- Income Documentation
- Consumption Releases
- Copies of Latest Fuel Bill(s) for Each Supplier

Technical Assistance Meetings

Technical, program, and fiscal information is provided quarterly in Technical Working Group (TWG) Meetings. NDEE holds these meetings to discuss the latest program issues and technical updates from both a state and national perspective. At least one technical staff and/or programmatic staff member from each Subgrantee must attend the Technical Working Group meetings with Department of Environment and Energy technical staff.

Nebraska Weatherization Assistance Program Website

The NeWAP website, at <https://neo.ne.gov/programs/wx/wx.html>, contains a large quantity of information about the program. The website has a Weatherization Program Resources Page containing copies of the State Plan, Installation Standards Field Guide and required forms. The website also has links to several program-related and energy-related websites.

Training and Technical Assistance

NDEE believes strong internal systems, oversight, training and technical assistance are essential to enable Subgrantees to achieve the objectives of the NeWAP. To meet that objective NDEE combines:

- onsite inspections on in-progress units with a comprehensive training and technical assistance program,
- administrative, fiscal and technical monitoring identifying areas where more specific training is required to improve work quality, delivery of program services and to correct Subgrantee administrative and management problems.

NDEE Staff Training

Training is essential for staff development and is provided on an ongoing basis to upgrade the quality of service delivered by the WAP Technical Monitors and NDEE program staff. NDEE program staff is expected to research and attend training opportunities offered through the NeWAP Training Network, which will enable them to gain additional knowledge and skills in: weatherization technology, furnace technology and diagnostic equipment.

Administrative Requirements to Ensure Effective Program Administration and Implementation

- NDEE Technical Monitors and Building Program Specialist will attend weatherization industry conferences, trainings and workshops to meet QCI re-certification requirements. Information attained as part of those trainings will be shared with members of the NeWAP through various training activities such as the quarterly Technical Working Group meetings and onsite inspections.
- Additionally, NeWAP Technical Monitors are responsible for completing inspections and providing technical assistance activities as part of the Program Monitoring and Compliance Strategy. Technical assistance provided may include but is not limited to:
 - staff training, policy interpretation,
 - State Plan and Field Guide & Installation Standards clarification,
 - working with Subgrantees to address deficiencies and
 - training Subgrantees on new and existing weatherization techniques.
- NDEE and Subgrantee management and fiscal staff will attend industry related conferences, trainings, workshops and grant management webinars to increase their knowledge, skills and abilities in grant administration.

NeWAP Network Training

Comprehensive Training

Installer and Crew Chief Field Training

Starting in PY2021 the Nebraska WAP will work to develop of the DOE Installer Badges Toolkit to provide Installer and Crew Chief training within the NeWAP. During the 1st and 2nd quarters NDEE staff will work with a contracted individual, familiar with all aspects of the NeWAP to work, in combination with NDEE technical staff, to:

- select, define and develop a core set of “badges” based on Nebraska’s housing stock and typical energy efficiency and Health & Safety measures,
- develop a standardized training and testing system and certification process to ensure supervisors of each crew member’s competency level and qualifications, and
- work with both the Grantee and Subgrantees to develop employee recognition and tracking options.

Following the initial program development NDEE technical staff will work with the Subgrantees state-wide to incorporate the “badges” training and verification program into the Nebraska WAP network. Additionally, technical staff will work to develop and integrate into the NeWAP a system of verification for tracking which “badges” trainees have earned and to provide training options to address for fully issues and/or topics not specifically addressed by the badges.

Subgrantees will also be encouraged to include eligible field staff in weatherization industry conferences, trainings and workshops to help to ensure that the NeWAP operates to meet the most progressive industry standards and technologies.

Energy Auditor/Quality Control Inspector Training

Any required Energy Auditor and/or Quality Control Inspector trainings are outsourced where the NeWAP network can receive quality training and testing by an IREC Accredited Program with BPI Certified Trainers and Testers where Certification in these areas can be provided.

Specific Training

Specific Training will be delivered to the network state-wide based on the required training type and the facility needs. Specific Trainings will be scheduled at intervals as needed and may include, but not be limited to, the following:

- Lead Safe Weatherization
- Mobile Home Weatherization
- CAZ Testing
- ASHRAE 62.2 Updates and Requirements
- NEAT/MHEA Trainings
- Blower Door Guided Air Sealing
- Installing and Testing Dense Pack Insulation
- HVAC Inspection and Testing
- Quarterly Technical Working Groups

In the case of both Comprehensive and Specific Training, opportunities will be available for a fee to individuals and organizations that are not members of the NeWAP network.

Additionally, specific training needs will be addressed as identified during inspections and monitoring completed by NDEE Technical Monitors, the Building Program Specialist, Fiscal Compliance Analyst and USDOE Project Officers.

Subgrantee Technical Staff Certification or Training Requirements

The NeWAP requires all Subgrantees to have:

- on staff at least one BPI Certified QCI or a contractor with the required QCI Certifications. Subgrantees replacement or new hire QCI staff must be certified or have the knowledge, skills and abilities to meet the JTA requirements and to secure their certification within six months of their hire date.
- all existing technical (excluding HVAC) installer staff must be EPA – Renovation, Repair and Painting Program (RRP) Certified. Subgrantees replacing or hiring new technical staff must be certified or have the knowledge, skills and abilities to secure their certification within two months of their hire date.
- all existing technical staff must be trained, or in the case of new hires be trained within six months of their hire date, in the appropriate Home Energy Professional Certification trainings, as developed by BPI, that most closely represents their job duties.

Subgrantee Management and Fiscal Staff Training Requirements

The NeWAP requires all Subgrantee management and fiscal staff to have been provided specific training on the Federal Uniform Administrative Requirement (2 CFR Part 200) changes on cost principles and audit requirements. Supplemental training that will assist them in administrative and fiscal compliance related to the DOE WAP will also be considered acceptable costs for NeWAP reimbursement.

Maintaining Workforce Training and Credentials

- NDEE maintains and updates spreadsheets tracking all attendees of trainings that have been provided through the NeWAP network and all NeWAP network staff members who have received BPI Certification in any of the four Home Energy Professional Certifications.

- NDEE communicates monthly with Subgrantees regarding their staff training needs, certification updates and possible new hire training requirements.

NeWAP Industry Wide Initiatives and Future Program Requirements

The NeWAP Training and Technical Assistance plan reflects the current Energy Auditor and Quality Control Inspector WAP initiatives while looking forward to implementing future program requirements that will allow the NeWAP network to be involved in the BPI Home Energy Professional Certifications. The NeWAP also makes all training opportunities available, for a fee, to individuals and organizations that are not members of the Nebraska WAP Network.

Effectiveness and Energy Saving Evaluations Assist in Training Development

Starting in PY2016 NDEE has completed annual evaluations of the energy and energy cost savings achieved in weatherized homes and its impact on client's energy burden. Evaluations are completed on a sampling of homes weatherized by each of the Subgrantees, taking into account home ownership, building type, heating fuel type and geographic location.

The results of the annual evaluations, as well as the state-wide results, are provided to all program Subgrantees in a TWG meeting. Following the TWG meeting each agency is provided with each of their reviewed client charts, showing the energy use impact of the weatherization services on their home. Subgrantee's are expected to review the client file associated with the chart(s) provided to help to educate their crews and/or contractors regarding the impact of the completed work and to address non-beneficial trends that they may be experiencing.

The results are also used by NDEE to develop training options or focus on missed energy-efficiency opportunities within the network to ensure upward savings trends. (i.e. providing trainings/information regarding ASHRAE 62.2 calculations and adding Refrigerator Replacement as an additional electric savings ECM when the percentage of state-wide electric savings was reduced in conjunction with the full program implementation of ASHRAE 62.2).

Client Communication and Education

Client communication and education an important part of the weatherization process. It helps clients to understand how their home "uses" energy, how weatherization can reduce energy use and how they can ensure their future savings.

Communication

Good client communication can help to:

- Provide information to the agency and may prevent unnecessary trips to the house (i.e. the house is for sale, has extensive roof damage, is being remodeled, etc.).
- Decrease energy audit and implementation time by having the client move stored items ahead of time to ensure there is access to all areas of the house.
- Make the weatherization process easier for energy auditors, crews and contractors by ensuring client understanding of the weatherization process and the services that will or will not be provided (i.e. will not replace all the windows, will not re-roof the house, etc.).
- Reduce the chances of receiving client complaints because the client knows what to expect.
- Provide information that can assist the energy auditor in determining how the house is operating (i.e. cold areas of the house, moisture on windows, etc.) and where there are concerns.
- Explain and alleviate deferrals by providing the client with information on other possible sources of funding to provide assistance.

Subgrantees are required to use the NeWAP Weatherization Forms (available on the NeWAP website) in their screening process to obtain useful information about the condition of the client's house, existing building and mechanical equipment issues, and client health conditions.

Education

Energy

Research shows that generally here in Nebraska the annual energy expenditures are slightly lower for households with lower incomes; but the energy burden for these households is substantially higher. Energy burden is defined as *the percentage of annual household income that is used to pay annual household energy bills*. A study completed by Jerry Deichert with the Center for Public Affairs Research at the University of Nebraska at Omaha showed that for Nebraska households with incomes less than \$10,000 in 2012 to 2014, the average annual energy expenditures were \$1,993 and the average energy burden was 49.3%. This compares to households in the same timeframe with incomes from \$20,000 to \$29,999 whose average energy burden was 8.9% and for all Nebraska households where the average energy burden was 7.6%. Educating clients can benefit from information about how energy is used in their

homes and what actions would make the most difference in reducing their energy bills.

Hazardous Materials

During residential construction, rehabilitation, and weatherization, hazardous materials can be encountered. The NeWAP requires the removal of pollutants and hazardous waste materials found in weatherization homes, if they pose a risk to occupants and workers. As well as requiring that pollutants generated in the course of weatherization work be disposed of according to local laws, regulations and/or Federal guidelines. Additionally, the Environmental Protection Agency (EPA) has also determined that Nebraska has a high incidence of radon in homes with the possibility of high radon levels in many counties in the state. Subgrantees are required to educate program participants on the possible risks associated with these types of hazardous materials and how they can impact the client's health.

REPORTING REQUIREMENTS

This section describes the reports and data Subgrantees are required to submit to the Nebraska Department of Environment and Energy (NDEE) as well as the submission requirements.

Project Status Reports

Quarterly Project Status Report(s)

are submitted to the NDEE in January, April, July and October of each year an award is in effect. They are submitted on or before the fifteenth (15th) day of the month following the quarter reported.

1. Each Report will include, but not be limited to:
 - i. activities completed for the quarterly project period,
 - ii. an assessment of the project's progress to date,
 - iii. an assessment of the project work yet to be completed, and
 - iv. an estimate of when the project will be completed.
 - v. Training & Technical Assistance (T & TA) Reporting: Subgrantees shall report in the Project Status Report quarterly on all T & TA activities that the agency has participated in that quarter. Included in this report shall be the name of the participant, type of training and reason for training, location of training, any certifications or re-certifications received.

A Final Project Status Report

must be submitted within 60 days after the end date of the award.

Financial Status Reports

Quarterly Fiscal Status Report(s)

are submitted to the Department of Environment and Energy in January, April, July and October of each year the award is in effect. They are submitted on or before the fifteenth (15th) day of the month following the quarter reported.

Each Report will include, but need not be limited to:

- i. actual expenditures for the quarterly project period,
- ii. total expenditures to date, and

- iii. unexpended balances for all fund types.

Final Financial Status Report

must be submitted within 60 days after the end date of the award.

A Sub-grantee's failure to comply with the reporting requirements will be considered a material noncompliance with the terms and conditions of NeWAP reporting requirements which may result in withholding of future payments, suspension or termination of the current awards, and withholding of future awards. A willful failure to perform or a history of failure to perform or of unsatisfactory performance may also result in the NDEE Office precluding future awards.

Close-Out Reports

Upon completion or notice of termination of this Subaward, the following procedures will apply for close-out of the Subaward:

1. The Subgrantee will not incur new obligations after the termination or completion of the Subaward, and will cancel as many outstanding obligations as possible. NDEE shall give full credit to the Subgrantee for the federal share of non-cancelable obligations properly incurred by the Subgrantee prior to termination, and costs incurred on, or prior to, the termination or completion date of this Subaward.
2. Subgrantee shall immediately return to NDEE any unobligated balance of cash advanced or shall manage such balance in accordance with NDEE instructions.
3. Within a maximum of 60 days following the date of expiration or completion, Subgrantee shall submit all financial, performance, and related reports by the Subgrantee Reporting Requirements. NDEE reserves the right to extend the due date for any report and may waive, in writing, any report it considers to be unnecessary.
4. NDEE shall make any necessary adjustments upward or downward in the federal share of costs.
5. The Subgrantee shall assist and cooperate in the orderly transition and transfer of Subaward activities and operations with the objective of preventing disruption of services.
6. Close-out of this Subaward shall not affect the retention period for, or state or federal rights to access to, Subgrantee records, or Subgrantee's responsibilities regarding property or with the respect to any program income for which Subgrantee is still accountable under this Subaward. If no final audit is conducted prior to close-out, NDEE reserves the right to disallow and recover an appropriate amount after fully considering any recommended disallowances resulting from an audit which may be conducted at a later time.

AUGUMENTING FUNDS

The Nebraska Weatherization Assistance Program allows for the combining of LIHEAP funds with DOE funds to cover the cost of a home(s) while, at the same time, complying with DOE's average cost per home limit. This is referred to as "augmenting" funds. One of the benefits of augmenting is it allows Subgrantees to spend more than the average expenditure per home limit that applies to the DOE Contract. This allows the program to install more measures or to weatherize higher cost homes than the program would be able to do if it was limited to the average expenditure per home limit.

The Augmenting Process

Using Augmented Funds help reduce health & safety cost impacts in homes and helps to avoid deferrals. Unlike DOE Weatherization funds, LIHEAP funds have no programmatic Health & Safety limitations. Subgrantees may use Augmenting funds to complete Health & Safety measures/work as specified in Chapter 2 of the latest DOE approved NeWAP Field Guide and Installation Standards. Measures/work eligible for funding includes, but is not limited to:

- Furnace Replacements
- Water Heater Replacements
- ASHRAE Ventilation Fans
- Carbon Monoxide Alarms

Using Augmented funds to complete these types of program specific health and safety work, at the onset of the project, allows Subgrantees to focus on using DOE funding to implement weatherization work and will help to stay within the designated DOE 15% health and safety program requirement.

- During the initial inspection of the Subgrantee, Energy Auditors must document program specific health and safety work needs in for the home.
- Appropriate bids are secured, contracts awarded and the work is completed.
- Units that exceed the \$1,500 limit in Health & Safety Costs, must receive approval from NDEE on a case-by-case basis.
- The Energy Audit on the home is completed, analyzing energy savings and the cost-effectiveness of implementing additional weatherization work using the efficiency of the newly installed equipment as "existing equipment efficiency".
- Following the weatherization of the home and agency Quality Control Inspections, completed homes can be processed for review and payment as per the Database BCJO Procedures.

- The Subgrantee reimbursement request will indicate that more than one funding source has been used on the home, LIHEAP Augmented funds for health and safety work and DOE funds for weatherization work, with appropriate funding designated to each funding source.

Using Augmented Funds to reduce the number of homes requiring deferral. DOE funding excludes and/or limits the amount of funding available for completing health and safety work that often results in client deferrals, such as:

- Mold, Moisture and Sewer Problems
- Building Structure
- Roofing
- Electrical Issues
- Fuel leaks
- Repairing Stairs and Hand Rails
- Pests
- Unhealthy Living Conditions

The LIHEAP Augmenting funds can be used to complete work, with less restrictive funding constraints to reduce the number of deferred homes and allow Subgrantees to proceed with weatherization work.

- During the initial inspection, Subgrantee Energy Auditors must document deferral issues associated with the home.
- Appropriate bids are secured.
- In units where the entire cost associated with addressing deferral issues in the home does not exceed \$1,600, contracts can be awarded and the work completed.
- Units where the entire cost associated with addressing deferral issues in the home exceeds the \$1,600 limit, the expenditures must be approved by NDEE prior to contracts being awarded and the work completed. Approval for exceeding the \$1,600 limit will be based on, but not limited to, information associated with:
 - The Total Cost of Augmenting Deferral Funds Requested
 - The Property Value of the Home
 - The Length of Time of Home Ownership
 - The Number of Deferral Issues Being Addressed
- Following the weatherization of the home and agency Quality Control Inspections, completed homes can be processed for review and payment as per the Database BCJO Procedures

- The Subgrantee reimbursement request will indicate that more than one funding source has been used on the home, LIHEAP Augmented funds for health and safety and weatherization measures, with appropriate funding designated to each funding source. The costs associated with each individual measure may not “be split” between two funds.

DOCUMENTATION and RECORDKEEPING

This section describes the program documentation that Subgrantees must maintain.

Nebraska Weatherization Assistance Program – NeWAP Client Files

Client Files must be set up with a separate file folder for each client and must contain NeWAP checklist(s) of required documentation. Documentation in the files must be in the order of the checklist to help to track expenditures, assist in reporting and Department of Environment and Energy and/or federal monitoring.

NEWAP CLIENT FILE CHECKLIST

Application and Eligibility

- △ Checklist for Determination of Approval (Wx-12)
- △ Weatherization Application
- △ Utility Release
- △ Ownership Verification
- △ US Citizenship Attestation Form (Wx15)
- △ NMIS Release
- △ BIF Form
- △ Income Verification
- △ Zero Income Verification (Wx16) (if applicable)
- △ Historical Review (S)
- △ Approval/Denial Letters
- △ Landlord-Tenant Agreement/Permission (Wx14) (if applicable)
- △ Recertification (if applicable)

Health and Safety

- △ Weatherization Client Questionnaire (Wx13)
- △ Client Education Confirmation of Receipt (Wx-2)
- △ Lead Hazard Pre-Renovation Form (Wx-3)
- △ Weatherization Deferral Notice Form (Wx-4) (If Applicable)
- △ Deferral Letter (if applicable)
- △ Mold Assessment and Release Form (Wx-5)
- △ Radon Informed Consent/Consent to Perform Work Form (Wx-6)
- △ Health and Safety Assessment Consent
- △ Consent to Perform Work
- △ Home Health and Safety Screening Questionnaire (Wx-7)
- △ Lead Safe Observation Report (Wx-11) (If Applicable)
- △ Health and Safety Checklist (Wx-8)
- △ Approvals (if applicable)

NEWAP CLIENT FILE CHECKLIST

Energy Audit Inspection

- △ Mechanical System Inspection/Clean and Tune Form (Wx-17)
- △ CAZ Depressurization Testing Form (Wx-9)
- △ Red Calc Calculations (S)
- △ NEAT/MHEA Audit Data Collection Form (Wx-19) (Wx-20)
- △ Energy Audit Pictures

Energy Audit

- △ NEAT/MHEA Input Report (S)
- △ NEAT/MHEA Recommended Report (S)
- △ Daily Safety Test Out Form (Wx-10)
- △ Beyond Repair Approvals (if applicable)
- △ Work Orders

Mechanical Measures

- △ Mechanical System Inspection/Clean and Tune Form (Wx-17) (if applicable)
- △ Mechanical System Repair/Replacement Bid Form (Wx-18) (if applicable)
- △ Bid Requested
- △ Bid Received
- △ Work Order/Invoice
- △ Change Orders (if applicable)
- △ Photo Documentation (if applicable)

Weatherization Measures

- △ Window Specs (if applicable)
- △ Work Order/Invoice
- △ Material List
- △ RRP Documentation
- △ Completion of Services Form (Wx-21)
- △ Agency Final Inspection Form (S) (if applicable)
- △ Agency QCI Form (Wx-1)
- △ NDEE QCI Form (Wx-1) (if applicable)
- △ BCJO (S) Electric or Hard Copy

Notes:

* (Wx-#) Indicates NeWAP developed Client Files

* (S) Indicates standardized forms, letters, etc. used in the NeWAP

Heating/Cooling Repair and Replacement Assistance – LIHEAP-HCRRRA Client Files

LIHEAP-HCRRRA Client Files must be set up with a separate file folder for each client and must contain NeWAP checklist(s) of required documentation. Documentation in the files must be in the order of the checklist to help to track expenditures, assist in reporting and Department of Environment and Energy and/or federal monitoring.

LIHEAP-HCRRRA CLIENT FILE CHECKLIST

Application and Eligibility Information

- △ Signed Homeowner Certification Statement on the LIHEAP Heating/Cooling Repair/Replacement Program Form (Wx24)
- △ Ownership Verification
 - Deed
 - Taxes
 - Mortgage Stub
 - Mobile Home Title
 - US Citizenship Attestation Form (Wx15)
 - NMIS Release
 - Social Security Number for all Occupants
- △ Income Verification
 - Most recent Social Security or SSI Letter
 - Last 3 Months of Pay Stubs
 - Unemployment Compensation Letter
 - Copy of Social Security Award Letter (SSA, SSDI, or SSI for everyone in the household at time of request)
 - Copy of Federal Tax Return (Self-Employment Verification Only)
 - Verification of Any Other Monthly Benefit Amounts
 - Zero Income Verification (Wx16) (if applicable)

Verification of receipt of heating energy assistance payments under the Low Income Home Energy Assistance Program of 1981 during the same program year that the LIHEAP-HCRRRA application is received.

Required Repair or Replacement Verification

- △ Furnace Documentation
 - Redtag
 - Qualified Heating Technician Bid Indicating Emergency Need
 - On-site Sub-grantee Inspection
- △ Air-Conditioner Documentation
 - Child Under Six Who Receives ADC
 - Person 70 Years of Age or Older
 - Severe Illness/Condition Signed Medical Statement

LIHEAP-HCRRRA CLIENT FILE CHECKLIST

Bidding and Invoicing Information

- △ LIHEAP Heating/Cooling Repair or Replacement Bid Form(s) (Wx25)
- △ Change Orders (if applicable)
- △ Photo Documentation (if applicable)
- △ Contractor Invoicing
- △ BCJOE Electric or Hard Copy
- △ Inspection Documentation
- △ Agency Heating/Cooling Repair or Replacement Assistance Quality Control Inspection (QCI) Form (Wx26)
- △ NDEE Heating/Cooling Repair or Replacement Assistance QCI Form (Wx26) (If Applicable)

Notes:

* (Wx-#) Indicates NeWAP developed Client Files

* (S) Indicates standardized forms, letters, etc. used in the NeWAP

Management of File Documentation

It is required that agencies use NeWAP forms and checklists to ensure all required documentation is obtained and filed accordingly. The checklists detail the minimum required documentation for each file and ensures file uniformity among Subgrantees.

Confidentiality Requirements

All client information, relative to individuals who have received program services, is confidential.

Client information may only be used by the Subgrantee for purposes of administration of the NeWAP or other programs administered by the agency, and must not be disclosed to, or used by another agency or individual, except with the written consent of the client. If a Subgrantee receives a written request from public officials for client information, the agency should contact the Department of Environment and Energy.

Subgrantees may disclose or use general and statistical information regarding aggregate or average numbers such as total or average costs of services, total number of clients served, etc., as long as the information does not identify specific client information.

Contractor Files

Contractor files must be set up with a separate file folder for each contractor and must have a checklist(s) of all required documentation for each contractor and subcontractor. Documentation in the files must be in the order of the checklist to help to track expenditures, assist in reporting and Department of Environment and Energy and/or federal monitoring.

Required Weatherization Contractor File Documentation

- Commercial General Liability Insurance (\$500,000 for bodily injury and at least \$200,000 for property damage each occurrence)
- Proof of Worker's Compensation Insurance or documentation of Sole Proprietorship with no employees
- Current Signed Contract
- Excluded Parties List System Printout
- Current Contractor's Registration with the State of Nebraska
- Current Electrical Contractor's License (as applicable)
- Current Plumbing & Mechanical License (as applicable)
- Proof of being a Lead Renovator Firm (copy of certificate)
- Proof of Completing Lead Renovator Training

Required Furnace/Water Heater/Electrical Contractor File Documentation

- Commercial General Liability Insurance (\$500,000 for bodily injury and at least \$200,000 for property damage each occurrence)
- Proof of Worker's Compensation Insurance or documentation of Sole Proprietorship with no employees
- Current Signed Contract
- Excluded Parties List System Printout
- Current Contractor's Registration with the State of Nebraska
- Current Electrical Contractor's License (as applicable)
- Current Plumbing & Mechanical License (as applicable)
- Proof of being a Lead Renovator Firm (copy of certificate).
- (Only required if they will be responsible for completing work on painted surfaces other than HVAC equipment with original surface paint or when RRP Certified

Weatherization Contractors or Subgrantee staff is not available to certify RRP work.)

- Proof of Completing Lead Renovator Training

Required Appliance Vender File Documentation

- Current Signed Contract
- Excluded Parties List System Printout
- Current Appliance Data Sheets
- Vendor agreement of proper disposal of refrigerators when applicable

Bidding/Procurement Documentation

Bidding/Procurement files must contain documentation regarding procurement of contractor services and goods. The file must contain the following information:

- Invitation to Bid or Notice to Bidders, which must include a description of the work to be completed (including the Heat Loss Calculation Worksheet or Manual J full calculation, if applicable)
- The format for submitting bids
- The method to be used for submitting bids (e.g. mail, electronic online bidding system, etc.)
- The date and time by which bids are to be submitted
- The date, time, and location the bids are scheduled to be opened
- A statement indicating that the Subgrantee has the right to accept or reject any and all bids
- An explanation/description regarding the circumstances under which a bid will be considered ineligible (i.e. submitted bid past the deadline).
- An explanation regarding the criteria that will be used in determining the successful bidder

Note: Subgrantees must take all necessary affirmative steps to assure minority businesses, women's business enterprises, and labor surplus area firms are used when possible.

- Bid Tabulation Sheet(s), which must include:
 - The name and date to whom the invitations to bid were sent
 - Bidder names, including the date and time the bids were received
 - A description regarding how the winner was determined

- Witness signatures (it is preferable to have a minimum of three witnesses, with at least two of those witnesses who are not part of or supervised by the NeWAP)
- The date and time by which bids were to be submitted
- The date, time, and location the bids were scheduled to be opened
- The actual date and time of the bid opening, including an explanation if there is a delay in openings bids
- An explanation regarding the criteria used in determining the successful bidder

Note: Contracts must be awarded only to those contractors possessing the ability to perform successfully under the terms and conditions of the proposed procurement. Consideration will be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources.

- Notification of Bid Results by either:
 - Post the bid results in a prominent place within the Subgrantee facility for viewing by the bidders and other interested parties
 - Email, fax, or mail the results to the bidders

In cases where the client is in an emergency situation, the agency may choose to do emergency phone bids. The following items are required in these situations:

- Bid Tabulation Sheet, which must include:
 - A description of work to be completed and the date and time the bid is due
 - A list of who was called and the date and time called
 - Bidder names, including the date and time the bids were received
 - Manufacturer, model number, fuel source, and size of unit bid
 - The dollar amount submitted by each bidder, including any add-on costs
 - A description regarding how the winner was determined
 - Signature of person requesting bids

Note: Emergency situations as described above are the only time phone bids are allowed.

Previously Weatherized Homes

Sub-grantees are required to use the geographical validation system, in the NDEE Weatherization Database at www.neowx.ne.com database, to track units previously weatherized across the State of Nebraska. When an address is entered into the

database it generates a list along with a map of the addresses that have been weatherized within a quarter mile of the address that was entered. The agency verifies that there are no matching ineligible addresses on the list before completing weatherization work.

Grant Files

The Subgrantee must maintain a “grant file” that includes, at a minimum, all NeWAP weatherization contracts. (Nebraska Federal Funding Award Agreement (FFA)), the NeWAP Field Guides and Installation Manuals, the NeWAP State Plans, and the federal rules and regulations related to the Weatherization Program.

Vehicle and Equipment Property Records

Vehicle and Equipment Property Records must contain the following information, in compliance with 2 CFR 200.313:

1. Description of the equipment,
2. Manufacturer’s serial number, VIN number or other identification,
3. Funding source(s) of the equipment, including the award number,
4. Who holds title,
5. Acquisition date and cost,
6. Percentage of federal participation (if other non-federal funds are used towards the purchase price),
7. Location, use and condition of the equipment, and
8. Disposition data to include the date of disposal and the sale or trade-in price.

Documentation of the physical inventory of the property must be reconciled with the property records at least once every two (2) years. Documentation of maintenance of the property and equipment must be developed and maintained.

Documentation of the purchase of new vehicles and/or equipment valued at \$1,500.00 or greater must include the following:

1. Completed Equipment Purchase Request Form,
2. Copy of bid specifications or request for proposal (RFP) or both;
3. List of contractors/vendors who received the solicitation;
4. Copies of solicitation documents such as newspaper ads, including the date and name of the publication;
5. Copies of all bids submitted by contractors/vendors; and a

6. Bid analysis indicating at a minimum, each bidder, their bid price, a determination whether each proposal met the bid specification and a statement that the lowest responsive bid was selected or a sufficient justification of the “best value selection” if the lowest bid is not recommended for approval.

Safety Data Sheets

Crew-based agencies must have Safety Data Sheets (SDS) documentation:

- on site during the weatherization of the home, and
- on file, for all weatherization materials installed by their staff through the NeWAP.

Contractor-based agencies must ensure, verify and document that their contractors appropriately document Safety Data Sheets (SDS) documentation on all of the products they are responsible for installing through the NeWAP.

Accounts and Records

Sub-grantees agree to maintain books, documents and other records pertaining to all costs and expenses incurred during a Financial Assistance Award for the duration of the Award and for a period of three (3) years following the completion of the Grant Period. Sub-grantees will be prepared to support charges for salaries and wages by time, attendance, and payroll records. Any authorized representative of NDEE, DOE and/or the Comptroller-General of the United States will have access, at all reasonable times, to NDEE and Sub-grantee records which are pertinent during the course of this award. The right of access may be exercised as long as the applicable records are retained by NDEE or the Sub-grantee.

Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a Sub-Grantee. Federal awarding agencies and pass-through entities must not impose any other record retention requirements upon non-Federal entities. The only exceptions are the following:

- If any litigation, claim, or audit is started before the expiration of the 3-year period, the records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken.
- When the non-Federal entity is notified in writing by the Federal awarding agency, cognizant agency for audit, oversight agency for audit, cognizant agency for indirect costs, or pass-through entity to extend the retention period.

- Records for real property and equipment acquired with Federal funds must be retained for 3 years after final disposition.
- When records are transferred to or maintained by the Federal awarding agency or pass-through entity, the 3-year retention requirement is not applicable to the non-Federal entity.
- Records for program income transactions after the period of performance. In some cases recipients must report program income after the period of performance. Where there is such a requirement, the retention period for the records pertaining to the earning of the program income starts from the end of the non-Federal entity's fiscal year in which the program income is earned.
- Indirect cost rate proposals and cost allocations plans. This paragraph applies to the following types of documents and their supporting records: indirect cost rate computations or proposals, cost allocation plans, and any similar accounting computations of the rate at which a particular group of costs is chargeable (such as computer usage chargeback rates or composite fringe benefit rates).
 - **If submitted for negotiation.** If the proposal, plan, or other computation is required to be submitted to the Federal Government (or to the pass-through entity) to form the basis for negotiation of the rate, then the 3-year retention period for its supporting records starts from the date of such submission.
 - **If not submitted for negotiation.** If the proposal, plan, or other computation is not required to be submitted to the Federal Government (or to the pass-through entity) for negotiation purposes, then the 3-year retention period for the proposal, plan, or computation and its supporting records starts from the end of the fiscal year (or other accounting period) covered by the proposal, plan, or other computation.

PROCUREMENT and CONTRACTING

Subgrantees are required to comply with federal standards, as set forth in 2 CFR 200.317-327, in the purchase of supplies, equipment and services. All Subgrantees must establish written procurement procedures to govern local procurement activities.

Competition

All procurement transactions must be conducted in a manner to provide, to the maximum extent possible, free and open competition. Federal rules provide for the right of bidders to compete, but do not provide a right to be awarded a bid. Federal rules indicate that:

- Awards shall be made to the bidder whose bid is the most responsive to the solicitation and is most advantageous to the Subgrantee. Price, quality, and other factors must be considered.
- The Subgrantee may accept or reject any or all bids when it is in its best interest to do so.
- Subgrantees must be alert to organizational conflicts of interest as well as noncompetitive practices among contractors that may restrict or eliminate competition or otherwise restrain trade.
- Those vendors responding within the requested response time must be considered.
- After solicitation from a number of sources, if competition is determined inadequate, acquire bids from available vendors and make a selection.

Additionally:

- Procurement actions with costs of \$3,000 and over must utilize a competitive process by soliciting written bids from no less than two (2) vendors.
- All job costs must come from a Set Price list or bid with an exception for small purchases as below:
 - For Weatherization jobs where the per contractor dollar amount does not exceed \$1,100, no competitive bids are required if it is determined the price is reasonable;
 - Determination of “reasonable” should be set by the agency using past experience, local job quotes, or other applicable pricing mechanisms;
- Procurement utilizing annually contracted set-price lists have already met the requirement for solicitations and a contractor can be selected for the job from the set-price list contractors without seeking multiple bids at that time;

- All procurement actions must be fully documented.

Cost and Price Analysis

Some form of cost and price analysis should be made and documented in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract modifications. The exact form of the analysis varies with the nature of the purchase and the amount of funds to be spent. Subgrantees must analyze price by reviewing and evaluating each cost element to determine if it is reasonable, can be cost-allocated, and is allowable. Prices should be compared to price quotes, market prices and similar indices.

Solicitation

Subgrantees are required to publicize their need to purchase goods, equipment or services as widely as possible. Documentation must be retained to show the method used to publicize procurement actions.

Solicitations for goods or services must provide the following:

1. A clear and accurate description of the requirements that the material/product/service/function must meet; the description must not unduly limit competition
2. All factors to be used to evaluate, measure and verify bids
3. Range of acceptable characteristics or minimum acceptable standards
4. Consideration of products that conserve natural resources, protect the environment, and are energy efficient
5. Other factors relevant to the specific procurement action

Subgrantees must maintain documentation verifying that procurement actions meet the above criteria. Procurement records must, at a minimum, include the following:

1. Basis for contractor/vendor selection
2. Justification for lack of competition when competitive bids are not obtained, and a sole source is used
3. Basis for award cost or price

Specific Requirements for Contractor Procurement

Affirmative Action

Federal rules, as stated in 2 CFR 200.321, require that Subgrantees take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Affirmative steps must include:

1. Placing qualified small and minority businesses and women's business enterprises on solicitation lists;
2. Assuring that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
3. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
4. Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses and women's business enterprises;
5. Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Subgrantee of the U.S. Department of Commerce; and
6. Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed above.

Subgrantees must comply with the provisions of Nebraska Statutes regarding discriminatory hiring practices.

Full and Open Competition

All procurement transactions must be conducted in a manner that provides, to the maximum extent possible, full and open competition. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements.

Agencies must ensure their procurement procedures do not restrict or eliminate competition.

Agencies must not place unreasonable requirements on the procurement process that would unjustifiably favor or exclude specific products, suppliers, or contractors

(e.g., specifying only a “brand name” product instead of allowing “an equal” product to be offered, imposing geographical preferences unless mandated by statute, etc.).

List of pre-qualified persons, firms, or products must be current and include enough qualified sources to ensure competition.

In order for the procurement to be competitive, efforts must be made to obtain an adequate number of bids or price quotations. Depending on the item being purchased, the number of vendors an Subgrantee attempts to get bids or price quotations from may vary and still be considered competitive. For example, if an Subgrantee wishes to purchase a blower door, there may only be two vendors that manufacture blower doors. If the Subgrantee requests bids or price quotations from both vendors, the procurement would be considered competitive. On the other hand, if a Subgrantee wishes to purchase a pick-up truck and requests bids or price quotations from only two vendors, the procurement most likely would not be considered competitive because there are more than two dealerships that sell pick-up trucks.

Procurement Methods

Following are accepted procurement methods. Agencies should follow their own procurement methods/policies if they are more restrictive. In the aggregate is the total amount through single or multiple purchases of the item(s) for the program period, i.e. training books - 12 purchases per year @ \$500 per purchase is an aggregate amount of \$6,000

- **Micro Purchase: Unit acquisition cost is less than \$3,000, in aggregate, over a one-year period of time** – every effort should be made to identify qualified suppliers and distribute micro-purchases equitably among the qualified suppliers.
- **Small Purchase: Unit acquisition cost is \$3,000 - \$150,000, in aggregate, over a one-year period of time** – every effort should be made to obtain a minimum of two (2) written bids. At the very least, a minimum of three potential vendors must be contacted. The bids must be in writing.
- **Cost of a service will be more than \$150,000, in aggregate, over a one-year period of time** - a sealed bid process must be used. This requires public solicitation accomplished through advertising. The bids must be in writing. The bid is awarded to the best proposal where all factors, including price, are considered.

Where Non-Competitive or Sole-Source Purchasing Must be Used

Non-competitive or sole source purchasing may be used when a good is available from only one (sole) source and in emergency situations when the awarding Subgrantee so authorizes. See [DOCUMENTATION and RECORDKEEPING – Bidding/Procurement Documentation](#) Section

Procurement Documentation

See [DOCUMENTATION and RECORDKEEPING – Bidding/Procurement Documentation](#) Section

Debarred or Suspended Contractors/Suppliers

Sub-grantees must not make any contract award to any contractor or supplier who is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs. Executive Orders 12549 and 12689, and 2 CFR part 180, “Debarment and Suspension,” (as specified in 2 CFR Part 200.212) provides that a person who is debarred or suspended shall be excluded from federal financial and non-financial assistance and benefits under federal programs.

DOE maintains a list of persons (contractors/suppliers) who have been debarred or suspended from federal assistance programs on www.sam.gov. Agencies must make sure they do not contract with anyone on the list during the period the person is debarred or suspended. The period of time each person is debarred or suspended is indicated in the website. Agencies are to review the list each time a contract is renewed. Proof of the review, signed by the researcher, must be maintained in the contractor files.

Contractor Eligibility

Subgrantees are required to verify that contractors meet all applicable local, state and federal qualifications, are insured, and meet all other program specific requirements as detailed below. Clear, adequate, and up-to-date documentation must be maintained to ensure that all contractors and their subcontractors meet these standards. All contractors and their subcontractors must:

1. Warranty all work and weatherization materials installed to be free of defects of workmanship for a period of one year after completion of work.

Note: When a furnace is tuned and cleaned, the fact that the furnace was not found to be unsafe does not mean that the contractor guarantees the furnace will not develop problems for a year. Additionally, heat exchangers in all replacement heating plants must have a minimum 10-year warranty.

2. Be licensed and bonded as required by pertinent laws, ordinances, regulations, or codes;
3. Obtain required permits from authorities with jurisdiction, as applicable;
4. Meet the minimum insurance coverage requirements:
 - a. Property damage, bodily injury, and liability as determined by the Subgrantee, and,
 - b. Basic worker's compensation, where required by law or regulation;
5. Have the capacity and education to implement program requirements and have the access to necessary tools and equipment;
6. Understand and complete all work in accordance with all relevant energy program policies, standards, and requirements;
7. Not be excluded from receiving federal funds. Subgrantees must document that contractor debarment status has been verified using the System for Award Management (SAM).
8. Follow EPA's Lead Renovation, Repair and Painting Program (RRP) if performing projects that disturb lead paint, which includes:
 - a. Trained in Lead Safe Weatherization (LSW),
 - b. Certified by the EPA as a Lead Firm, and
 - c. Accompanied by an EPA Certified Renovator;
9. Treat clients with respect and dignity.
10. Pass a criminal background check. Subgrantees must conduct background checks according to their own internal written policy on all crews and contractors, using, at a minimum, the Nebraska Background Check system.

Contract Content Requirements

Contract Period

Contracts with contractors performing work for the Subgrantee must state the contract period.

For weatherization work, some agencies have a separate contract for each job or packet of jobs. In this case, a new contract is executed each time a job or packet of jobs is awarded to a contractor. Others have an annual contract with all the contractors who are interested in bidding on jobs during the year. Each job or packet of jobs is still bid out, but separate contracts do not have to be executed for each job or packet because the annual contract covers the jobs the contractor works on during the year (contract period).

For HVAC work contracting, agencies may use an annual contract for furnace tune and clean work; not for repair or replacement work. Agencies may have an annual contract with all the contractors who are interested in bidding on jobs during the year. Each replacement heating system will be bid out, but separate contracts do not have to be executed because there is an annual contract. Or, agencies may bid out each replacement and have separate contracts for each replacement. The same holds true for water heaters.

Sole source purchasing may be used in well-documented emergency situations where a client has no heat in winter weather and when following LIHEAP Heating/Cooling Repair or Replacement Assistance policies.

Contracts must be for a maximum of one year. Contracts may contain a provision giving the Subgrantee the option to extend it for one additional year. If a Subgrantee wants the option to extend for one additional year, this provision must be stated in the original contract. If the optional year provision is in the original contract, it does not mean the Subgrantee must extend the contract for the optional year. The decision whether to extend the contract rests with the Subgrantee. Exercising the optional year extension must be in done by written amendment to the original contract with the involved contractors. This amendment must be signed and dated by both the contractor and Subgrantee.

Insurance Requirements

Contracts must state the type and coverage amounts of insurance the contractor is required to have.

Licensure Requirements

Contracts must state the type of licenses the Plumbing & Mechanical contractor and/or Electrician is required to maintain. Each contractor must have the appropriate Plumbing & Mechanical License and Electrical License.

Lead Safe Work Practices

Contracts must indicate that the contractor agrees to have a Certified Lead Renovator on staff, within 60 days of contracting with the Subgrantee, provide proof of Lead Renovator Certification, provide proof of Firm Certification, follow Lead Safe Work (LSW) Practices, and provide written and photo documentation to the Subgrantee for each home on which LSW occurs. New hires are to complete training within 60 days of hire. Documentation must be maintained in each contractor's file and/or the appropriate home file, as applicable.

There is an exception to the lead safe requirements regarding electrical, plumbing, mechanical, and specialty subcontractors.

1. Electrical, plumbing, mechanical, and specialty contractors are not required to have a Lead Renovator on staff IF they are a subcontractor for another qualified contractor who is willing to serve as the “renovator of record” when lead safe work practices are required. A note must be made in the subcontractor’s file indicating the qualified contractor that will serve as the “renovator of record”. The renovator of record must follow appropriate protocol for following lead work practices. This includes, but is not limited to, reporting (including documenting any on-the-job training provided) and disclosure to the client. The renovator of record must be on the jobsite, at a minimum, during set-up and tear-down and be within 2 hours of the jobsite during lead safe work practices.
2. Electrical, plumbing, mechanical, and specialty contractors, who are contracting directly with an Subgrantee, are not required to have a Lead Renovator on staff IF the Subgrantee is willing to have an Subgrantee crew member, auditor, or inspector serve as the “renovator of record”, when lead safe work practices are required. A note must be made in the contractor’s file indicating the crew member, auditor, or inspector that will serve as the “renovator of record”. The renovator of record must follow appropriate protocol for following lead work practices. This includes, but is not limited to, reporting (including documenting any on-the-job training provided) and disclosure to the client. The renovator of record must be on the jobsite, at a minimum, during set-up and tear-down and be within 2 hours of the jobsite during lead safe work practices.

Contractor Warranty on Materials and Work

Contracts must contain a provision whereby the contractor warrants or guarantees all work performed and materials installed to be free of defects of workmanship for a period of one year after completion of work.

Note: Heat exchangers in all replacement heating plants must have a minimum 10-year manufacturer’s warranty.

Safety Data Sheets

Contractor-based agencies must stipulate in their contracts with contractors (refrigeration appliance vendors are excluded from this requirement) that the contractor must have a written Hazard Communication Policy and Training Plan which includes providing education for their employees on the new format for the Safety Data Sheets (SDS). Contracts must also contain a statement indicating that contractors are responsible for supplying Safety Data Sheets (SDS) to the Subgrantee upon request by the Subgrantee.

Noncompliance with Contract Terms

Contracts must state the terms for resolution of noncompliance with the contract’s terms, conditions, and requirements.

Non-Availability of Funds

Contracts must state that the contract may be terminated due to “non-availability of funds.”

Change Orders

Contracts must describe the method used for issuing and approving change orders, including who to contact at the Subgrantee for approval. This could include whether or not there is a dollar threshold requiring Subgrantee’s approval, whether the Subgrantee approval has to be in writing or can be verbal, etc.

Change orders must identify the item added or deleted, the cost of the item added/deleted (broken out into material and labor categories), the reason for the change, and the total dollar amount of the change.

Change orders are to be signed and dated, at a minimum, by the contractor and the Subgrantee representative approving the change. It is recommended that the weatherization coordinator also sign and date the change orders. Change orders must be used to document deviations from the original work order.

Contract Modifications

Contracts must describe how modifications to the contract are handled. Modifications are considered to be a written change in the terms of the contract.

Contract Termination

Contracts must describe the circumstances under which the Subgrantee may terminate a contract with a contractor. Examples of such circumstances are:

- If the contractor fails to perform the services within the specified time requirements.
- If the contractor fails to perform any other provisions of the contract.
- If the materials used are of inferior quality or do not meet federal specifications.
- If the contractor does not comply with any of the non-discrimination clauses or other federal or state laws and regulations.

Statement of Federal Stewardship and Site Visits

DOE, LIHEAP and its representatives will exercise normal Federal stewardship in overseeing the project activities performed under this award. Stewardship activities include, but are not limited to, conducting site visits at the Subgrantee and the Contractor’s/Subcontractor’s Business and/or work site; reviewing performance and

financial reports; providing technical assistance and/or temporary intervention in unusual circumstances to correct deficiencies which develop during the project; assuring compliance with terms and conditions; and reviewing technical performance after project completion to ensure that the award objectives have been accomplished.

DOE and LIHEAP authorized representatives have the right to make site visits, with or without notice, at the Subgrantee and Contractor's/Subcontractor's Business and/or work site at reasonable times to review project accomplishments, management control systems, and to provide technical assistance, if required. The Subgrantee and Contractor/Subcontractor must provide reasonable access to facilities, office space, resources, and assistance for the safety and convenience of the government representatives in the performance of their duties. All site visits and home visits must be performed in a manner that does not unduly interfere with or delay the work.

Debarment and Suspension Requirements

A statement indicating the contractor certifies that it has not been suspended or debarred from doing business with any Federal Subgrantee. As per 2 CFR Section 200.212 of the Federal Regulations, "Grantees and sub-grantees must not make any award or permit any award (sub-grant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549 and 12689, and 2 CFR part 180, "Debarment and Suspension."

Compliance with Laws and Other Requirements

Contracts must contain a statement whereby the contractor acknowledges receipt of the items listed in this section. The contractor also acknowledges responsibility to perform work in a satisfactory manner in accordance with these documents:

- Contract (between the Subgrantee and the contractor)
- Nebraska Weatherization Assistance Program's Policies and Procedures Manual
- Nebraska's Current Approved Installation Standards Field Guide
- Nebraska's Current Approved Plan for Low Income Weatherization Assistance
- Weatherization Program Notices
- Nebraska Weatherization Bulletins
- NDEE directives
- Federal, state, and local laws and regulations

Contracts must state who to contact with questions regarding the contract.

Compliance with Materials Standards

Contracts must contain a statement whereby the contractor agrees to comply with the Department of Energy's material standards described in 10 CFR 440, Appendix A, can be found at the following website:

<https://www.ecfr.gov/current/title-10/chapter-II/subchapter-D/part-440/appendix-Appendix%20A%20to%20Part%20440>

Confidentiality Requirements

Contracts must contain a statement whereby the contractor agrees to keep confidential the names and other information pertaining to clients including lifestyle, financial status, and housing conditions.

Contractor Liability

Contracts must include a statement whereby the contractor agrees to hold harmless the Subgrantee for any injuries or accidents suffered as a result of the contractor's negligence or poor judgment or the negligence or poor judgment of its employees in the execution of their work and agrees to assume those obligations and liabilities customarily assumed by one holding the position of an independent contractor.

Indemnification

Contracts must include a statement whereby the contractor agrees to protect, defend, and indemnify the property owner and the Subgrantee from claims for unpaid work, labor, or materials. The contractor must also agree to indemnify and hold harmless all clients of the program, the State of Nebraska, and the Subgrantee and its officers, employees, and agents from any and all loss or damage occasioned wholly or in part by any negligent act or omission of the contractor or any of the contractor's employees, agents, or subcontractors arising out of or in any way connected to the contractor's performance or work and services under the contract regardless of whether or not such loss or damage is caused in part by one of the indemnified parties. The contractor's obligation to indemnify, save, and hold harmless must include the obligation to pay all reasonable expenses incurred by any party indemnified in defending itself with regard to any claims or in enforcing the provisions of the contract.

Contractor Payment Process

Contracts must include a description of the method and conditions of payment to the contractor. This would include a statement that contractors will not be paid for work on a home until all work has been satisfactorily completed, as verified by the Subgrantee. The contractor must present any warranties, guarantees, or rebates

owed the homeowner or Subgrantee at the time the invoice is submitted. The contractor must submit an itemized invoice, as described below, to the Subgrantee. The invoice must break out costs into labor, materials and mileage categories. The elements of an invoice include:

1. Original Invoice providing detail of the items of service, expense, goods furnished (includes manufacturer, model number, and serial number of new heating systems, water heaters, and exhaust fans installed), or contract upon which payment is sought, as well as the date the goods/services were received. Each item must be clearly identified and broken out by measure for material and labor categories (e.g., pounds of insulation installed, number of weather-strips, etc.).
2. If the claimant submits a “generic invoice” (i.e. no typeset letterhead, no company name and address), the invoice must include the following, either handwritten or stamped: company name, address, city, state, zip code, phone number, and be signed and dated, in ink, by the claimant.

Contractor Acknowledgement

The contract must contain the following statement: By affixing a signature to this contract, the contractor acknowledges receipt of the items listed in the contract. The contractor also acknowledges responsibility to perform in a satisfactory manner in accordance with the rule and regulations of the program.

Additional Contracts Provisions

Appendix II to Part 200

Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

(A) Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Subgrantee Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

(B) All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

(C) **Equal Employment Opportunity.** Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of “federally assisted construction contract” in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, “Equal Employment Opportunity” (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, “Amending Executive Order 11246 Relating to Equal Employment Opportunity,” and implementing regulations at 41 CFR part 60, “Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor.”

(D) **Contract Work Hours and Safety Standards Act** (40 U.S.C. 3701-3708). Where applicable, all contracts awarded by the non-Federal entity in excess of \$100,000 that involve the employment of mechanics or laborers must include a provision for compliance with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5). Under 40 U.S.C. 3702 of the Act, each contractor must be required to compute the wages of every mechanic and laborer on the basis of a standard work week of 40 hours. Work in excess of the standard work week is permissible provided that the worker is compensated at a rate of not less than one and a half times the basic rate of pay for all hours worked in excess of 40 hours in the work week. The requirements of 40 U.S.C. 3704 are applicable to construction work and provide that no laborer or mechanic must be required to work in surroundings or under working conditions which are unsanitary, hazardous or dangerous. These requirements do not apply to the purchases of supplies or materials or articles ordinarily available on the open market, or contracts for transportation or transmission of intelligence.

(E) **Rights to Inventions Made Under a Contract or Agreement.** If the Federal award meets the definition of “funding agreement” under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that “funding agreement,” the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements,” and any implementing regulations issued by the awarding Subgrantee.

(F) **Clean Air Act** (42 U.S.C. 7401-7671q.) and the Federal Water Pollution Control Act (33 U.S.C. 1251-1387), as amended – Contracts and subgrants of amounts in excess of \$150,000 must contain a provision that requires the non-Federal award to agree to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). Violations must be reported to the Federal awarding Subgrantee and the Regional Office of the Environmental Protection Subgrantee (EPA).

(G) **Debarment and Suspension** (Executive Orders 12549 and 12689) - A contract award (see 2 CFR 180.220) must not be made to parties listed on the government wide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.” SAM Exclusions contains the names of parties debarred, suspended, or otherwise excluded by agencies, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549.

(H) **Byrd Anti-Lobbying Amendment** (31 U.S.C. 1352) - Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any Subgrantee, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award.

Retention Agreements

Subgrantee T&TA funds may be used to train NeWAP contractors who attend training at the request of the Service Provider. Reasonable stipends may be included as part of the training expense. USDOE requires, in their annual application instructions, that all such contractors must sign a retention agreement. The

agreement should require that contractors will work in the program for a minimum of six months and must align with the cost of the T&TA available.

Contractor Performance

Subgrantees, in compliance with 2 CFR 200.318, must maintain a contract administration system to ensure that contracts are only awarded to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement. Consideration should be given to such matters as contractor integrity, compliance with public policy, record of past performance, and financial and technical resources. Contractor performance must be evaluated fairly and objectively with results documented by the Subgrantee.

Set Price Lists

Once contractors have been procured through a formal and documented bidding and evaluation process, Subgrantees may choose to establish set price lists for any or all measures performed for the NeWAP. Procedures must be established on how and how often prices are reviewed and renegotiated to ensure market fairness and compliance with federal and state procurement standards.

When set price lists are used and contractors are selected on a rotating basis, Subgrantees must have a documented system in place to indicate how contractors are selected. Uneven distribution of jobs between contractors of the same trade must be justified and documented. Rotation procedures do not need to be documented in individual household files.

Procurement for Emergency Services

In no-heat or other life-threatening emergency installations, Subgrantees must have procurement procedures in place that ensure fair contractor competition while allowing for prompt services when a household is in imminent danger. Procurement for emergency services may deviate from normal policy, so long as the procedures are reasonable and are documented by the Subgrantee. If temporary heat can be provided or conditions allow, normal procurement procedures should be followed. Subgrantees may choose to have shorter contractor bid deadlines when bidding emergency installations versus audit events.

Weatherization Vehicle and Equipment Requirements

Property Standards

All Subgrantees must comply with the following standards for the management of equipment and vehicles purchased with Nebraska Weatherization Assistance Program (NeWAP) funds:

1. Provide adequate insurance coverage;
2. Maintain a control system that ensures adequate safeguards to prevent loss, damage or theft;
3. Implement adequate maintenance procedures to keep the equipment/vehicle in good and safe operating condition;
4. Inventory and document the equipment annually to verify the existence, location, current use and continued need;
5. Keep accurate equipment records that include the following, in compliance with 2 CFR 200.313:
 - a. Description of the equipment,
 - b. Manufacturer's serial number, VIN number or other identification,
 - c. Funding source(s) of the equipment, including the award number,
 - d. Who holds title,
 - e. Acquisition date and cost,
 - f. Percentage of federal participation (if other non-federal funds are used towards the purchase price),
 - g. Location, use and condition of the equipment, and
 - h. Disposition data to include the date of disposal and the sale or trade-in price;
6. Proceeds from the disposal of this NeWAP property must be returned to the Program Support Cost Object Item of the Service Provider's budget to provide further weatherization services to eligible households or returned to NDEE, who will return the funds to the U.S. Department of Treasury.

Purchase of Vehicles and Equipment (\$5,000 or Higher) with NeWAP Funds

Vehicle and equipment purchases exceeding \$5,000 per unit must be approved by the Department of Environment and Energy. Subgrantees should plan their vehicle purchases and incorporate these expenses when submitting their annual budget. Subgrantees should make every effort to avoid requesting vehicles if these purchases were not part of the original annual budget.

The following information must be submitted to the Department of Environment and Energy for review and approval:

1. Completed Equipment Purchase Request Form (Wx27) available on the NeWAP website;
2. Copy of bid specifications or request for proposal (RFP) or both;
3. List of contractors/vendors who received the solicitation;
4. Copies of solicitation documents such as newspaper ads, including the date and name of the publication;
5. Copies of all bids submitted by contractors/vendors; and a
6. Bid analysis indicating at a minimum, each bidder, their bid price, a determination whether each proposal met the bid specification and a statement that the lowest responsive bid was selected or a sufficient justification of the “best value selection” if the lowest bid is not recommended for approval.

Once the item has been received, the updated Equipment Purchase Request Form with the bottom section filled out should be forwarded to the Department of Environment and Energy. Include a copy of the invoice and copy of the delivery receipt, if applicable.

Disposal of NeWAP Acquired Property

The NeWAP must use, manage and dispose of equipment acquired under a Federal award by the state in accordance with state laws and procedures. Other non-Federal entities must follow 2 CFR 200.313 paragraphs (c) through (e).

All property acquired with USDOE funds must be disposed of in compliance with USDOE and Department of Environment and Energy policy. The term property includes vehicles, technical equipment, office equipment, supplies, and weatherization materials. Policy varies depending on the purchase (or acquired) price, current fair market value and if an existing vehicle or piece of equipment was purchased with USDOE funds and will be traded in as part of the purchase transaction. Fair market means the best estimate of gross proceeds if the property is sold in a public sale.

Property Purchased for \$1,500 or less and Currently Valued Under \$1,500

No approval is required for property purchased for and currently valued under less than \$1,500. Proceeds from the disposal must be returned to the Program Support Cost Object Item of the Service Provider's budget and used to provide further weatherization services to eligible households.

Property Purchased for \$1,500 or Greater and Currently Valued Greater than \$1,500 but Less than \$5,000

Subgrantees must submit a request to the Department of Environment and Energy using A Request to Remove Items from NeWAP Equipment Inventory Form (Wx28) to remove the item from the NeWAP Inventory. Once approval is obtained, equipment may be sold, and the proceeds must be returned to the Program Support Cost Object Item of the Service Provider's budget and used to provide further weatherization services to eligible households.

Property (Vehicles) Valued at \$5,000 or Higher

The following items must be completed when a Subgrantee no longer has a use for property and decides to sell, is trading in the property as part of a purchase transaction, or chooses to "buy-out" USDOE's share of the property they must submit:

1. A Request to Remove Items from NeWAP Vehicle Inventory Form (Wx29) to the Department of Environment and Energy to proceed with removal of the item from the NeWAP Inventory.
2. At least two credible estimates of fair market value.

The Department of Environment and Energy will review the disposition documents, complete required federal documentation and forward to USDOE or NDHHS for their review and approval. Subgrantees may not dispose of the property until they have received final approval. Unless property is traded in as part of a purchase transaction, proceeds must be returned to the Department of Environment and Energy, who will return the funds to the U.S. Treasury.

Wx Forms

- [Form WX1 Quality Control Form](#)
- [Form WX2 Client Education Confirmation of Receipt](#)
- [Form WX3 Lead Hazard Pre-Renovation](#)
- [Form WX4 Weatherization Deferral Notice](#)
- [Form WX5 Mold Assessment and Release](#)
- [Form WX6 Radon Informed Consent/Consent to Perform Work](#)
- [Form WX7 Home Health and Safety Screening Questionnaire](#)
- [Form WX8 Health and Safety Checklist](#)
- [Form WX9 CAZ Depressurization Test](#)
- [Form WX10 Daily Safety Test Out](#)
- [Form WX11 Lead Safe Observation Report](#)
- [Form WX12 Checklist for Determination of Approval](#)
- [Form WX13 Weatherization Client Questionnaire](#)
- [Form WX14 Landlord-Tenant Agreement/Permission](#)
- [Form WX15 United States Citizenship Attestation](#)
- [Form WX16 Zero Income Verification](#)
- [Form WX17 Mechanical System Inspection/Clean & Tune](#)
- [Form WX18 Mechanical System Repair/Replacement Bid](#)
- [Form WX19 Frame Home Energy Audit Data Collection](#)
- [Form WX20 Mobile Home Energy Audit Data Collection](#)
- [Form WX21 Completion Service Statement](#)
- [Form WX22 Utility Consumption Information Release](#)
- [Form WX23 Refrigerator Appliance Agreement](#)

- [Form WX24 LIHEAP Heating/Cooling Repair/Replacement Program](#)
- [Form WX25 LIHEAP Heating/Cooling Repair/Replacement Bid](#)
- [Form WX26 Heating/Cooling Repair or Replacement Assistance Quality Control Inspection](#)
- [Form WX27 Weatherization Equipment Purchase Request](#)
- [Form WX28 Request to Remove Items from NeWAP Equipment Inventory](#)
- [Form WX29 Request to Remove Items from Weatherization Vehicle Inventory](#)
- [Asbestos Fact Sheet](#)
- [ASHRAE 62.2 Fact Sheet](#)
- [Combustion Equipment Safety Fact Sheet](#)
- [Radon Fact Sheet](#)