

State of North Carolina Weatherization Assistance Plan Program Year 2024



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(NCDEQ SEO PY 24 State Plan)
July 1, 2024 – June 30, 2025

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TABLE OF CONTENTS

1		
2		
3	EXECUTIVE SUMMARY	5
4	INTRODUCTION	5
5	1 PART I – ANNUAL FILE	6
6	1.01 OVERALL MAIN BUDGET WITH ALLOCATIONS.....	6
7	1.02 SUBGRANTEES	8
8	1.02.1 <i>Subgrantee Communication and Referral Protocols Between the Annual Base Program and Five</i>	
9	<i>Year BIL Program</i>	12
10	1.03 ENERGY SAVINGS	12
11	1.04 MONITORING ACTIVITIES	12
12	1.04.1 <i>Introduction</i>	12
13	1.04.2 <i>Peer Exchange</i>	12
14	1.04.3 <i>NCWAP Monitoring of Subgrantees</i>	13
15	1.05 TRAINING AND TECHNICAL ASSISTANCE.....	14
16	1.05.1 <i>Allocation of T&TA Funds</i>	14
17	1.05.2 <i>Technical Assistance</i>	15
18	1.06 LEVERAGING ACTIVITIES.....	16
19	1.06.1 <i>Other Funds</i>	16
20	1.06.2 <i>DOE Funds as Leverage</i>	16
21	1.07 POLICY ADVISORY COUNCIL	16
22	1.07.1 <i>Make up and Meetings</i>	16
23	2 PART II – MASTER FILE	17
24	2.01 ELIGIBILITY	17
25	2.01.1 <i>Approach to Determining Building Eligibility</i>	17
26	2.01.2 <i>Categorical Eligibility</i>	18
27	2.01.3 <i>Time Period for Income Verification</i>	19
28	2.01.4 <i>Priorities and Wait List</i>	19
29	2.01.5 <i>Equity and Racial Justice</i>	21
30	2.02 CLIMATIC CONDITIONS	22
31	2.03 WEATHERIZATION WORK	22
32	2.03.1 <i>Permission to Proceed</i>	22
33	2.03.2 <i>Re-Weatherization Compliance</i>	23
34	2.04 ENERGY AUDIT PROCEDURE	23
35	2.04.1 <i>Prior to Audit</i>	24
36	2.04.2 <i>Use of US DOE Regional Priority Lists OR the Computerized Audit Tool</i>	24
37	2.04.3 <i>Coordinator Override</i>	25
38	2.04.4 <i>Prioritization of Work</i>	25
39	2.04.5 <i>Audit Tool Training</i>	25
40	2.05 FINAL INSPECTION	25
41	2.05.1 <i>Funding Summary Report</i>	27
42	2.06 ANALYSIS OF EFFECTIVENESS.....	28
43	2.07 HEALTH AND SAFETY PLAN	29
44	2.08 INCIDENTAL REPAIRS.....	30
45	2.09 DOCUMENTATION AND CAPITAL EQUIPMENT	31
46	2.10 PROGRAM MANAGEMENT	31
47	2.10.1 <i>Overview</i>	31

1	2.10.2	Service Delivery System	31
2	2.10.3	Conflict of Interest	32
3	2.10.4	Administrative Expenditure Limits	32
4	2.11	MONITORING – QUALITY ASSURANCE	33
5	2.11.1	Alternative Method - Electronic Storage of Client Files	36
6	2.11.2	Subgrantee Termination	38
7	2.11.3	Exemplary Subgrantee	40
8	2.12	MONITORING – PRODUCTIVITY	43
9	2.13	MULTI-FAMILY	43
10	2.13.1	Multi-Family Eligibility	44
11	2.13.2	Landlord Contribution Clause	45
12	2.14	STANDARD WEATHERIZATION PROCEDURES	46
13	2.14.1	Labor	46
14	2.14.2	Build America, Buy America Act	46
15	2.14.3	Authorization	47
16	2.14.4	Operation of the Program	47
17	2.14.5	Expansion of Manufactured Home Definition	47
18	2.14.6	National Environmental Policy Act Information (NEPA)	48
19	2.15	GENERAL ACCOUNTING PRACTICES	49
20	2.15.1	Submit an Annual Audit	49
21	2.15.2	Receive Authorization from DEQ for Purchases or Lease	49
22	2.15.3	Travel Regulations	50
23	2.15.4	Financial Operations Manual	50
24	2.15.5	Use of Weatherization Funds for Renewable Energy Systems	50
25	2.15.6	Prohibited Expenditures	51
26	2.15.7	Discretion of Procurement	51
27	2.15.8	EPA Compliance	51
28	2.16	REPORTING REQUIREMENTS	51
29	2.16.1	Success Story Reports	56
30	2.16.2	Fuel Switching	56
31	2.16.3	Cook Stoves	56
32	2.16.4	Disaster Relief	56
33	2.16.5	Wood Stove Replacement	57
34	2.17	QUALITY CONTROL	57
35	2.17.1	Fire Codes	57
36	2.17.2	Electrical Codes	57
37	2.17.3	Building Codes	58
38	2.17.4	Materials Installed Properly	58
39	2.17.5	Maximum Service – Holistic Approach	58
40	APPENDICES		59
41	APPENDIX A – PEER EXCHANGE PROTOCOL		APPENDIX A-1
42	APPENDIX B – DETERMINING ELIGIBILITY LEVELS		APPENDIX B-1
43	APPENDIX C – DEFERRAL CRITERIA AND PROCESS		APPENDIX C-1
44	SUPPLEMENT 1 – SAMPLE TRAINING AND CERTIFICATION SCHEDULE		SUPPLEMENT 1-1
45	SUPPLEMENT 2 - READINESS PLAN		SUPPLEMENT 2-1

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EXECUTIVE SUMMARY

Low-income North Carolinians are faced with many multifaceted challenges including inflation, high energy and housing costs, and continued market impacts from the COVID-19 pandemic. The Weatherization Assistance Program (NCWAP) aims to reduce these stressors by improving home energy efficiency, thereby fostering a healthier and more affordable life for North Carolina residents. Based on these initiatives, NCWAP has played a key role in not only decreasing energy costs for low-income persons, but also in reducing carbon emissions as well as providing and promoting jobs in clean energy.

On April 10, 2024, The United States Department of Energy released its funding allocations for FY25 via WPN 24-2. As such, the NCWAP will receive \$6,699,655 of US Department of Energy funds for the purpose of enhancing energy efficiency in the homes of low-income families, particularly those in disadvantaged communities (DACs), in all 100 counties of North Carolina. The NCWAP energy upgrades provide homeowners relief through energy savings and home improvements that support equitable health and safety for North Carolinians.

The purpose of NCWAP is to install energy conservation measures in the homes of income-eligible persons, especially homes occupied by the elderly, persons with disabilities, and children. Funds are applied to the most cost-effective conservation measures, which are determined by conducting an on-site energy audit of the dwelling. Energy conservation measures funded through the program may range from air sealing and insulating single-family homes to replacing heating systems, windows, and doors. NCWAP assistance is eligible in all types of housing units, including both single and multi-family housing, manufactured housing, and group homes. The program is not geographically limited and provides services in each of the state’s 100 counties.

The NCSEO implements NCWAP through a network of local providers with expertise in energy conservation. These subgrantees provide energy conservation services using their own trained crews or by subcontracting work to qualified contractors. To achieve a successful NCWAP program, NCSEO plans to build a more sustainable NCWAP workforce, improve and innovate the existing NCWAP program, and surge the number of weatherized homes.

INTRODUCTION

The State of North Carolina Weatherization Assistance Program State Plan for United States Department of Energy (USDOE) is based on the rules contained within 10 CFR Part 440; 2 CFR Part 200; and all subsequent guidance contained in the USDOE WPNs. It is the responsibility of the Subgrantee to know and be familiar with these rules and guidance. All [NCWAP](#) and [USDOE](#) rules and guidance may be found on their website. At the beginning of the fiscal year, NCWAP’s guidance documents will be sent to Subgrantees for signature acknowledgement that they have been reviewed by appropriate parties and understand where they may be located. In addition, NCWAP’s contracts incorporate the State Plan by reference to include all its requirements.

OVERVIEW AND ORGANIZATION

1
2 The North Carolina Weatherization Assistance Program is administered by the North Carolina
3 Department of Environmental Quality Energy Group. The Weatherization Program Manager
4 oversees the work of the Weatherization Assistance Program.
5

6 ***1 PART I – ANNUAL FILE***

7 8 **1.01 Overall Main Budget with Allocations**

9
10 USDOE 2024-2025 Allocations

11 12 **Annual Formula Funds**

13 Annual formula funds can be used and should be used, in conjunction with other funding sources
14 including private funds as necessary to complete projects. Subgrantees are reminded that the
15 NCWAP is not a rehabilitation or general repairs program. Notwithstanding USDOE readiness
16 funds, program policies strictly prohibit roof replacements, structural repairs, or other non-energy
17 related rehabilitation work. Units requiring this type of repair should be referred to a rehabilitation
18 program or the Subgrantee must use other sources of funds to cover these costs.¹
19

20 **Average cost per unit must be maintained. $ACPU = \text{USDOE Program funds minus USDOE}$
21 **H&S expenditures divided by USDOE completions. The use of supplemental funding**
22 **sources, readiness funds, or private funds does not have a negative impact on the average**
23 **cost per unit or lead to reduced subgrantee funding/redistribution of funding.****

24 25 **Weatherization Readiness Funds**

26 Weatherization Readiness Funds (WRF) are allowed to be carried forward into next budget periods
27 within the same grant cycle (e.g., Program Year (PY) 2023 can be carried into PY 2024).²
28

29 The use of WRF does not need to result in a USDOE-funded completion within the same PY but
30 must be completed within the same grant cycle.

31
32 WRF funds are allowed to be utilized on an annual-formula-funded and BIL-funded
33 weatherization project.
34

¹ [WPN 19-5, “WAP Incidental Repair Measure Guidance, Including: Windows, Doors & Roofs”](#)

² WPN 23-4, “Weatherization Readiness Funds – Expansion of Scope”,

https://www.energy.gov/sites/default/files/2023-01/WPN_23-4_Weatherization_Readiness_Funds_Expansion_of_Scope.pdf

1 **Program Budget**

2
3
4

BUDGET AND PRODUCTION PLANNING	
Grantee Administration	\$502,474
Grantee Training and Tech. Assist.	\$530,322
Subgrantee Administration	\$502,474
Subgrantee Training and Tech. Assist.	\$530,304
Subgrantee Program Operations	\$3,273,798
Subgrantee Health and Safety	\$755,073
Subgrantee Readiness	\$605,210
Total:	\$6,699,655

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17 *Funding for the 2024-2025 Fiscal Year*

18
19 North Carolina State Energy Office (NCSEO) (i.e., Grantee) expects to receive approximately \$6
20 million dollars for fiscal year (FY) 25 as awarded by the USDOE. NCSEO will allocate the funds
21 to Subgrantee program operations, health and safety, training and technical assistance,
22 administration costs, and vehicles defined in detail below.

23
24 NCSEO will provide funds to existing subgrantees based upon their compliance with all State and
25 Federal requirements and the successful completion of their previous program year production
26 goals.

27
28 No more than Fifteen percent (15%) of the total FY25 contract will be reserved for administration
29 by both the Subgrantee and Grantees, with up to 7.5% of that to be reserved for the Grantee to
30 support the program buildout, implementation, monitoring, and evaluation over the BIL contract
31 period. In addition, NCWAP’s health and safety allocation was derived from historical needs and
32 spending habits that are approximately at 25% of the program operations allocation.

33
34 Please note, the Grantee will manage Federal Funds in a prudent, effective, and efficient manner
35 to accomplish program objectives and shall take the necessary steps to ensure that funds are
36 expended within the grant project period. Allocations to individual subgrantees will be subject to
37 a review of production and expenditures during each Program Year and adjusted downward or
38 incrementally funded where NCSEO determines that Program Year allocation may exceed current
39 capacity.

40
41 Program funding is allocated by a formula which factors in the share of low-income households in
42 each region based on the most recent Census data. In FY25, NCWAP will allocate funds based on
43 the method used by USDOE to allocate Program funding to the States which includes the most
44 recent census data, equity factors, **and** climate (heating and cooling degree days)³. The Program

³ [10 CFR 440.10 Allocation of Funds](#)

1 Manager will ensure that all counties receive an equitable distribution of funding.

2 **1.02 Subgrantees**

3
 4 North Carolina’s low-income weatherization network is made up of subgrantees, each with their
 5 own service area. In selecting subgrantees, NCSEO plans to utilize, to the extent possible, the
 6 existing network of service provider agencies that are comprised of Community Action Agencies;
 7 housing authorities; local governments; local area agencies on aging; senior centers; and non-profit
 8 development corporations.

9
 10 If the subgrantee is not selected or participating in the 5-year BIL program, the subgrantee MUST
 11 coordinate and collaborate with the selected Subgrantees of the 5-year BIL program.

12
 13 The following is a list of North Carolina’s existing weatherization Subgrantees.

14

<i>Weatherization Agency</i>	<i>Action Pathways, Inc</i>
<i>Address</i>	4525 Campground Road Fayetteville, NC 28314 PO Box 25759
<i>Congressional District</i>	2, 4, 6, 7, & 8
<i>County Served</i>	Cumberland, Scotland, Montgomery, Columbus, Brunswick, Hoke, Pender, Robeson, Moore, Bladen, & Sampson
<i>Executive Director</i>	Lonnie Ballard
<i>Contact</i>	P: (910) 485-6131
<i>Email</i>	Lonnie.ballard@actionpathways.ngo

15

<i>Weatherization Agency</i>	<i>Blue Ridge Community Action, Inc.</i>
<i>Address</i>	800 North Green Street Morganton NC 28655
<i>Congressional District</i>	5, 9, 10, 11, & 12
<i>County Served</i>	Alexander, Burke, Caldwell, Gaston, Mecklenburg, Stanly, Union, & Catawba
<i>Executive Director</i>	Stephanie Ashley
<i>Contact</i>	P: (828) 438-6255
<i>Email</i>	sashley@brcainc.org

16

<i>Weatherization Agency</i>	<i>Blue Ridge Opportunity Commission, Inc.</i>
<i>Address</i>	710 Veterans Drive North Wilkesboro, NC 28659
<i>Congressional District</i>	5
<i>County Served</i>	Alleghany, Ashe, & Wilkes
<i>Executive Director</i>	Dare Stromer
<i>Contact</i>	P: (336) 667-7174 F: (336) 667-5920
<i>Email</i>	brocds@brocinc.com

17

<i>Weatherization Agency</i>	<i>Cabarrus County Planning and Development Services Department</i>
<i>Address</i>	65 Church Street S Concord, NC 28025 PO Box 707
<i>Congressional District</i>	8 & 12
<i>County Served</i>	Cabarrus
<i>Executive Director</i>	Susie Morris
<i>Contact</i>	P: (704) 920-2141 F: (704) 920-2227

Email

samorris@cabarruscounty.us

1

Weatherization Agency

Central Piedmont Community Action, Inc.

Address
Congressional District
County Served
Executive Director
Contact
Email

1401 Ross Avenue Siler City, NC 27344 | PO Box 626
2, 4, 8, & 9
Chatham, Orange, Anson, & Richmond
Natasha Elliott
P: (919) 742-2277 | F: (919) 742-2299
jacksonn@cpcanc.org

2

Weatherization Agency

Choanoke Area Development Association, Inc.

Address
Congressional District
County Served
Executive Director
Contact
Email

120 Sessoms Drive Rich Square, NC 27869 | PO Box 530
1, 3, & 13
Bertie, Edgecombe, Halifax, Hertford, Martin, & Northampton
Christopher S Moody
P: (252) 539-4155 | F: (252) 539-2048
cmoody@nc-cada.org

3

Weatherization Agency

Coastal Community Action, Inc.

Address
Congressional District
County Served
Executive Director
Contact
Email

303 McQueen Avenue Newport, NC 28570 | PO Box 729
1, 3, & 7
Carteret, Craven, Duplin, Jones, New Hanover, Onslow, Pamlico, & Beaufort
Catissa Head
P: (252) 223-1630
catissa.head@coastalca.org

4

Weatherization Agency

Community Action Opportunities, Inc.

Address
Congressional District
County Served
Executive Director
Contact
Email

25 Gaston Street Asheville, NC 28801
10 & 11
Buncombe, Cleveland, Henderson, Madison, McDowell, Polk, Rutherford, & Transylvania
Vicki Heidinger
P: (828) 252-2495 | F: (828) 253-6319
Vicki.heidinger@communityactionopportunities.org

5

Weatherization Agency

Economic Improvement Council, Inc.

Address
Congressional District
County Served
Executive Director
Contact

712 Virginia Road Edenton, NC 27932 | PO Box 549
1 & 3
Currituck, Washington, Hyde, Camden, Gates, Pasquotank, Perquimans, Tyrrell, Chowan, & Dare
Dr. Landon B Mason, Sr.
P: (252) 482-4495

<i>Email</i>	dr.landon.mason@eicca.org
1 <i>Weatherization Agency</i>	<i>Four Square Community Action, Inc</i>
<i>Address</i>	61 Milton Mashburn Drive Andrews, NC 28901 PO Box 2290
<i>Congressional District</i>	11
<i>County Served</i>	Cherokee, Graham, Swain, and Clay
<i>Executive Director</i>	Sue Lynn Ledford
<i>Contact</i>	P: (828) 321-4475 F: (828) 321-3457
<i>Email</i>	sue.ledford@foursq.org

2 <i>Weatherization Agency</i>	<i>Franklin-Vance-Warren Opportunity, Inc</i>
<i>Address</i>	180 S Beckford Drive Henderson, NC 27536 PO Box 1453
<i>Congressional District</i>	2, 6, & 13
<i>County Served</i>	Franklin, Vance, Warren, Nash, & Granville
<i>Executive Director</i>	Abdul Sm Rasheed & Felicia Gregory
<i>Contact</i>	P: (252) 492-0161 F: (252) 492-6250
<i>Email</i>	abdulsmrasheed@fvwopp.com feliciacoleman@fvwopp.com

3 <i>Weatherization Agency</i>	<i>I-Care, Inc.</i>
<i>Address</i>	1415 Shelton Avenue Statesville, NC 28677 PO Box 7049
<i>Congressional District</i>	5 & 10
<i>County Served</i>	Iredell & Lincoln
<i>Executive Director</i>	Bryan Duncan
<i>Contact</i>	P: (704) 872-8141 F: (704) 871-1299
<i>Email</i>	bryan.duncan@icare-inc.org

4 <i>Weatherization Agency</i>	<i>Johnston-Lee-Harnett Community Action, Inc.</i>
<i>Address</i>	1102 Massey Street Smithfield, NC 27577 PO Drawer 711
<i>Congressional District</i>	2, 4, & 7
<i>County Served</i>	Johnston, Harnett, & Lee
<i>Executive Director</i>	E. Marie Watson
<i>Contact</i>	P: (919) 934-2145 F: (919) 934-6231
<i>Email</i>	jlhca@jlhcommunityaction.org

5 <i>Weatherization Agency</i>	<i>Macon County</i>
<i>Address</i>	5 West Main Street Franklin, NC 28734
<i>Congressional District</i>	11
<i>County Served</i>	Macon
<i>Executive Director</i>	Derek Roland
<i>Contact</i>	P: (828) 349-2025
<i>Email</i>	droland@maconnc.org

6 <i>Weatherization Agency</i>	<i>Mountain Projects, Inc.</i>
<i>Address</i>	2177 Asheville Road Waynesville, NC 28786
<i>Congressional District</i>	11

<p><i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>Haywood & Jackson Patsy Davis P: (828) 452-1447 F: (828) 452-9454 pdavis@mountainprojects.org</p>
<p>1 <i>Weatherization Agency</i> <i>Address</i> <i>Congressional District</i> <i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>Piedmont Triad Regional Council 1398 Carrollton Crossing Drive Kernersville, NC 27284 5, 6, 12, & 13 Alamance, Caswell, Davidson, Forsyth, Guilford, Person, Randolph, & Rockingham Matthew Dolge P: (336) 904-0300 F: (336) 761-2112 mdolge@ptrc.org</p>
<p>2 <i>Weatherization Agency</i> <i>Address</i> <i>Congressional District</i> <i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>Resources for Seniors, Inc. 1110 Navaho Drive, Suite 400 Raleigh, NC 27609 1, 2, 4, 6, & 13 Wake & Durham Kristen Brannock P: (919) 872-7933 F: (919) 872-6683 kristenb@rfsnc.org</p>
<p>3 <i>Weatherization Agency</i> <i>Address</i> <i>Congressional District</i> <i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>W.A.M.Y. Community Action, Inc. 225 Birch Street, Suite 2 Boone, NC 28607 5, 10, & 11 Watauga, Avery, Mitchell, & Yancey April Beck & Melissa Soto P: (828) 264-2421 F: (828) 264-0952 april@wamycommunityaction.org melissa@wamycommunityaction.org</p>
<p>4 <i>Weatherization Agency</i> <i>Address</i> <i>Congressional District</i> <i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>Wayne Action Group for Economic Solvency, Inc. 601 E Royall Avenue Goldsboro, NC 27534 1, 3, 7, & 13 Wayne, Greene, Pitt, Wilson, & Lenoir Patricia Beier P: (919) 734-1178 F: (919) 736-4268 pbeier@wagesnc.org</p>
<p>5 <i>Weatherization Agency</i> <i>Address</i> <i>Congressional District</i> <i>County Served</i> <i>Executive Director</i> <i>Contact</i> <i>Email</i></p>	<p>Yadkin Valley Economic Development District, Inc. 533 N. Carolina Avenue, Highway 601 N Boonville, NC 27011 PO Box 309 5 & 13 Davie, Rowan, Stokes, Surry, & Yadkin Kathy Payne P: (336) 367-7251 F: (336) 367-3637 kpayne@yveddi.com</p>

6

1 **1.02.1 Subgrantee Communication and Referral Protocols Between the Annual**
2 **Base Program and Five Year BIL Program**

3
4 A Memorandum of Understanding (MOU) will be required to be implemented between Subgrantees with
5 common service areas under the annual base program and Five Year BIL program. At a minimum, the
6 MOU will establish client referral and communication protocols between programs that: (1) reduce or
7 eliminate waitlist backlogs in a timely manner; (2) streamline eligibility determination processes; (3)
8 effectively prioritize clients based on the WAP’s priority score; (4) target underserved communities
9 identified by the WAP under Justice 40; and (5) provide methods of transparent communication to clients
10 for intake processes. Overall, these procedures are intended to ensure efficiencies are maintained between
11 programs for client intake, referral, and weatherization activities.

12
13 **1.03 Energy Savings**

14
15 The Grantee will utilize the USDOE energy saving algorithm as per [WPN 23-6](#) and [Memo 113](#). In
16 addition, the Grantee will evaluate environmental and energy benefits based on the goals outlined
17 in the North Carolina Clean Energy Plan and North Carolina House Bill 951.

18
19 **1.04 Monitoring Activities**

20
21 ***1.04.1 Introduction***

22
23 Monitoring is the principal method by which NCWAP can identify areas within the Subgrantee’s
24 program operation and administration where assistance may be required. Approximately 25% of
25 administrative funds may be utilized for monitoring activities. NCWAP ensures that each
26 Subgrantee is monitored during the current grant year. The monitoring visit will consist of all
27 areas under item **1.04.3 c. On-Site Review** of this section. The results of these reviews and
28 individual Subgrantee requirements will determine the need for Training and Technical Assistance
29 (T&TA) and/or additional monitoring.

30
31 Below are the key improvements due to increased monitoring:

- 32
33 1) Client files have become more complete and the forms contained within such files are more
34 consistent statewide.
35 2) Work quality and accuracy is continuing to improve.
36 3) Financial transactions are more accurate, transparent, and maximize programmatic
37 accountability.
38 4) Communication channels have increased to ensure programmatic requirements are
39 known by subrecipients (*i.e., holding 1-on-1 training sessions, conducting statewide*
40 *meetings, and providing technical assistance upon request*).

41
42 ***1.04.2 Peer Exchange***

43
44 Subgrantees will receive Training and Technical Assistance funds to participate in a Peer
45 Exchange. These funds are designed to cover the cost of time, travel, lodging and meals of those
46 involved in Peer Exchange. The Peer Exchange funds will be included in the general T&TA
47 allocation. NCWAP reserves the right to disallow allocations of T&TA Peer Exchange funds to

1 Subgrantees if it is determined such funds are not being used or being used incorrectly.

- 2
- 3 a) The training needs of Subgrantees can be identified and remedied through Peer Exchange
- 4 and NCWAP.
- 5
- 6 b) If participating in the Peer Exchange, Subgrantees will follow the Peer Exchange Protocol
- 7 [\(See Appendix A\)](#).
- 8

9 ***1.04.3 NCWAP Monitoring of Subgrantees***

- 10
- 11 a) **Audit** – Annual monitoring, as required by contract agreement, shall be conducted by
- 12 NCWAP to verify information received on monthly reports and clarify questions raised by
- 13 NCWAP, and/or the Subgrantee.
- 14
- 15 b) **In-House** - All monthly reports shall be monitored by NCWAP to determine compliance
- 16 with program requirements, monitor spending patterns and chart program progress. Any
- 17 irregularities or questions raised by the in-house review that are not readily resolved will
- 18 be sufficient reason to schedule an on-site or desktop review.
- 19
- 20 c) **On-Site Review** - NCWAP may conduct an on-site review on an annual basis and when
- 21 required in item (b) above. The on-site review shall consist of staff from NCWAP and
- 22 qualified technicians as necessary under the direction of the NCWAP Program Manager.
- 23 The following items shall be reviewed at a minimum.
- 24
- 25 ○ **Financial Records** - Including but not limited to the project expense summary,
 - 26 monthly invoice template submitted to NCWAP, source documents from the point
 - 27 of sale (*i.e., original receipts and invoices for all billed transactions*), payroll
 - 28 reports, general ledger, bank statements, checks, audit reports, financial statements
 - 29 and any other records necessary for the review of the financial records.
 - 30
 - 31 ○ **Inventory System** - Including but not limited to purchasing system, internal
 - 32 controls, perpetual equipment and acquisition inventory, financial records and any
 - 33 other records deemed necessary by the reviewer.
 - 34
 - 35 ○ **Client Files** - For accuracy, completeness, demographic information, and
 - 36 documentation of work needed, work completed, client eligibility, accurate client
 - 37 database entries, original invoices/receipts, and inspection of work based on [WPN](#)
 - 38 [20-4](#) and [WPN 22-4](#).
 - 39
 - 40 ○ **Work Completed** - Homes shall be reviewed to determine quality of work,
 - 41 completeness of work, conservation measures installed based on a computerized
 - 42 audit or DOE approved regional priority list to determine cost effectiveness,
 - 43 geographic distribution, proper documentation in client files, client satisfaction and
 - 44 other information deemed necessary by the NCWAP monitor.
 - 45
 - 46

- 1 d) **Subgrantee Post-Installation Inspection** - Each weatherized unit **must** be inspected by
2 the Subgrantee’s Quality Control Inspector to ensure that the work is in compliance with
3 required specifications before the unit is reported to NCWAP as completed. A complete
4 inspection form, legibly signed by the Subgrantee’s inspector shall be placed in each job
5 file. In addition, Subgrantees and their subcontractors **must** certify all weatherization work
6 and materials including base load measures for a period of one year from the time of
7 completion. Certification includes the repair and replacement of defective measures
8 resulting from improper installation or material defect.
9
- 10 e) **Subgrantee Review** - If deficiencies in agency program operations indicate non-
11 compliance with Low Income Weatherization Program Implementation, Master Grant
12 and/or federal rules and regulations, NCWAP will respond by working with the Subgrantee
13 to correct deficiencies.
14
- 15 f) **Provide Training and Technical Assistance** - T&TA activities are intended to maintain
16 or increase the efficiency, quality, and effectiveness of the Weatherization Assistance
17 Program at all levels. Such activities should be designed to maximize energy savings,
18 minimize production costs, improve program management, and/or reduce the potential for
19 waste, fraud and abuse.
20

21 **1.05 Training and Technical Assistance**

22

23 Subgrantees should provide a plan of action to how they will utilize T&TA funds for outreach and
24 training activities within the fiscal year as part of the annual application process. Currently, many
25 of our subgrantees are understaffed and the challenges of retaining and expanding well trained
26 workforce prevent production expansion. The need for structured training is the largest barrier to
27 programmatic advancements. However, through the 5-Year Bipartisan Infrastructure Law
28 Program (BIL), NCWAP addressed capacity building and training for a Professional Development
29 Career Path within our subgrantee network (See Supplement 1 for Sample Training and
30 Certification Schedule). In the BIL program, regional training centers will be developed to provide
31 a structured career advancement schedule and informational center to address technical questions.
32 This will enhance programmatic efficiencies and final work products across the state.
33

34 The NC WAP 5 Year BIL Plan states that there will be free access to all subgrantees for state and
35 DOE–required certifications. Annual T&TA money would cover the cost of travel, lodging, meals,
36 and parking to attend the certification training under the 5-Year BIL program.
37
38

39 ***1.05.1 Allocation of T&TA Funds***

40

41 NCSEO will allocate funds towards the “*Training and Technical Assistance*” contractual line item
42 to meet the training and technical assistance needs of all subgrantees.
43

44 Subgrantees are allowed to spend their annual base “*Program Year*” USDOE T&TA
45 appropriations for:
46

- 1 a) Subgrantee registration costs for the following WAP-related items: (1) official training
2 courses, (2) certifications, certification renewals, and/or exam preparation, (3)
3 continuing education and (4) conferences. These items should be proportionately cost
4 shared among all affected programs [i.e., DOE T&TA, LIHEAP administration, or
5 HARRP administration] and follow the provisions of Section 2.16 of this Plan.
6
- 7 b) Subgrantee travel, lodging, meals, and parking to attend the WAP-related energy
8 functions listed in 1.05.1(a) based on the most recent version of the State of North
9 Carolina Office of State Budget and Management “*per-diem*” sustenance and travel
10 rates. The current rates are found at the following link:
11 <https://www.osbm.nc.gov/budget/budget-memos> (see “*Travel Sustenance Rate*
12 *Revision*”). **Please note that T&TA funds cannot be used to cover the expenses**
13 **listed above for external third parties outside the subgrantee’s direct staff that are**
14 **listed in the annual funding application.**
15
- 16 c) Subgrantee providing information concerning conservation practices to occupants of
17 eligible dwelling units (*i.e., client education*).
18
- 19 d) Evaluation of program outcomes (*i.e., hiring an entity to evaluate program cost and*
20 *energy savings*).
21
- 22 e) Cost-shared [i.e., DOE T&TA, LIHEAP administration, or HARRP administration]
23 salary and fringe for direct subgrantee staff (*listed in the annual funding application*)
24 while attending approved functions in Section 1.05.1.
25
- 26 f) Other WAP-related functions, activities or events not mentioned in Section 1.05.1 (a) –
27 (e) that receive written approval by the Program Manager prior to purchasing,
28 participating, attending, hosting, benefitting, considering, or sponsoring an
29 activity/event.
30

31 ***1.05.2 Technical Assistance***

32 NCWAP staff will provide technical assistance on USDOE related matters to all weatherization
33 programs. Technical assistance shall include but not be limited to the following:
34

- 35 a) Provide guidance in use of regulations.
36
- 37 b) Advise and assist in use of a computerized audit tool and/or USDOE-approved priority list
38 for determining the cost effectiveness of weatherization measures.
39
- 40 c) Provide information obtained from local programs on innovative and successful program
41 methods that are readily adaptable to other projects.
42
- 43 d) Provide monitoring of local projects to assure improvement in quality and services.
44
- 45
- 46

- e) Identify specific problem-solving techniques in areas of labor, transportation, administration, management, and financial control.
- f) Provide information on new materials, procedures, and processes for weatherization work (i.e., *Build America, Buy America Act compliance*).
- g) Coordinate efforts among federal, state, local and private entities to assure continued improvements in the effectiveness of weatherization projects.
- h) NCWAP shall address deficiencies that are identified by program review, audit, reports, regional or national reviewer or other sources.

1.06 Leveraging Activities

1.06.1 Other Funds

NCWAP administers “*Other Funds*” for low-income weatherization. These “*Other Funds*” include Low Income Home Energy Assistance Program (*LIHEAP*), the Heating Appliance Repair and Replacement (*HARRP*) program and any funds designated for low-income weatherization awarded to the state as a result of legal settlements.

Subgrantees also have access to funds from utility rebates. Utility rebates are not administered by NCWAP; however, they should be administered to supplement a NCWAP-sponsored program.

1.06.2 DOE Funds as Leverage

Subgrantees are encouraged to use all available funding to perform energy audits, client home upgrades, HVAC repairs/replacements, and related activities on homes that will be weatherized. For instance, utility weatherization programs that provide client information based on lists provided by the North Carolina Department of Health and Human Services or other HUD-means tested programs are categorically eligible (see *Section 2.01.2*). Weatherization projects involving utility funds with income eligible clients are considered complementary to NC WAP since they maximize programmatic impacts. Leveraging activities do not adversely affect funding subgrantee funding allocations or the ACPU.

1.07 Policy Advisory Council

1.07.1 Make up and Meetings

The Policy Advisory Council provides policy direction and oversight to NCSEO WAP in accordance with 10 CFR 440. The Council meets annually and includes a range of expertise and geographic representation for low-income programs.

1
2
3

North Carolina’s Policy Advisory Council (PAC) Members

Angie Jaco Energy Programs Coordinator, Four Square Community Action, Inc. At-Risk Category: EE and Weatherization Expert angie.jaco@foursq.org	Gary Smith NC Interfaith Power & Light At-Risk Category: Consumer Advocacy Group smithgk@mindpsring.com
Kristen Brannock President at Resource for Seniors At-Risk Category: EE and Weatherization Expert kristenb@rfsnc.org	Michael Blair Community Development Director, PTRC At-Risk Category: EE and Weatherization Expert mblair@ptrc.org
Robert Parrish Raleigh Mayor’s Committee for Persons with Disabilities, Committee Member: Housing At-Risk Category: Consumer Advocacy Group Robertparrish7@gmail.com	Tara Bolen Duke Energy At-Risk Category: EE and Weatherization Expert Tara.bolen@duke-energy.com

4
5
6
7
8

At Risk Categories:

- Energy Efficiency (EE) and Weatherization Expert
- Consumer Advocacy Group

9
10

2 PART II – MASTER FILE

11
12

2.01 Eligibility

13
14
15
16
17

As of the 2022 Census, approximately 671,003 North Carolina households and 3,216,609 individuals are at or below 200% of the federal poverty level.^{4,5} Subgrantees are responsible for determining if a household is eligible for NCWAP assistance. Every dwelling weatherized must meet both the building eligibility *and* client eligibility requirements.

18
19

2.01.1 Approach to Determining Building Eligibility

20
21
22

- Residential dwellings including single family homes, manufactured homes, multifamily homes and shelters are eligible to receive services.

⁴<https://data.census.gov/table/ACSST5Y2022.S1702?q=S1702:%20POVERTY%20STATUS%20IN%20THE%20PAST%2012%20MONTHS%20OF%20FAMILIES&t=Income%20and%20Poverty&g=040XX00US37&y=2022>

⁵<https://data.census.gov/table/ACSST5Y2022.S1701?q=S1701:%20POVERTY%20STATUS%20IN%20THE%20PAST%2012%20MONTHS&t=Income%20and%20Poverty&g=040XX00US37&y=2022>

- 1 • Subgrantees must establish that dwellings are occupied by clients that are eligible to
2 receive services and that proper authorization has been given to conduct work on the
3 dwelling.
- 4 • Ownership of dwellings must be established by Subgrantees through the review and
5 retention of real estate property tax records (*in the case of site-built dwellings*) or personal
6 property tax records or title (*in the case of manufactured homes*).
- 7
- 8 • NCWAP client database determines if home has been previously weatherized and the
9 date. Subgrantees check the database to see if client address has been previously
10 weatherized and the database gives the address and the date.
- 11
- 12 • No client-occupied dwelling shall be weatherized if it is being offered for sale.
- 13
- 14 • No renter occupied dwelling shall be weatherized if it is being offered for sale unless it
15 can be demonstrated that the residence will continue to be occupied by eligible tenants.
- 16
- 17 • No dwelling shall be weatherized if it is currently in foreclosure or if it is included in the
18 bankruptcy of a client (*bankruptcy does not always include loss of the dwelling*).
- 19
- 20 • Subgrantees may also weatherize shelters. For the purpose of determining how many
21 dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter
22 will be counted as one unit. Prior to weatherizing a shelter, the Subgrantee is required to
23 submit information to NCWAP for review and written approval by the Program Manager.
- 24
- 25 • Multifamily units do not comprise 20% or more of the total units reported annually under
26 the annual “*Program Year*” funds. With the annual “*Program Year*” funds, multifamily
27 projects will be submitted to USDOE for approval.
- 28
- 29 • Weatherization of non-stationary campers and trailers that do not have a mailing address
30 associated with the eligible applicants shall not be allowed. The use of a post office box
31 for non-stationary campers or trailers does not meet this requirement.
- 32

33 ***2.01.2 Categorical Eligibility***

34
35 Income eligibility has been expanded to categorically include HUD means-tested programs at or
36 below 80% of Area Median Income (*AMI*) to better facilitate referral services for low-income
37 households, reducing the burden on both the intake agencies and households trying to obtain
38 services. (*Examples of HUD program but not limited to Community Development Block Grants*
39 *(CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy*
40 *Homes Program (OLHCHH), Section 8, etc.*). This initiative will also be bolstered by Focus Area
41 1 of the 5-year Bipartisan Infrastructure Law program.

42
43 The effort explored the overlap in incomes of the different households served through the various
44 programs. The overlap is sufficient to consider “*categorical income eligibility*”, defined across
45 programs as automatically granting program eligibility to applicants who have already met the
46 eligibility requirements of another agency’s identified program.

1
2 Subgrantees may certify that applicants have met the income requirements of HUD means-tested
3 programs through mechanisms including, but not limited to, applicant documentation, interagency
4 lists of recipients, shared system databases, etc. Method of verification of eligibility must be
5 included in the client file.

6
7 Applicants must receive written notification of their eligibility/ineligibility status within thirty days
8 of application submission to the Subgrantee. A copy of the applicant's notice of
9 eligibility/ineligibility must be maintained in the client files. A notice of ineligibility must include
10 the reason(s) for denial of weatherization services. The application for weatherization services
11 must be processed within 30 days of receipt. Incomplete applications should receive a response
12 with a written request for the missing information immediately following the initial review of the
13 application. If services are denied, the applicant has the right to appeal. All denial of services
14 notifications must be in writing with a copy maintained on file by the Subgrantee.

15
16 ***a) What is Income***

17
18 Please refer [Appendix B](#) for the definition of what is income.

19
20 ***b) What Is Not Considered Income***

21
22 Please refer [Appendix B](#) for the definition of what is not considered income.

23
24 ***c) Eligible Buildings***

25 Please refer to [Appendix B](#) for the definition of eligible buildings.

26
27 ***2.01.3 Time Period for Income Verification***

28
29 Verification of income **must** be recertified when the eligibility determination exceeds 12 months.

30
31 **In multi-family buildings**, subgrantees must make every effort to obtain an application for each
32 household. If it is not possible to obtain applications for all households, then documentation must
33 be included in the file as to why the application(s) could not be obtained. A minimum of 66% of
34 the households in the multi-family building must meet income guidelines in order to qualify for
35 assistance unless the requirements of section 2.13 are met.

36
37 Applications older than one (1) year must have the household income reverified within 10 business
38 days.

39
40 **Subgrantees are not required to re-verify income eligibility once the project is started. The**
41 **project start is defined as the date the energy audit is completed.**

42
43 Subgrantees are strongly encouraged to coordinate with HUD means-tested programs to obtain
44 income eligible clients under the categorical eligibility clause of this plan (*see Section 2.01.2*) Once
45 the lists are received, subgrantees are also encouraged to contact clients to render services.

46
47 ***2.01.4 Priorities and Wait List***

1
2 The number of occupied dwellings in North Carolina based on these eligibility criteria far exceeds
3 the limited funding available to provide weatherization services.
4

5 Subgrantees are required to provide priority for weatherization services for persons in certain
6 categories. Priority is given to weatherizing dwelling units that contain a family unit which
7 includes one or more:
8

- 9 a) elderly persons (*age 60 or more*),
- 10 b) persons with disabilities,
- 11 c) a child (*under the age of 6 or expectant mothers*),
- 12 d) households that have a high energy burden (*over 15% of annual income expended on*
13 *energy costs*), energy intensity (*energy usage per square foot*), and,
- 14 e) households that are high residential energy users (*use electric strip heat as the primary*
15 *heat source*).
16

17 A priority waiting list of households to be served is required to be maintained by each subgrantee
18 using a statewide priority rating tool that assigns a greater number of points to households
19 containing priority populations. Each subgrantee is required to report priority considerations
20 through the client database, which provides the Grantee with information necessary to complete
21 DOE's quarterly reporting.
22

23 The subgrantee will be required to conduct the following at least **semi-annually**: (1) review and
24 verify the accuracy of priority list data for each applicant; and (2) ensure that the household income
25 for each applicant has been verified within the past 12 calendar months. If data is found to be
26 missing or outdated, the subgrantee shall contact the affected client within 10 business days of
27 completing the semi-annual review to obtain updated information.
28

29 Subgrantees have some flexibility in prioritizing applications by county or within the entire service
30 area, whichever helps the subgrantee use the work crews or contractors in the most cost- effective
31 and operationally efficient manner.
32

33 Each subgrantee will be responsible for ensuring that State legislative and federal congressional
34 districts are equitably served through outreach, intake opportunities and weatherization services
35 relative to their share of eligible household population.
36

37 Applicants must receive written notification of their eligibility/ineligibility status within thirty days
38 of completed application submission to the subgrantee. A copy of the applicant's notice of
39 eligibility/ineligibility must be maintained in the client files. A notice of ineligibility must include
40 the reason (s) for denial of weatherization services. The application for weatherization services
41 must be processed within 30 days of receipt. Incomplete applications should receive a response
42 with a written request for the missing information immediately following the initial review of the
43 application. If services are denied, the applicant has the right to appeal. All denial of services
44 notifications must be in writing with a copy maintained on file by the Subgrantee.
45

1 Finally, North Carolina requires subgrantees to prioritize assistance to properties where other
2 housing resources can be leveraged. This includes programs that increase energy efficiency,
3 minimize the impact of high energy costs, reduce utility bills, and provide for the comfort and
4 safety to low-income households throughout North Carolina. Housing programs such as those
5 offered by investor-owned utilities, cooperative utilities, and municipal utilities are eligible to
6 compliment weatherization services that meet the income verification requirements.
7
8

9 ***2.01.5 Equity and Racial Justice***

10
11 The Justice40 Initiative entails that 40% of the overall benefits of certain Federal climate, clean
12 energy, affordable and sustainable housing, and other investments are directed towards
13 disadvantaged communities that are faced with underinvestment and over pollution. Types of
14 investments made by the Justice40 Initiative include benefits to disadvantaged communities under
15 the following areas: climate change, clean energy and energy efficiency, clean transit, affordable
16 and sustainable housing, training and workforce development, remediation and reduction of legacy
17 pollution, and the development of critical clean water and wastewater infrastructure⁶.
18

19 Under the Justice 40 Initiative, NCSEO has committed to advance equity and racial justice by
20 identifying and addressing institutional and systematic barriers that have created and perpetuated
21 patterns of disparity in housing and economic prosperity. Towards that goal, NCSEO will be
22 evaluating equity and racial justice of populations served by using a GIS mapping tool known as
23 the Climate and Economic Justice Screening Tool (CJEST). CJEST helps identify disadvantaged
24 communities, referred to as Justice40 communities, and include all federally Recognized Tribes
25 and whether or not they have land⁷.
26

27 This tool will provide a comprehensive overview of North Carolina’s low-income communities
28 and assist with identifying those that that have not had equitable access to weatherization services.
29 The tool will also assist with the fair treatment and meaningful involvement of all people regardless
30 of race, color, national origin, with respect to the development, implementation, and enforcement
31 of regulations and policies.
32

33 **Nondiscrimination**

34
35 No person shall on the grounds of race, color, religion, national origin, sex, disability, familial
36 status, sexual orientation, gender identity, marital status, or source of income be excluded from
37 participation in, be denied the benefits of, or be subjected to discrimination under any program or
38 activity funded in whole or part with USDOE funds. Any prohibition against discrimination on
39 the basis of age under the Age Discrimination Act of 1975, or with respect to an otherwise qualified
40 disabled individual as provided in section 504 of the Rehabilitation Act of 1973, also shall apply
41 to this weatherization program.
42
43

⁶ <https://www.whitehouse.gov/environmentaljustice/justice40/>

2.02 Climatic Conditions

Grantee uses heating degree day info and references:

<https://www.eia.gov/energyexplained/units-and-calculators/degree-days.php> EIA Degree Days Calculations document attached to SF424 in PAGE. NCWAP will transition to the Weatherization Assistant web-based software that has assumptions that splits NC into climactic regions that determine the impacts to eligible weatherization units.

Most of North Carolina has a humid subtropical climate. The climate in the higher elevations of the Appalachian Mountains is subtropical highland. Climate varies with altitude, so the State's coastline is naturally warmer than the mountains in the west. During July, most of the state has an average daytime temperature of 90°F. During January, the daytime average temperature is near 50°F. When conducting a computerized audit, Subgrantees select the weather station closest to client's dwelling to ensure that climatic variations are considered with determining what is cost effective.

Maps of North Carolina's climate may be found at the following link:

<https://products.climate.ncsu.edu/climate/>

2.03 Weatherization Work

All energy efficiency work is being performed in accordance with the USDOE approved energy audit procedures and 10 CFR 440 Appendix A.

2.03.1 *Permission to Proceed*

Prior to any work conducted on a dwelling (*including baseload measures*), and prior to a subcontractor visiting the dwelling for purposes of evaluating job costs, the Subgrantee **must** have a signed statement from the owner or their agent that permission has been granted to perform weatherization and baseload measures on and at the dwelling. At a minimum, the statement **must** include:

- a) A list of possible measures that may be installed.
- b) If walls are to be blown with insulation, it must indicate the owner or their agent has seen pictures of what a wall blown with insulation includes, and how the dwelling will look when completed.
- c) Written permission to release 12 months of utility data prior to weatherization and 12 months of utility data post-weatherization activities.
- d) If a refrigerator(s) is to be installed, the statement **must** clearly indicate who owns the refrigerator. A copy of this statement with owner's (*and owner's agent*) signature, printed/typed name of each signatory, and date signed, **must** be clearly visible in the job file. A second copy of the signed refrigerator owner statement **must** be given to the tenant; and the original signed statement must be given to the owner (*or owner's agent*).

1
2 **Neither stand-alone freezers nor through the door ice/water dispensers are allowed**
3 **when utilizing DOE funding.**

4 *Note: Subgrantees must have an NCSEO approved refrigerator replacement plan prior to*
5 *replacing refrigerators.*

- 6
7 e) The residence is not currently for sale by owner of property, nor is it designated for
8 acquisition or clearance (*foreclosure*) by federal, state, or local programs.
9
10 f) Only one signature from a person listed on the title deed is required. If a person's name is
11 on the deed and they do not live in the home, their income information should not be
12 included.
13

14 **2.03.2 Re-Weatherization Compliance**

15
16 In accordance with 42 U.S. Code §6865(c)(2), housing units that were weatherized using USDOE
17 or other federal funds may not be "*re-weatherized*" until the date that is 15 years after the
18 completion date of the previous weatherization. Sub-grantees shall add a question to their
19 weatherization applications asking if the home has been weatherized in the last 15 years. Other
20 federal funds include sources such as LIHEAP, HUD, or USDA weatherization activities.
21 Subgrantee must examine all submitted paperwork by the clients to determine if they have received
22 weatherization services in the past and they must cross check the NCWAP client database. If so,
23 the Subgrantee can determine if the work falls under the definition of weatherization. If the client
24 did receive Federally funded weatherization services during that time frame, they shall be denied
25 weatherization utilizing USDOE during the 15-year period.
26

27 Upon written approval by the Program Manager, it is acceptable for subgrantees to reopen closed
28 client jobs to perform warranty repairs and/or services.
29

30 **2.04 Energy Audit Procedure**

31 **Single Family**

32 In accordance with [WAP Memo 113](#) and [WPN 23-6](#), NCWAP will require the use of the
33 Weatherization Assistant web-based (WAweb) platform for single family energy audits on or after
34 July 1, 2024 -OR- once approved, the US DOE "Climate Region 2" approved priority list identified
35 in Section 2.04.2. These tools were created by US DOE for single family homes, mobile homes,
36 and small multifamily dwellings. Throughout this process, NCWAP will keep the network
37 informed of updates, resources, and training opportunities via email or memorandum.
38
39

40 **Computer modeling Dwelling Criteria**

41
42 As defined in the policy computer modeling audit is to be used for the following building types:
43

- 44 a) Single-family dwellings up to 4-plexes,
45 b) Mobile homes, and
46 c) Multifamily buildings (*multi-family residential buildings containing 5 or more units per*

1 *building)*

2
3 **Multifamily**

4 Large multi-family dwelling criteria will follow the guidelines according to [WPN 22-12](#) and any
5 subsequent amendments or editions. Energy Auditors and QCI inspectors will be required to have
6 proper certification for multifamily buildings including training on multifamily auditing software
7 and the BPI multifamily QCI certification.

8
9 NC WAP plans to adopt the option to utilize the TREAT computer energy audit -OR- the US DOE
10 “Climate Region 2” priority list for low-rise multifamily buildings (*see Section 2.04.2*). Computer
11 energy audits require a physical inspection of the home, specific diagnostic tests, and proper data
12 input into the software program. An energy profile of the existing home is compared to a set of
13 improvements recommended for installation. Each measure is then evaluated, and a report is
14 generated with the cost-effectiveness of each measure listed by Savings to Investment Ratio (*SIR*).

15
16 Subgrantees are required to have certified Energy Auditors or Quality Control Inspectors conduct
17 residential energy modeling software. If a modeling analysis is completed by a non-certified user,
18 it must be reviewed by a certified user.

19
20 ***2.04.1 Prior to Audit***

21
22 Prior to an audit of a prospective dwelling, the Subgrantee **must** have a completed application and
23 all necessary paperwork, including proof of income eligibility, owner’s name and address/contact
24 information as well as utility supplier(s).

25
26 ***2.04.2 Use of US DOE Regional Priority Lists OR the Computerized Audit Tool***

27
28 NCWAP will be adopting the single family and multifamily USDOE “*Climate Region 2*” priority
29 lists (*PLs*) for optional use in the NCWAP program. This allowance is designed for energy audits
30 to be conducted using predefined lists by housing type when “*similar dwelling units without*
31 *unusual energy-consuming characteristics*” exist. The USDOE has determined what these similar
32 dwelling unit types are and what measures should be considered for installation in these dwelling
33 types based on regional differences in climate and energy costs.

34
35 These optional regional Priority Lists are not exhaustive and do not include every measure that
36 may be cost effective on a site-specific basis. If a dwelling unit needs measure(s) that are not
37 included within the PL, or if the unit/home does not meet the basic requirements of the PL, then a
38 site-specific energy audit will be required to be run utilizing USDOE approved software (i.e.,
39 Weatherization Assistant for the Web (WAweb)) and according to the dwelling type audit protocol.
40 It is important to note that only one tool can be used at each dwelling unit (i.e., not combining
41 factors/elements between the PL and computerized audit tool). Eligibility must be determined prior
42 to utilizing the PLs and have requirements for Health and Safety measures installed according to
43 the Health and Safety Plan.

44
45 Subgrantees may not utilize the PL for USDOE units until the NCWAP Program Manager provides
46 official notification to the network via memorandum.

1 **2.04.3 Coordinator Override**

2
3 Coordinator Override is not allowed under the USDOE State Plan. If a measure is deemed as “not
4 cost effective” using an approved computerized audit (i.e., WAweb, TREAT, REM, etc...), it must
5 be omitted or purchased through non-USDOE funds. Such activities must be documented and
6 included in the client file.
7

8 **2.04.4 Prioritization of Work**

9
10 When using the computerized audit tool, work will be prioritized and completed in descending
11 order with measures receiving the highest cost effectiveness (SIR) to lowest cost effectiveness.
12 **The average cost per unit (ACPU) for overall program expenditure is limited to the annual**
13 **inflation adjustment as established by USDOE through Weatherization Program Notices**
14 **(see WPN 24-1).**
15

16 **2.04.5 Audit Tool Training**

17
18 NCWAP has implemented the minimum two-week Energy Auditor Certification requirement for
19 all Energy Auditors to cross-reference the schedule identified in "Supplement 1". As of July 1,
20 2024, all subgrantees are required to utilize WAweb for energy audits.
21

22 **2.05 Final Inspection**

23
24 By signing the NCWAP Contract, the Subgrantee agrees that all NCWAP work including
25 audits/testing, installation of energy conservation measures, health and safety measures, incidental
26 repair measures, and final inspections will be performed in compliance with the NCWAP
27 standards.
28

29 NCWAP shall require that certified QCI are identified in the Subgrantee annual application, and
30 this certification shall be verified on the Building Performance Institute Website.
31

32 Grantee monitoring shall confirm that only certified QCI’s are performing final inspections prior
33 to all DOE and LIHEAP closures. If monitoring reveals that the QCI is not adhering to the
34 alignment with the Standard Work Specification (SWS) or maintaining updated required
35 certifications, a technical finding shall be issued to the Subgrantee which will require a Corrective
36 Action Workplan. Additionally, training will be identified to remedy the deficiency with the QCI
37 in question and additional Grantee monitoring will be required to a rate of 10% in subsequent fiscal
38 years. (See Quality Assurance Plan below).
39

40 Prior to closure of DOE or LIHEAP jobs, a final inspection of the installed measures must be
41 conducted by a Quality Control Inspector (QCI). Subgrantees may use an external third-party QCI
42 if one of the following criteria are met:
43

- 44 (a) a certified QCI is not on staff;
45 (b) a certified QCI is on staff but is on extended leave for a period of four or more
46 consecutive weeks; or
47 (c) all field staff have expired QCI licenses and provide NCWAP documentation that they

1 are actively working to renew the licenses.

2
3 A Subgrantee may not contract their own QCIs to other subgrantees unless **each** of the following
4 criteria are met:

- 5 (i) The subgrantee provides a written justification to the NCWAP Program Manager
6 containing the proposed business need, scope of work, timeframe, and the total
7 compensation.
8 (ii) The subgrantee is meeting or exceeding quarterly expectations for program
9 expenditures and completed units.
10 (iii) The NCWAP Program Manager provides written approval of the request.

11
12 Each QCI is required to have an Energy Auditor Certification. North Carolina's subgrantees
13 typically have QCI final inspectors on staff that are different from the initial auditor.

- 14
15 a) QCI's shall possess the knowledge, skills and abilities in the National Renewable Energy
16 Laboratory (*NREL*) Job Task Analysis for Quality Control Inspectors. All QCI's must be
17 certified as a Home Energy Professional Quality Control Inspector.
18
19 b) Subgrantees require new final inspectors to have QCI certification within one year of hire.
20
21 c) Prior to "*close out*" of weatherization activities for a completed unit (i.e. DOE and/or
22 LIHEAP), at least one QCI signature and associated license number is required to be
23 transcribed on the Grantee's final inspection form. In addition, all activities associated with
24 "*close out*" are required to be reported in the Grantee's client database within the
25 timeframes specified in other sections of this plan.

26
27 **Final inspections:**

- 28
29 a) All DOE and LIHEAP units require post installation inspection completed by a certified
30 Quality Control Inspector. This must be performed by someone other than the person who
31 installed the primary weatherization measures. The Quality Control Inspector is
32 encouraged not to also serve as the Energy Auditor for the same dwelling. If this is not
33 possible, the Subgrantee shall be subjected to additional monitoring by the Grantee at a
34 rate of 10% of completed units.
35
36 b) Shall be aligned with the Standard Work Specifications (*SWS*) and the Subgrantee contracts
37 and subcontractor agreements cite that work must align with the *SWS*.
38
39 c) Must include the certification that any mechanical work performed, and that installed
40 weatherization work has been completed in a workmanlike manner and in accordance with
41 the priority determined by the audit procedures required by 10 CFR 440.21.
42
43 d) To ensure all planned measures were performed and completed, the original energy audit,
44 work order (*and subsequent change orders*), and all invoices/receipts previously submitted
45 to the Subgrantee must be available during the final inspection.
46

1 e) All invoices must be reconciled with the work orders and must be paid by the Subgrantee
2 before the job can be submitted for reimbursement.

3
4 f) The Grantee reserves the right to require a subgrantee to produce all invoices/receipts at
5 final inspection if providing invoices/receipts has been problematic for that Subgrantee.
6

7 NCWAP has implemented a Quality Assurance Plan, a 3-Strike Removal Rule for QCI's that have
8 repeat findings.
9

10 For Closed Jobs at Monitoring: If there are repeat findings from a QCI, additional training will be
11 required. If after successfully passing additional training, the QCI continues to have repeat
12 findings, NCWAP will not accept any final inspections signed by that QCI and the QCI will be
13 required to complete the following steps:
14

15 Step 1: Counseling: NCWAP will schedule a counseling session with the QCI.
16

17 Step 2: Additional Training: As a result of counseling, the QCI must attend and pass
18 mandatory additional training.
19

20 Step 3: Removal from QCI Final Inspections: If the QCI is unable or unwilling to perform
21 to the standards set by NCWAP, they will no longer be allowed to conduct QCI Final
22 Inspections for NCWAP for a minimum of two program years. After the completion of the
23 two-year period, the employee may request to be reinstated into the role of QCI. The
24 request to be reinstated must include the corrective action steps that were taken and
25 justification. The request will be approved or denied by the NCWAP Program Manager.
26

27 NCWAP also reserves the right to reject work from Energy Auditors or subcontractors that have
28 repeat findings.
29

30 **2.05.1 Funding Summary Report**

31
32 All weatherization projects are required to include a funding summary report in the client file. The
33 funding summary report **must**, at minimum, include:
34

35 a) Actual costs of each measure completed by program and contractual line item (*i.e.*, *DOE;*
36 *Program Operations; \$50.34*).

37
38 b) Alternative funding source(s) utilized for each measure along with associated totals.
39

40 c) If a non-cost-effective measure is "*bought down*" using appropriate funding, the amount of
41 the "*buy down*" must be indicated, funding source identified and explained on the funding
42 summary report.
43

44 d) If a non-cost-effective measure is completed and paid for completely using appropriate
45 funding, the funding must be identified and explained on the funding summary report.
46

2.06 Analysis of Effectiveness

Annually, Subgrantees are individually assessed for risk before weatherization contracts are awarded. These risk assessments are performed to gauge each Subgrantee's effectiveness in the areas including but not limited to:

- (a) the extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion (i.e., spending, completed units, ACPU, etc...);
- (b) the quality of work performed by the subgrantee (i.e., *field and desktop monitoring results*);
- (c) the number, qualifications, and experience of the staff members of the subgrantee.
- (d) turnover rates for key executive staff;
- (e) the ability of the subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs;
- (f) compliance with monthly financial reporting under Section 2.16 of this Plan;
- (g) professional conduct towards external stakeholders (i.e., *NCWAP, clients, subcontractors, etc...*);

Any Subgrantee deemed to be medium or high risk based on the NCWAP's assessment template must complete a Corrective Action Plan (CAP). At a minimum, the CAP must address: the root cause of the deficiencies; the organizational sponsor; key supporting organizations (*if applicable*); descriptions of core components of each corrective measure; impediments/challenges to success; accomplishments to date; remaining near term actions; and specific, measurable, achievable, realistic, and timebound goals that will be taken to ensure improvement.

Once the NCWAP Program Manager reviews the submittal and provides written approval, the NCWAP will provide continuous follow-up on any issues during monitoring or compliance meetings. Subgrantee effectiveness is evaluated through monitoring. As noted above, any noted deficiencies are addressed with findings and corrective actions.

NCWAP may conduct a program energy savings evaluation, measurement, and verification to determine the energy savings as a result of weatherization services. At a minimum, this evaluation shall consist of an analysis of weatherization improvements and utility billing data to determine program effectiveness.

As part of the energy efficiency risk assessment, Subgrantees are required, when possible, to obtain twelve months' prior energy usage of metered energy sources for each dwelling to be weatherized for accurate energy savings calculations. NCWAP may contract with a third party (*via T&TA funds*) to measure and verify at least 12 months of post-installation energy savings data based actual billing data.

In addition, measured percentages in home air infiltration reduction (*measured by a blower door*) are used to ascertain the amount of energy efficiency-based savings. Risk is assessed for all Subgrantees whose blower door numbers reflect home air infiltration reductions averaging under 30%. For Subgrantees who average less than 30% reduction, other factors are examined to determine if adequate reduction has taken place.

1 Any Subgrantee deemed to be medium or high risk must complete a CAP. The CAP must address
2 the root cause of the deficiency and the specific steps that shall be taken to ensure improvement.
3 These steps may include but are not limited to:

- 4
- 5 a) additional oversight by subgrantee management,
- 6 b) additional training, or
- 7 c) staff reorganization.

8

9 The NCWAP Program Manager approves the CAP, and NCWAP staff follow up on any issues
10 during monitoring. Subgrantee effectiveness is evaluated through monitoring. Any noted
11 deficiencies are addressed with findings and corrective actions.

12 **Production and Program Monitoring**

13

14 All subgrantees' production are tracked monthly using the client database and monthly financial
15 reporting requirements. Those not meeting expectations are contacted and receive additional
16 guidance to assist them in meeting production goals.

17

18 NCWAP uses these interactions and subgrantee programmatic monitoring visits to assist in
19 determining and prioritizing training needs for individual Subgrantees as well as the network.

20 **Financial**

21

22 All subgrantee financial performance is tracked and compared monthly as a part of the monthly
23 reimbursement process. Those not meeting expectations are contacted and receive additional
24 guidance to assist them in meeting goals. NCWAP uses these interactions and monthly financial
25 monitoring via reimbursement procedures outlined in Section 2.16 to assist in determining and
26 prioritizing training needs for the individual Subgrantees as well as the network. Any noted
27 deficiencies are addressed with findings/corrective actions.

28 **2.07 Health and Safety Plan**

29

30 A major goal in weatherization efforts is to promote and establish a safe and healthy living
31 environment for the clients. A portion of the Weatherization funds allocated to Subgrantees is
32 targeted toward health and safety (*H&S*) measures. Often, subgrantee utilization of these funds are
33 in conjunction with leveraged funds from other organizations. Management of these H&S funds
34 are evaluated and tracked monthly via the financial reporting requirements in Section 2.16. These
35 funds are used for measures that help provide, maintain, or mitigate deleterious elements to
36 promote healthy living in weatherized homes. Health and safety measures include actions to
37 improve indoor air quality and control environmental pollutants. The mitigation of items such as
38 mold, radon, emissions from combustion appliances, and contaminants from forced-air HVAC
39 systems are the emphasis of H&S measures. Measures performed in these areas should align with
40 the North Carolina Standard Work Specifications (*SWS*) and provide protection for weatherization
41 workers and clients.

42

43 The primary goal of the NCWAP is equitable access to energy efficiency and provide a just

1 transition to a clean energy economy. However, USDOE allows funds to be set-aside and used for
2 “health and safety” risk mitigation; thus no longer requiring these costs to be within the per-home
3 ACPU. USDOE does require that subgrantees denote any H&S measures and cost percentages
4 associated with DOE funds. Additionally, they require that Grantees develop a Health & Safety
5 Plan (*H&SP*). NCWAP considers the H&SP a meaningful guidance tool for subgrantees,
6 subcontractors and weatherization crew members.

7
8 NCWAP requires subgrantees to collect health information from clients to identify high-risk
9 clients or H&S concerns. NCWAP deems clients as “at-risk” if they are: (1) over 65 years of age;
10 (2) have disabilities; or (3) have pre-existing health conditions. Additionally, NCWAP requires
11 that subgrantees educate clients on potential H&S risks associated with lead-based paints and
12 materials, asbestos, radon, carbon monoxide, mold, and off gassing products such as spray foam
13 sealants and adhesives. Subgrantee weatherization staff and auditors are trained specifically on the
14 H&S guidelines that are located in the SWS and provided by various weatherization trainings by
15 qualified providers outlined in the “*Training and Technical Assistance Plan*”. These training
16 providers are local, state, regional, network-based, conference-based, and/or web-based. Under the
17 5-Year BIL program, Focus Area 2 will provide regional training centers in North Carolina to
18 assist with the training and technical assistance needs of the network. This will assist with
19 achieving higher-quality work products and capacity building across the State.

20
21 Any renovation, repair, or painting (*RRP*) project in a pre-1978 home or building can create
22 harmful lead particulates. NCWAP requires that RRP projects that disturb lead-based paint in
23 home, childcare facilities, and preschools built before 1978 be performed by lead-safe certified
24 contractors to minimize exposure to clients and crews.

25
26 In the event that a home falls outside typical H&S measures listed above or in the H&SP, the
27 subgrantee must submit a written request and receive written approval by NCWAP in order to
28 properly evaluate and make determinations on a case-by-case basis. NCWAP will use staff
29 expertise in areas such as construction, building science, physics, and engineering judgement to
30 make these written determinations based on USDOE regulations and guidance.

31
32 Potential contaminants sourced from HVAC systems can be evaluated and mitigated using H&S
33 funding. As part of the heating system evaluations, subgrantees assign qualified HVAC
34 subcontractors to perform Evaluate, Clean and Tune (*ECT*) measures. These subcontractors
35 professionally evaluate heating systems to determine if they require cleaning or tuning. The
36 economic practicality of performing ECTs on non-functioning units or systems needing major
37 repairs is also evaluated at the initial system inspection. ECTs or repairs costing greater than 25%
38 of the equivalent system replacement cost shall be replaced without any original system cleaning.

39 40 **2.08 Incidental Repairs**

41
42 NCWAP allows subgrantees to spend funds to perform Incidental Repair Measures (*IRMs*). These
43 IRMs are considered minor repairs and are limited to weatherization and HARRP-based measures
44 that are necessary for the effective performance or preservation of weatherization and heating
45 materials. Proper utilization of materials, methods, and payments associated with IRMs are
46 evaluated during monthly financial reporting in Section 2.16 and through programmatic

1 monitoring of sample client files. Any noted deficiencies with IRM utilization are addressed with
2 additional training and findings/corrective actions.

3
4 Dwellings that require IRMs must have a site-specific computerized audit in which the cost of the
5 IRMs are added. This is to ensure that the **package of measures** do not reduce the **overall SIR** to
6 less than 1.0. If the projected IRMs drop the total SIR below 1.0 with no other leverageable funds,
7 the dwelling must be deferred, or the measure and incidental repair removed. If the measure and
8 incidental repair is removed, it must be determined if weatherization services can be performed.
9 The following defines minor, limited, and major repairs:

- 10
11 a) Minor Repair – Less than \$200
12 b) Limited Repair – Greater than \$200 but less than \$1,500
13 c) Major Repair – Greater than \$1,500

14
15 An incidental repair is a repair necessary for the effective performance or preservation of
16 weatherization materials. **Incidental repair costs must be included in the job cost and SIR**
17 **calculations.**

18 19 **2.09 Documentation and Capital Equipment**

20
21 All documentation and capital equipment paid for by NCWAP funds shall remain the property of
22 NCWAP. In the event of program closure, contractual revocation, or any other activity where
23 NCWAP needs access to programmatic documentation or capital equipment, such items shall
24 revert to NCWAP.

25 26 **2.10 Program Management**

27
28 Under the Energy Conservation in Existing Buildings Act of 1976, funds are available for
29 weatherization assistance for low-income persons. As outlined in 10 CFR 440, the Governor of
30 each state shall designate a Grantee at the state level to receive and administer these funds within
31 the State.

32 33 **2.10.1 Overview**

34
35 Based on experience in granting funds to local agencies for operating programs designed to assist
36 low-income persons, the Governor of North Carolina has designated the NCSEO as the agency
37 that shall have responsibility to apply for, receive, and administer U.S. Department of Energy
38 Weatherization Assistance Program funds.

39 40 **2.10.2 Service Delivery System**

41
42 In selecting subgrantees, NCSEO plans to utilize, to the extent possible, the existing network of
43 service provider agencies including Community Action Agencies (CAAs); Community Based
44 Organizations (CBOs); Area Agencies on Aging (AAAs); and Special Population Organizations
45 (SPOs). For the purpose of this plan, there will not be a distinction as to type of agency, but rather
46 all agencies shall be identified as “subgrantees.”

1
2 **2.10.3 Conflict of Interest**

3
4 **Additional Services Outside the Scope of NCWAP**

5 Subgrantees, its contractors, subcontractors, and vendors, acting either as individuals or on behalf
6 of a third-party agreement, may not solicit or provide additional services outside of the NCWAP-
7 approved scope of work to low-income clients, while that client is receiving weatherization
8 services.

9 A contractor must keep separate all work that is not considered a Weatherization Assistance
10 Program assignment for a length of time that is agreed upon by the contractor and the subgrantee.
11 In addition, there must be a written contract identifying this agreement and all work that needs to
12 be performed. All NCWAP's grant-funded work must be completed in its entirety, successfully
13 pass the post-installation inspection, and be paid in full prior to the commencement of any
14 additional work under other funding streams or third-party agreements.

15
16 The purpose of this policy is to avoid the appearance of, or the existence of, an actual conflict of
17 interest related to the NCWAP scope of work.

18
19 **NCWAP Services for Subgrantee Employees or Relatives**

20 Subgrantees should be aware that providing service to employee(s) or relative(s) may appear as a
21 conflict of interest. In all cases, subgrantees must obtain written approval from the NCWAP
22 Program Manager before rendering service(s) by submitting a signed/dated request by the
23 Executive Director or his/her designee that certifies and provides documentation for the following:
24

- 25 1) The subgrantee clearly identified all affected staff member(s), board member(s) and/or
26 associated employee relative(s) that could appear as a conflict of interest.
- 27 2) The subgrantee will recuse affected staff member(s) or board member(s) from
28 participating, having responsibilities, exercising power, or influence over the client's
29 NCWAP activities.
- 30 3) The affected client will not be given preferential treatment with respect to assumptions in
31 the energy model, priority score, or position in the waitlist; and
- 32 4) The subgrantee will provide factors, circumstances, and criteria that show how working
33 with the affected client will be fair, reasonable, and in the subgrantee's best interest.
34

35 If written approval is provided by the NCWAP Program Manager, the Grantee must conduct on-
36 site and technical monitoring for the affected client's closed job to ensure a fair and equitable
37 process.
38

39 **2.10.4 Administrative Expenditure Limits**

40
41 Sec. 1011(g) of the Energy Act of 2020 (*Division Z of P.L. 116-260*) includes language that will
42 amend 42 U.S. Code § 6865(a)(1) language on administrative funds. The USDOE administrative
43 cost category is now at 15%.

44
45 USDOE will allocate the 15%, with a direct split between the Grantee and its Subgrantees. Not
46 more than 7.5% may be used by the Grantee for such purposes, and not less than 7.5 % must be
47 made available to Subgrantees.

1
2 The LIHEAP administrative cost category is 10% (5% for the Grantee; and 5% for the
3 Subgrantee).

4
5 Consistent with past practices, USDOE includes the provision where a Grantee may provide in its
6 annual plan an additional 5% for administration for recipients of grants of less than \$350,000. The
7 Grantee must determine that such recipient requires the additional amount to effectively implement
8 USDOE's administrative requirements.

9 10 **2.11 Monitoring – Quality Assurance**

11
12 The Grantee maintains qualified personnel to monitor the fiscal and programmatic activities of the
13 Subgrantees. A comprehensive monitoring plan (*closed and in-progress jobs*) will be developed
14 that requires the evaluation of all aspects of the program at the Subgrantee level and allows the
15 Grantee to accurately track Subgrantee performance levels throughout the contract period. This
16 plan allows the Grantee to track subgrantee performance and provides for the tailoring of
17 monitoring activities so that all agencies will receive the level of training and technical assistance
18 appropriate to their level of performance. Grantee provides additional monitoring to Subgrantees
19 with significant deficiencies of a rate of 10%. NCWAP may, at its discretion, provide training via
20 webinars, teleconferencing, onsite, and through accredited training facilities.

21
22 NCWAP will conduct monthly billing/reimbursement reviews for each Subgrantee via desktop
23 monitoring in accordance with Section 2.16 of this Plan. Subgrantees are required to submit a
24 complete package of documentation to NCWAP for all weatherization expenses incurred within a
25 30-day period prior to receiving reimbursement of funds. Fiscal monitoring focuses on fiscal and
26 administrative compliance with all applicable federal/state regulations and laws. Fiscal Analysts
27 review annual subgrantee financial audits and issue an “*Auditing Financial Findings*” letter if there
28 are any relevant findings.

29
30 NCWAP's Quality Control Inspectors (*QCI*) will conduct desktop and/or onsite monitoring for
31 each Subgrantee throughout the fiscal year based on the Program Manager's approval of the
32 monitoring method. QCIs review of the client files for completed jobs includes but is not limited
33 to the following documentation:

34 35 **Client File: Tab 1**

- 36 a) NCWAP client file checklist.
37 b) The original version of signed/dated client application forms.
38 c) Proof of identity and legal US residency status.**
39 d) Proof of property ownership or copies of signed/dated rental agreements.
40 e) Documentation to substantiate client eligibility/income verification.
41 f) Documentation to substantiate assumptions in the priority score.
42 g) Subgrantee approval letter(s) to render service.
43 h) State Historic Preservation documentation (*if applicable*).

44
45 *Social Security Numbers***

1 Below is programmatic guidance for Social Security Numbers (SSN):

- 2 • USDOE Programs – Neither a photocopy of the Social Security card nor recording
3 the partial or full Social Security number is required to be included in “*Client File:*
4 *Tab 1*”.
- 5
- 6 • LIHEAP and HARRP – A photocopy of the Social Security card is not required to
7 be included in “*Client File: Tab 1*” if the full Social Security number is recorded
8 in the application.
- 9

10 *Please note that if LIHEAP or HARRP services are blended into a USDOE house, SSN’s*
11 *must be collected for programmatic compliance.*

12

13 *Qualified Aliens***

14 For “*qualified aliens*”, subgrantees may utilize alternative documentation to verify
15 citizenship status in lieu of an SSN for USDOE, LIHEAP, and HARRP.

16 Please see “*Attachment 4*” (pp. 61362) of the DOJ Interim Guidance for a description of
17 documentation that Subgrantees may utilize to verify citizenship status as well as other
18 valuable information which may be useful in fulfilling citizenship status
19 requirements. “*Attachment 5*” (pp. 61364) lists the documentation that Subgrantees may
20 accept from “*qualified aliens.*” The guidance is available at:
21 <http://www.gpo.gov/fdsys/pkg/FR-1997-11-17/pdf/97-29851.pdf>
22

23 **Client File: Tab 2**

- 24 a) Signed/dated client consent form(s) to receive service(s) and enter premises based on
25 2.03.1.
- 26 b) Signed/dated client acknowledgement of receiving energy education.
- 27 c) Signed/dated client acknowledgement of receiving educational materials on lead and mold.
- 28 d) The original version of signed/dated consent forms to release previous 12-months of client
29 utility billing/usage information.
- 30 e) Copies of previous 12-months of utility billing/usage information.
- 31

32 **Client File: Tab 3**

- 33 a) Signed/dated energy assessment field tools for initial, interim, and final inspections in
34 accordance with [WPN 20-4](#), [WPN 22-4](#), and the NC SWS.
- 35 b) Signed/dated original version of the “*Mold and Moisture Checklist, Notification and*
36 *Disclaimer Form*”.
- 37 c) Signed/dated “*North Carolina Weatherization Assistance Program Heating, Ventilation,*
38 *and Air Conditioning System Evaluation Report*”.
- 39 d) The recommended measures report from the latest version of the USDOE-approved energy
40 audit tool such as Weatherization Assistant web-based (WAweb) energy model.
- 41

42 **Client File: Tab 4**

- 43 a) Materials/measures list from the client database.

- b) Official source documents from the point of sale for each expense by program and contractual line item (*i.e., invoices and receipts*) that align with Section 2.05.1.
- c) Signed/dated original version of the “*Weatherization Assistance Program Diagnostic Data Sheet*”.

Client File: Tab 5

- a) Signed/dated original version of the “*NC Weatherization Assistance Program Confined Space Entry Permit*”.
- b) Signed/dated original version of the “*North Carolina Weatherization Assistance Program Final Inspection Report & Certification*”.
- c) Final calculations for ASHRAE 62.2 compliance.

Client File: Tab 6

- d) Initial site photographs prior to beginning weatherization activities.
- e) Interim site photographs while commencing weatherization activities.
- f) Final site photographs upon completion of weatherization activities.

The grantee will inspect at least 5% of the client files for completed jobs weatherized in the program year. Grantee will increase monitoring from at least 5% to 10% when the auditor and the QCI are the same person. Grantee reserves the right to increase the inspection amount due to weaknesses, deficiencies, or previous issues found with Subgrantees. QCI issues findings and trends for concern to non-compliant subgrantee agencies.

When problems or weaknesses are discovered as a result of a fiscal or technical monitoring visit, they shall be outlined in a monitoring letter to the Subgrantee with a list of findings, recommendations for resolving the problem, and an appropriate timetable for taking corrective action. This letter shall be issued within 30 days after the monitoring visit. The Subgrantee is required to respond to the findings letter with written corrective action plans to resolve the noted findings.

When observations are made that suggest training or technical assistance is needed, the monitor will recommend appropriate actions that must be taken to assist the Subgrantee in resolving the problem. Assistance will be provided by grantee staff or other training and technical assistance resources. These processes shall also apply to QCI certified personnel if they fail to adequately inspect to the most recently approved USDOE field guide.

Any problems or weaknesses identified in a Subgrantee's program and outlined in a monitoring report will remain in an active status until satisfactorily resolved by the Subgrantee and a written response submitted to the Grantee. A subgrantee with an active status monitoring report will be subject to additional monitoring visits until problems and weaknesses are resolved.

The NCWAP Program Manager will immediately report sensitive or significant noncompliance findings to the USDOE project officer. Subgrantees unable or unwilling to meet federal and state contracts and performance requirements will be terminated in accordance with federal and state

1 regulations.

2
3 Monitoring results will be analyzed annually, and the results used in planning for training and
4 technical assistance activities, determining the future status of the Subgrantee as an approved
5 service provider and developing a monitoring plan for the subsequent contract year.

6
7 NCWAP employs monitoring activities to ensure the quality of work and the adequate financial
8 management controls at the Subgrantee level.

9
10 NCWAP's Weatherization Technical Monitors schedule monitoring visit(s) to each Subgrantee.
11 During these visits the Monitor reviews subgrantee policy, procedures, client files and field
12 operations.

- 13
14 a) NCWAP's Fiscal Monitor schedules an annual compliance review of each Subgrantee.
15 During these reviews, the monitor conducts a comprehensive review of all ledgers, budgets,
16 and accounting systems, related to the weatherization program.
17
18 b) The NCWAP Program Manager or NCWAP staff may conduct unannounced spot visits of
19 subgrantees at random. During these visits all aspects of the program may be reviewed to
20 determine compliance with federal and state requirements.
21
22 c) Peer Exchange is optional and is used as both a monitoring tool as well as a training
23 opportunity. Subgrantees may choose to visit another Subgrantee for the exchange.
24

25 ***2.11.1 Alternative Method - Electronic Storage of Client Files***

26 Subgrantees may seek to retain client files in an electronic format in lieu of paper copies.
27 NCWAP understands that using an electronic system to retain client files saves space, time, and
28 money in recordkeeping and auditing expenses. Many businesses have moved to a paperless
29 environment to store important documents and business records. Electronic storage of client files
30 is convenient for subgrantees, saves physical space, improves tracing efforts, and promotes
31 efficient compliance inspections. Electronically retained client files may be more secure from
32 environmental damage, loss, theft, or destruction and easier to access, sort, and review. For these
33 reasons, NCWAP finds that there is good cause to authorize an alternate method or procedure
34 from storing paper client files under lock and key.

35
36 NCWAP authorizes an alternative method or procedure for the electronic retention of client files
37 if all of the following requirements are met:

- 38
39 1. Subgrantees provide written notification to the Program Manager at least 30 days prior to
40 implementing an electronic client file retention system that follows the "6-Tab"
41 methodology in Section 2.11.
42
43 2. All client files must be retained in an electronic format (*i.e., only electronic, not paper*).
44
45 3. Client files for closed jobs must be electronically stored and saved in an unalterable
46 format. The original files may not be deleted, amended, replaced, or otherwise altered. If

1 any errors are found in a client file, corrections may be made to a copy (*electronic or*
2 *paper*) of the original electronic file and the corrected copy should be electronically
3 attached to the original electronic file and retained as part of the subgrantee's records.
4

- 5 4. For compliance inspections, NCWAP must be provided:
 - 6 a. Uninterrupted access to the database in which the electronic client files are stored
7 to facilitate a compliance inspection, complete a trace request, or conduct an
8 investigation of a client complaint. NCWAP's access to the electronic client files
9 must be in a "read only" capacity.
 - 10 b. Access to the database in which the electronic client files are stored with a
11 minimum of one electronic access point or computer terminal for every 100 files
12 executed over the previous 12-month period.
- 13
- 14 5. The retention system must:
 - 15 a. Allow the client file to be printed and the subgrantee must print any client file
16 upon request by NCWAP.
 - 17 b. Retain the client file in alphabetical, chronological, or numerical order. The
18 retention system must allow for searches or queries to be made by client name,
19 application date, closure date, client database ID, address, date of birth, and
20 funding source.
 - 21 c. Backup the client file upon closure or when a client's activities are stopped, and
22 the client file retained in the system.
 - 23 d. Have the ability to flag or set aside client files in order to save for further review
24 during inspections.
 - 25 e. Allow or provide sorting of client files during NCWAP compliance inspections.
- 26
- 27 6. The server for the retention system is located within the United States or its territories, or
28 if a host facility is used, that facility must have a business premises within the United
29 States or its territories and must be subject to U.S. legal processes.
30
- 31 7. Records stored within the electronic retention system must be maintained in a
32 separate/partitioned database that cannot be intermingled with programs that are not
33 sponsored or assisting with NCWAP initiatives.
34
- 35 8. The storage system must:
 - 36 a. Back-up the stored client files on at least a daily basis to protect the data from
37 accidental deletion or system failure.
 - 38 b. Keep client files in an encrypted environment that is consistent with North
39 Carolina Department of Information Technology security standards.
- 40
- 41 9. Whenever a client file is stopped, put into pending status, or completed, the file must
42 immediately be downloaded and saved to a computer hard drive, server, or similar
43 electronic storage device located at the subgrantee's premises. If the subgrantee utilizes a
44 contract host facility such as a remote server or cloud storage provider, all client files
45 must also be electronically saved to an onsite electronic storage device that is updated on
46 the day of any change to, or addition of, database record(s) to protect the data from

1 accidental deletion or system failure.

2
3 10. Upon absolute discontinuance of business or when a subgrantee's business is
4 discontinued/terminated, any client files retained in electronic format must be delivered
5 in electronic format to the NCWAP Program Manager in a format suitable for imaging
6 such as a TIFF, JPEG, or PDF. If the forms will be submitted in a PDF or TIFF format,
7 the subgrantee must ensure that Optical Character Recognition and Intelligent Character
8 Recognition are turned on and searchable. The forms, retained alphabetically by name,
9 chronologically by application/closure date, or numerically by client ID must be
10 delivered on a media device such as a USB drive, CD, DVD, etc...

11
12 11. If the subgrantee fails to abide by these conditions, uses any procedure that hinders the
13 effective administration of laws or regulations, or any legal or administrative difficulties
14 arise due to complications from electronic retention, the subgrantee is no longer
15 authorized to utilize electronic retention of client files and must revert back to retention
16 of paper forms.

17 **2.11.2 Subgrantee Termination**

18
19
20 NCWAP may terminate subgrantees if they fail to comply with the terms and conditions of the
21 Financial Assistance Agreement or if upon further review, NCWAP determines that termination
22 would be in the best interest of the State.

23
24 Reasons for termination include, but are not limited to, the following:

- 25
26 a) Work performance fails to adhere to the requirements of the Financial Assistance
27 Agreement, the Annual State Plan, or their associated attachments.
28
29 b) Disregard for- or failing to follow written guidance, ordinances, or regulations set by
30 NCWAP.
31
32 c) Misuse of dedicated account funds, including but not limited to:
33 ○ Failure to pay vendors in full within 30-days of receipt,
34 ○ Failure to notify NCWAP of fraud or the allegation of fraud,
35 ○ Billing NCWAP on estimated costs, costs that have not been purchased (*still in*
36 *online "shopping cart"*), purchase orders, etc.,
37 ○ Embezzlement, misappropriation, or abuse of funds,
38
39 d) Refusal to proceed in a professional manner with clients, contractors, subcontractors, DEQ,
40 NCWAP staff, and/or any other external third parties, including but not limited to:
41 ○ Failure to conduct oneself with responsibility, integrity, accountability, respect, and
42 excellence in all interactions (*e.g., through written and/or verbal communication*).
43 Communication conduct should be a reflection as a credible representation of the
44 subgrantee. Cooperation and a friendly demeanor are expected through written and
45 verbal communication, especially in times of conflict resolution.
46 ▫ A written warning will be issued if a subgrantee is found in violation of
47 professional conduct before disciplinary action is taken. This written

1 citation will state the nature of the violation and what conduct is expected
2 in future interactions. If termination is pursued, the written correspondence
3 will be attached to the letter of termination.
4

- 5 e) Failure to provide certified and timely reporting requirements to NCWAP based on Section
6 2.16 to justify the progress made towards the program objective(s) and all administrative
7 and program expenditures.
8
- 9 f) Refusal to proceed with or complete work (*e.g., client's home, billing reporting*
10 *requirements, billing revisions, monitoring requests, meeting request with NCWAP, etc.*).
11
- 12 g) The Subgrantee is unresponsive to NCWAP requests and deadlines. For example, the
13 agency consistently fails to provide monthly reports or contract closeouts in a timely
14 manner.
- 15 h) Disregard for competitive bidding, or
16
- 17 i) Other cases of conflict of interest.
18

19 **Noncompliance: Step 1**

20
21 If any NCWAP staff member uncovers problem areas with the work or actions of a subgrantee,
22 including but not limited to items based on Section 2.11.2 (a)-(g), and the concerns have been
23 communicated as an informal warning in writing (*i.e., email*) to such subgrantee, that NCWAP
24 staff member must provide written notification to the NCWAP Program Manager identifying the
25 problem area(s).
26

27 **Noncompliance: Step 2**

28 When a significant problem area(s) are not resolved to the satisfaction of the NCWAP Program
29 Manager within thirty (30) days after NCWAP providing written warning communication (*i.e.,*
30 *email or formal electronic letter*) to the subgrantee, Program Manager will:

- 31 1) Immediately notify the federal funding project officer of the intent to take appropriate
32 action(s) and issue a letter of non-compliance.
- 33 2) Transmit a formal letter of non-compliance to the subgrantee's leadership and executive
34 management, such as a board chairperson, weatherization director, or executive director.
 - 35 a. This letter will cite specific section(s) of the Financial Assistance Agreement or
36 State Plan with a requirement that the subgrantee provide a written corrective action
37 plan within five (5) calendar days, and implementation of the plan within ten (10)
38 calendar days of its written approval by the Program Manager.

39 40 **Noncompliance: Step 3**

41 If a formal written response and written corrective action plan are not received by NCWAP within
42 five (5) calendar days of the issuance of the formal letter of non-compliance; the subgrantee's
43 proposed plan for resolving the alleged noncompliance is deemed unacceptable to NCWAP; or
44 the plan to resolve the alleged noncompliance is not followed, then:
45

46 The NCWAP Program Manager will issue a formal notice of default and intention to terminate to

1 the subgrantee’s leadership and executive management team. This formal letter is intended to be a
2 final written warning to the subgrantee stating that if the concerns are not resolved to the
3 satisfaction of the NCWAP Program Manager by the assigned due date(s), the subgrantee will be
4 terminated from the program.

5
6 **Noncompliance: Step 4**

7 Failure on the part of the subgrantee to: (1) respond to the notice of default and intention to
8 terminate within ten (10) calendar days; (2) develop satisfactory corrective action plan revisions;
9 or (3) not follow the corrective action plan or written commitment to resolve the alleged
10 noncompliance in full, the Program Manager will issue a notice of termination. With the notice of
11 termination, a public review will be scheduled to inform the public of the termination of the
12 subgrantee and begin the process to identify a new subgrantee through an RFP process to provide
13 energy program services.

14
15 **NOTE: Notwithstanding the above, NCWAP may suspend or terminate a subgrantee**
16 **without prior written notice upon a finding of substantial noncompliance, fraud/waste/abuse,**
17 **substantial breach of agreement or at the discretion of the NCWAP Program Manager or**
18 **the NCSEO Director.**

19
20 ***2.11.3 Exemplary Subgrantee***

21
22 NCSEO will use the following criteria for designating a Subgrantee as an “*Exemplary*
23 *Subgrantee*”. Levels of Subgrantee Performance

24
25 **High Performance or Exemplary Subgrantees:**

26 By way of monitoring review, a subgrantee has demonstrated performance standards that meet or
27 exceed that commonly observed in the following areas:

28
29 **Program Operations:**

- 30 ○ No Health and Safety finding(s) as identified in previous monitoring report(s).
31 ○ No procedural finding(s) related to program rules, and policies and procedures.

32
33 **Fiscal:**

- 34 ○ No annual program specific audit findings.

35
36 **Technical:**

- 37 ○ Provide comprehensive service utilizing the latest building science and renewable
38 technology, in a cost-effective manner in accordance with State of North Carolina law
39 and policy.

40
41 **Production:**

- 42 ○ In general, the subgrantee’s production is high relative to funding.

43
44 **Qualified staff:**

- 45 ○ Subgrantee will receive higher credit for exemplary status if: (1) the staff or contractors
46 are BPI certified; (2) agency staff received appropriate job-related certification(s); and

1 (3) subgrantee staff conducted, or proctored, NCSEO sponsored/endorsed certification
2 trainings.
3

4 **Risk:**

- 5 ○ No “*at-risk*” elements are found in major categories for a subgrantee.
6

7 **Typical Subgrantee Performance:**

8 Typically, the frequency of monitoring will ongoing during the program year by an NCWAP
9 Program Monitor and/or an NCWAP Monitor and Fiscal Monitor. The need for increased visits
10 will be determined by the NCWAP Program Manager based on such factors such as past
11 monitoring results, a subgrantee’s program funding and production level, the completeness of the
12 monitoring within the time available, and compliance with federal requirements such as historic
13 preservation. NCWAP expects every subgrantee to meet these standards of performance:
14

- 15 a) Well-established systems for program administration and operations, with no finding in the
16 following areas:
17 ○ Compliance with major program requirements, such as, lead-based paint
18 procedures, cost allocation plan/indirect rate, required contractor information.
19 ○ No program specific finding in the annual audit.
20 ○ Staff well trained in performance of specific job duties.
21 ○ Complete and organized client files.
22
- 23 b) Evidence of prudent decision making as to use of program resources:
24 ○ Complete scopes of work.
25 ○ Fiscal documentation is current and consistent with billing requirements outlined in
26 Section 2.16.
27
- 28 c) Consistently maintaining updated records in the NC WAPs Client Database
29 ○ Staff proficient in its use.
30 ○ Evidence that client data for waitlist or deferral lists are updated and verified at
31 least annually. Please see [Appendix C](#) for the “*deferral*” process.
32 ○ Client data is maintained on a monthly basis for those receiving weatherization
33 services (*excluding waitlists and deferral lists as defined in “b”*).
34
- 35 d) Staff and contractors have demonstrated proficiency in technical applications, including
36 diagnostics.
37
- 38 e) Subgrantee has a minimal number and low severity of procedural findings (*as related to*
39 *program laws, rules, and policies and procedures*), as well as health and safety findings
40 from previous monitoring report.
41
- 42 f) Subgrantee complies with Occupational Safety and Health Administration
43 (*OSHA*)/DHS/NCWAP safety rules, as applicable.
44
- 45 g) The subgrantee maintains a professional working relationship with NCSEO such as
46 conducting oneself with responsibility, integrity, accountability, respect, and excellence in

1 all interactions.

- 2
3 h) Past corrections made and reported in a timely manner.
4 i) No “*at-risk*” elements are found in major categories for a subgrantee.

5
6 **At-Risk Subgrantee Performance:**

7
8 At-risk subgrantees may be identified as a result of a variety of factors that may include:

- 9
10 a) There is evidence of significant administrative or program sub-standard performance; for
11 example, repetitive pattern of findings, failure to have copies of permits on file, or lack of
12 compliance with historical preservation rules, failure to demonstrate compliance with
13 federal/state laws, rules, and guidance documents.
14 b) The subgrantee is not in compliance with three (3) or more program policies, procedures
15 and specifications.
16
17 c) The subgrantee has three (3) or more health and safety findings.
18
19 d) Subgrantee staff/crew members have been unable to pass certification training.
20
21 e) The subgrantee has deficient scopes of work.
22
23 f) The subgrantee has three (3) or more program specific audit findings.
24
25 g) The subgrantee files are incomplete or disorganized.
26
27 h) The subgrantee staff is unresponsive to NCWAP requests and deadlines. For example, the
28 subgrantee consistently fails to provide monthly reports and contract closeouts in a timely
29 manner.
30
31 i) The subgrantee maintains an unprofessional working relationship with NCWAP such as
32 not conducting oneself with responsibility, integrity, accountability, respect, and
33 excellence in all interactions.
34
35 j) Subgrantee production and spending is substantially low relative to the contracted total for
36 the fiscal year.
37
38 k) Other NCSEO programs (*Community Services Block Grant (CSBG), LIHEAP, Food,*
39 *Homeless, etc.*) have indicated problems with, or concerns about, the subgrantee.

40
41 At-risk subgrantees will be separately monitored **no less than twice annually**. Other factors in the
42 frequency of monitoring visits may be based upon the requirements of specific funding sources.
43
44

1 **2.12 Monitoring – Productivity**

2
3 NCWAP monitors subgrantee productivity through information provided on monthly fiscal
4 reports, fiscal/program monitoring, and/or the Peer Exchange. If a Subgrantee falls consistently
5 and considerably below their projections based on historical data, NCWAP reserves the right to
6 redistribute their unexpended funds by providing a letter stating that the formal process to move
7 funds will begin in ten business days.
8

9 **2.13 Multi-Family**

10
11 Multifamily buildings are those containing five dwelling units or more. For multifamily buildings
12 containing less than 25 units with units that are individually heated or cooled, NCWAP plans to
13 apply to use the Multifamily Priority List and/or the USDOE approved energy audit such as
14 Weatherization Assistant web-based (WAweb), TREAT, or REM to determine the proper work
15 scope.
16

17 In order to weatherize an apartment, all units in the affected building must be weatherized.
18 Standalone small multifamily housing (*duplexes, triplexes, and quadplexes*) does not require prior
19 approval from NCWAP.
20

21 Groupings of four or more buildings on a single site that are owned by a single owner shall require
22 prior approval from NCWAP.
23

24 Small multifamily units are eligible for weatherization, provided that they meet the eligible client
25 occupation minimum:
26

- 27 a) 50% of a duplex,
- 28 b) 66% of a triplex, or
- 29 c) 50% of a quadplex.
30

31 Additionally, Subgrantees may only count vacant units towards the 50% or 66% threshold when
32 the building has been assisted by a state or federal program that restricts occupancy to households
33 with incomes that qualify for the Program and where there is a reasonable expectation that the unit
34 will be occupied by such a household within 180 days following completion of the project.
35

36 Costs on these properties are limited by the percentage of eligible clients multiplied by the
37 maximum cost-per-unit average. Unlike single family homes, the maximum cost-per-unit is a hard
38 limit. The cost limitation excludes health and safety expenditures.
39

40 The Grantee will follow the following procedures for multifamily:
41

- 42 a) If reported multi-family dwellings containing five or more units make up **less than** 20% of
43 the Grantee’s weatherized units, then the projects must be submitted for review and
44 approval by USDOE prior to commencing work on the units; or
45
- 46 b) If reported multi-family dwellings containing five or more units make up **more than** 20%

1 of the Grantee’s weatherized units, then the projects must be evaluated by a USDOE-
2 approved energy audit tool (*i.e.*, *WAweb*, *TREAT*, *REM*, *etc.*...) prior to commencing work
3 on the units. NCWAP will be requesting approval of alternative, USDOE approved
4 computer modeling software for use by Subgrantees.

5
6 Renters are eligible for the weatherization program. Benefits of weatherization shall accrue
7 primarily to the tenant. No rental dwelling unit shall be weatherized without first obtaining the
8 written permission of the owner. Once the Subgrantee has entered into a Landlord Agreement with
9 the owner, with the tenant as the third-party beneficiary, the Subgrantee may perform
10 weatherization services on the unit.

11
12 The agreement must contain certain restrictions for the owner, such as a negotiable period of not
13 less than two years for raising tenants rent due to weatherization, and not evicting the tenant if they
14 comply with all ongoing obligations to the owner.

15
16 Lease-to-Own properties shall be treated as rental units until the ownership has been transferred.

17
18 Vacant units may be counted as eligible units if the owner agrees, in writing, to rent those units to
19 eligible households upon completion of work, or within 180 days, whichever is sooner.

20
21 For a one-year period after the weatherization work on the unit is completed, rent cannot be
22 increased, unless the increase is not related to weatherization services performed, as noted in
23 10CFR440.22(b)(3)(ii).

24
25 The NC WAP Program Manager must provide prior written approval for weatherization services
26 on any property within the subgrantee weatherization network which is owned or rented by a
27 subgrantee board member, staff member, subcontractor, or family member thereof. Such request
28 to the Program Manager shall include the criteria set forth in Section 2.10.3.

29 30 ***2.13.1 Multi-Family Eligibility***

31 32 ***Categorical Eligibility***

33
34 Income eligibility has been expanded to categorically include HUD means-tested programs at or
35 below 80% of Area Median Income (*AMI*) to better facilitate referral services for low-income
36 households, reducing the burden on both the intake agencies and households trying to obtain
37 services. (*Examples of HUD program but not limited to Community Development Block Grants*
38 *(CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy*
39 *Homes Program (OLHCHH), Section 8, etc.*).

40
41 The effort explored the overlap in incomes of the different households served through the various
42 programs. The overlap is sufficient to consider “*categorical income eligibility*”, defined across
43 programs as automatically granting program eligibility to applicants who have already met the
44 eligibility requirements of another agency’s identified program. Focus Area 1 of the BIL program
45 should bolster efforts for this client eligibility determination criteria.

1 Subgrantees may certify that applicants have met the income requirements of HUD means-tested
2 programs through mechanisms including, but not limited to, applicant documentation, interagency
3 lists of recipients, shared system databases, etc. Method of verification of eligibility must be
4 included in the client file.

- 5
- 6 a) Privately owned buildings receiving tenant-based assistance. Subgrantee must verify
7 residents that hold Section 8 Housing Choice Vouchers through the property owners or
8 residents themselves. Percentage of eligibility is determined by the ratio of these vouchers
9 to total units.
- 10
- 11 b) PHA operated buildings are 100% income eligible. [WPN 22-5](#) procedures must be
12 followed to certify buildings.
- 13
- 14 c) Privately owned buildings receiving project-based assistance in North Carolina. [WPN 22-](#)
15 [5](#) procedures must be followed to certify buildings.
- 16
- 17 d) Tennant by tenant income verification by obtaining necessary documents from each
18 individual tenant.
- 19

20 **The WPN 22-5 process for Property Certification is:**

- 21
- 22 a) The property owner or authorized agent of the property must sign a self-certification form
23 attesting that:
- 24
- 25 b) The property owner or authorized agent maintains certified income records for
26 households residing at the property.
- 27
- 28 c) The property owner or authorized agent has reviewed its current certified income records.
29
- 30 d) The property owner or authorized agent has determined that at least 66% of the
31 units in each building (*or at least 50% of the units for 2- and 4-unit buildings*) have
32 certified incomes that are at or below 200% of the current federal poverty level
33 based on household size.
- 34
- 35 e) The property owner or authorized agent certifies that all the information provided with
36 the certification request is true and accurate.
- 37

38 ***2.13.2 Landlord Contribution Clause***

39
40 Some large multi-family buildings with less than 66% eligible units, (*but at least 50%*) may be
41 weatherized if agencies can demonstrate the investment of USDOE funds would result in
42 significant energy-efficiency improvements, **AND**

- 43
- 44 a) Additional funds are leveraged from landlords, utilities, or other sources; **AND**
- 45
- 46 b) Leveraged funds **must** equal at least 10% of the total job cost to be eligible for reduced unit

1 eligibility percentage.

2 **2.14 Standard Weatherization Procedures**

3 4 **2.14.1 Labor**

5
6 It is the Subgrantees responsibility to ensure that employees and contractors are qualified and
7 properly supervised.

8 9 **2.14.2 Build America, Buy America Act**

10
11 **Only weatherization on public housing, or on privately owned buildings that serve a public**
12 **function are required to comply with the requirements of this section.**

13
14 Buy American Act (BAA) language was written into the Bipartisan Infrastructure Law (BIL);
15 however, this will be a required component of the annual program. USDOE issued WAP Memo
16 104 on February 23, 2024. Until additional guidance is supplied, it is NCWAP’s expectation is
17 that when an American-made product of similar quality and utility is available, and costs are not
18 prohibitive, that product will be purchased. Once further guidance is received, NCWAP will
19 provide further guidance via memo for the annual program.

20
21 Agencies must ensure that all applicable programs comply with the “Build America, Buy America
22 Act”⁷. The Act requires the following:

- 23
24 a) Iron and Steel Products
25 ○ All manufacturing processes must occur in the United States.
26 b) Manufactured Products
27 ○ All manufactured products must be produced in the United States; and
28 ○ 55% or more of the total cost of components must be mined, produced, or
29 manufactured in the United States.
30 c) Construction Materials
31 ○ The term “*Construction materials*” does not include cement and cementitious materials,
32 aggregates such as stone, sand, or gravel, or aggregate binding agents or additives⁸.
33 ○ All manufacturing processes must occur in the United States.
34

35 If necessary, recipients may apply for, and DOE may grant, a waiver from the Buy America
36 Preference requirements. Waivers for the application of the Buy America Preference must be in
37 writing. Waiver requests are subject to public comment periods of no less than 10 days, and may
38 be reviewed by the Office of Management and Budget (OMB)⁸. Subgrantees should be advised
39 that “*best efforts*” to determine that iron, steel, manufactured goods, and/or construction materials
40 are BABA compliant cannot be accepted; recipients should consider contacting an item’s
41 manufacturer, in writing to determine whether that product meets the BAA standard. If the
42 manufacturer is unable or unwilling to certify the product as BAA compliant, resulting in the
43 recipient needing to seek a BAA waiver, those communications will serve as the foundation of a
44 waiver request.
45

7

1
2 Request for a waiver must be based on one or more of the following criteria:

- 3 a) Applying the Buy America Preference would be inconsistent with the public interest
4 (*Public Interest*).
- 5 b) Nonavailability of required materials or quantities necessary.
- 6 c) Materials produced in the United States will increase the cost of the overall project by
7 more than 25%.

8 9 **2.14.3 Authorization**

10
11 Prior to weatherizing residential units, the following procedures shall be followed. The owner or
12 authorized agent shall give written permission for the weatherization assistance. Such written
13 authorization must be signed by the owner (or owner's authorized agent) and must include:

- 14 a) Location of dwelling (*physical street address*).
- 15 b) Name of eligible tenant.
- 16 c) A list of possible work to be completed.

17 18 19 **2.14.4 Operation of the Program**

20
21 It is the Subgrantee's responsibility to identify and procure the local resources necessary to operate
22 this program. These would include, but not be limited to local and state funds, donated materials,
23 space, support, and any resources not provided for by USDOE funds. Such resources are to be
24 identified by the Subgrantees in their grant proposals/annual applications to NCWAP.
25 Additionally, the Subgrantee shall insure prior to operating the program, that the criteria are met
26 and maintained.

27
28 Contractor Procurement: All Subgrantees that employ private licensed contractors to provide
29 weatherization, repairs, or inspections where the cumulative one-year compensation is \$30,000 or
30 more, must have a written policy in place and use said policy to procure contractors that meets the
31 requirements outlined by the North Carolina Licensing Board for General Contractors⁸.

32 33 **2.14.5 Expansion of Manufactured Home Definition**

34
35 The definition of manufactured homes is expanded to include travel trailers and motor homes under
36 the following conditions:

- 37 a) Unit is a permanent residence; **AND**
- 38 b) The unit has an address; **AND**
- 39 c) The occupant has a utility bill in their name or can demonstrate an energy burden; **AND**
- 40 d) The occupant has a legal lease or contract to live in the unit and park the unit at said
41 location; **AND**
- 42
- 43
- 44
- 45

⁸ <https://nclbgc.org/license-applicants/> (See the document titled, "NCAC Title 21 Chapter 12A").

- 1
2 e) There must be cost-effective (SIR of 1.0 or greater) weatherization improvements to be
3 completed on the structure; **AND**
4
5 f) Health and safety improvements are only related to weatherization and **do not** address
6 mechanical, other than Heating, Ventilation, and Air Conditioning (HVAC).
7

8 **2.14.6 National Environmental Policy Act Information (NEPA)** 9

10 The following activities are categorically excluded from further NEPA review, absent
11 extraordinary circumstances, cumulative impacts, or connected actions that may lead to significant
12 impacts on the environment, or any inconsistency with “*integral elements*” (as contained in 10
13 CFR Part 1021, Appendix B) as they relate to a particular project and adhere to the applicable
14 State’s programmatic agreement with the cognizant State Historic Preservation Office (*SHPO*).
15

- 16 a) Administrative activities associated with management of the designated Weatherization
17 Office and management of programs and strategies in support of weatherization activities.
18
19 b) Development and implementation of training programs and strategies for weatherization
20 effort, including initial home audits, final inspections and client education.
21
22 c) Purchase of vehicles and equipment needed for weatherization audits.
23
24 d) Weatherization activities provided that projects apply the restrictions of each state’s
25 programmatic agreement with SHPO.
26

27 Subgrantees verify that a dwelling is within or adjacent to an historic district at the following
28 website:

29 <https://nc.maps.arcgis.com/home/group.html?id=d56ec9c8aa77423b931f4d359f103ae6&view=list&categories=%5B%22%2FCategories%2FHPOWEB%22%5D#content>
30
31

32 Subgrantees are required to comply with State Historic Preservation Office guidelines as follows:
33

- 34 a) If any of the following measures are to be implemented (*based on a Subgrantee’s*
35 *completed work order*):
36 ○ anything requiring holes in the unit’s weatherboard (*siding*),
37 ○ replacing wood windows,
38 ○ replacing a wood front door,
39 ○ solar thermal applications (*not a typical NCWAP measure*).
40
41 b) If any of these measures are applicable, and the dwelling is determined to be historic, then
42 proceed as follows:
43 ○ forward an electronic version of the work order form or a scanned Subgrantee client
44 database work order and pictures of the home from all four elevations (*if possible*)
45 to energy.projects@ncdcr.gov for review⁹.

⁹ <https://www.dncr.nc.gov/shpo/er/project-review-checklist>

- the North Carolina State Historic Preservation Office will provide guidance/assistance regarding compliance and proper implementation for weatherization.

c) If any of the listed measures are not applicable, then proceed with the weatherization process.

2.15 General Accounting Practices

Weatherization Assistance Programmatic cost are on a reimbursement basis only based on Section 2.16 of this Plan. To that end, to insure accurate reporting, proper documentation, and compliance with federal and state guidelines for fiscal procedures, all Subgrantees must at a minimum:

2.15.1 *Submit an Annual Audit*

Submit an annual audit of weatherization funds, which shall be conducted by a Certified Public Accountant, using the audit standards contained in 2 CFR 200 – Subpart F.

2.15.2 *Receive Authorization from DEQ for Purchases or Lease*

Receive authorization from DEQ for purchases or lease of acquisitions in excess of **\$5,000**. All capital property and vehicle purchases **must** be forwarded to the USDOE Regional Support Office for final approval. However, NC WAP plans to utilize the provisions of WPN 24-6 to obtain approval for large purchases as part of the plan revision cycle.

Please note that, additional approval **must** be forwarded to the U.S. Department of Health & Human Services (*USDHHS*) if being cost-shared with the Low-Income Home Energy Assistance Program.

DEQ will provide all Subgrantees with access to the “*Vehicle Request Form*” within NCWAP’s ShareFile. For approval of Vehicle & Capital Equipment Purchases, the minimum information needed by NCWAP is:

- a) Whether the vehicle is “*For Lease*” or “*For Purchase*”.
- b) Name of requesting Subgrantee.
- c) Complete description of vehicle (*e.g., new/used, make, model, year, type, and current mileage*).
- d) Total cost of requested vehicle.
- e) What the funding source(s) will be (*e.g., DOE; Program Operations funds*). **Subgrantee T&TA funds are not an allowable option.**

- 1
2 f) Anticipated annual mileage by funding source(s).
3 g) Where the vehicle will be used and how it will be used – Specify, full or part time use in
4 the Weatherization Assistance Program and/or the Low-Income Home Energy Assistance
5 Program.
6
7 h) Statement of whether this is a replacement or an expansion for ramp-up. If this is a
8 replacement, describe how the trade-in is being addressed.
9
10 i) Brief description of how the procurement will be done, and confirmation that the
11 Subgrantee maintains policies and procedures for property management that comply with
12 all requirements of the applicable Code of Federal Regulations (*CFR*), 2 CFR Subtitle B
13 with guidance at 2 CFR Part 200.
14
15 j) Copies of bid specs (*vehicle description with options requested*) and bids received.
16
17 k) Copies of independent mechanical evaluations (*for used vehicles only*). Please specify if
18 not applicable.
19
20 l) Statement that lowest bid will be selected; or sufficient justification of the “*best value*
21 *selection*” if lowest bid is not recommended for USDOE/USDHHS approval.
22

23 ***2.15.3 Travel Regulations***

24
25 Each Subgrantee must have in place travel regulations that include travel authorization,
26 reimbursement, advancements, and per diem rates that do not exceed the State of North Carolina’s
27 maximum amount for meals, hotels, and other costs while traveling. For more information, please
28 refer to Section 1.06.1 (a) – (f).
29

30 ***2.15.4 Financial Operations Manual***

31
32 Each Subgrantee has in place a financial operation manual that details accounting standards,
33 segregation of duties, procurement procedures, program income application, and program rebates.
34

35 ***2.15.5 Use of Weatherization Funds for Renewable Energy Systems***

36
37 **The average cost per unit (ACPU) for overall program expenditure is limited to the annual**
38 **inflation adjustment as established by USDOE through Weatherization Program Notices.**
39

40 10 CFR 440.18 (*Allowable Expenditures*) incorporates the renewable energy system provisions
41 and specifies a ceiling of \$3,000 per dwelling for labor, weatherization materials, and related
42 matters. The percentage increase in the Consumer Price Index for the previous 12-month period
43 (*September 2022 – September 2023*) was 3.7%. Therefore, the FY25 adjusted average is \$4,169
44 for renewable energy system measures with a Savings to Investment Ratio (*SIR*) greater than 1.
45

46 To help facilitate the integration of solar photovoltaic (*PV*) across the NCWAP network, USDOE
47 has released WAP Memorandum 23-6. This memo allows for the submission of solar PV projects

1 to USDOE for approval that meet the requirements in WAP Memorandum 23-6: Attachments 4
2 and 6. North Carolina will be allowing Solar PV on a case-by-case basis with approval from
3 USDOE. Solar PV projects must meet SIR requirements and are limited to the adjusted average
4 limit.

5
6 With respect to community solar, USDOE specifies that community solar would be more
7 appropriate for competitive awards under stimulus programs created by the Bipartisan
8 Infrastructure Law and/or Inflation Reduction Act (*i.e., Solar for All; Climate Pollution*
9 *Reduction Grant; etc.*).

10
11 **Note: The adjusted average for renewable energy measures is not a separate average, but a**
12 **part of the overall adjusted average expenditure limit for the ACPU.**

13 14 ***2.15.6 Prohibited Expenditures***

15
16 Funds shall not be expended for the items or services other than those listed in 10 CFR 440.18.
17 T&TA funds cannot be used to purchase equipment used in the day-to-day installation of
18 weatherization measures. Where a need exists to purchase tools and equipment Subgrantees should
19 use “program operations” funds.

20 21 ***2.15.7 Discretion of Procurement***

22
23 DEQ gives Subgrantees discretion in the procurement of materials. All supplies, equipment,
24 materials, and services must be procured in accordance with applicable state law and procedures
25 and 2 CFR Subtitle B with guidance at 2 CFR Part 200.

26 27 ***2.15.8 EPA Compliance***

28
29 Subgrantees shall comply with the Environmental Protection Agency (*EPA*) regulations as set
30 forth in 40 CFR Part 247 - Guidelines for Procurement of Recovered Materials, which encourages
31 the use of recyclable materials.¹⁰ Subgrantees shall use recyclable materials whenever possible.
32 Compliance with EPA regulations also applies to the decommissioning of replaced baseload
33 appliances whether subcontracted out or not.

34 35 **2.16 Reporting Requirements**

36
37 Weatherization Assistance Programmatic costs are on a reimbursement basis and must be
38 submitted to NCWAP within 30-days of receiving an invoice/receipt. To that end, each subgrantee
39 must submit certified and timely reports to NCWAP detailing the progress made towards the
40 program objective(s) and all administrative and program expenditures. The report **must** agree with
41 the Subgrantee’s accounting records, client database, and be certified by the subgrantee’s chief
42 executive officer or their designee via handwritten or certified electronic signature. Timely
43 reimbursements are based on the “*Monthly Billing Submittal Calendar*” provided by NCWAP via
44 (1) the “*Network Documents*” folder in ShareFile; and (2) email.

45

¹⁰ <https://www.epa.gov/smm/regulatory-background-comprehensive-procurement-guideline-program-cpg>

1 a) Required reporting documents for a complete monthly billing package include:

2
3 ○ **Invoice [NCWAP Template via ShareFile]**

- 4 ▪ Each Subgrantee should submit **one invoice each month** by using NCWAP's
5 template for collective total costs by program and contractual line item. **This**
6 **template is not intended to affect a subgrantee's internal invoicing systems.**
7
8 ▪ The program (*i.e., DOE, LIHEAP, HARRP, etc. ...*) and contractual line item (*i.e.,*
9 *administration, T&TA, program operations, H&S, readiness, etc....*) totals in the
10 invoice should match Box 12 of the Financial Status Report "286".
11
12 ▪ The official document should be a signed and dated PDF by the Executive Director
13 and Financial Director or their designee(s).
14

15 ○ **Financial Status Report "286" [NCWAP Template via ShareFile]**

- 16 ▪ Should include information for all required fields by NCWAP in the FSR286 along
17 with supporting documentation showing that expenditures are consistent with the
18 Subgrantee reimbursement proposal, approved budget, in-progress/completed units,
19 and provisions of the Financial Assistance Agreement.
20 • *Once reporting features are available in the client database, the NCWAP*
21 *Program Manager will send a memo requiring that the subgrantee submit PDF*
22 *copies of monthly reports of completed units, waitlist reports, applicant reports,*
23 *denial reports, applicant approval reports, and deferral reports from the client*
24 *database as part of the supporting documentation package.*
25
26 ▪ The PDF should contain the initials and printed name of the Preparer and Program
27 Coordinator (*via handwritten, DocuSign, RightSignature, or Adobe Signature*).
28
29 ▪ The PDF should contain a signature, printed name, date, and position title of the
30 Certifying Official (*via handwritten, DocuSign, RightSignature, or Adobe*
31 *Signature*). **Please note that the Preparer and Program Coordinator should be**
32 **a different person than the Certifying Official.**
33
34 ▪ The subgrantee will submit a final signed PDF along with an unsigned Excel copy
35 containing the final values by program and contractual line item.
36

37 ○ **Project Expense Summary [NCWAP Template via ShareFile]**

- 38 ▪ Should include an inventory of all original invoices/receipts from the point of sale
39 that quantify the totals listed on the NCWAP's invoice and FSR286 templates.
40
41 ▪ Subgrantees should ensure the following when completing the Project Expense
42 Summary:
43 • The date listed in the "*Date of Invoice/Receipt*" column reflects the date on
44 the original invoice/receipt.
45
46 • The "*Low-Income Program*" & "*Contractual Line Item*" columns (*dropdown*

1 sections) align with the cost allocation as shown on the original
2 invoices/receipts.

3
4 • The “*Invoice #*” and “*Invoice Name*” columns should reflect the invoice
5 number and entity name contained in the original source document from the
6 point of sale, respectively. If the invoice number is not listed on the source
7 document from the point of sale, Subgrantees should place “*N/A*” in the
8 “*Invoice #*” column.

9
10 • The “*WAP/HARRP Event #*” column aligns with the client WAP/HARRP
11 event number (e.g. *the full event number listed in CARDS W-000011111 -or-*
12 *shorthand W-11111*) as listed on the original invoice/receipt. If the
13 WAP/HARRP Event number is not listed on the original invoice/receipt or
14 unknown at the time of purchase, Subgrantees should place “*N/A*” in the
15 “*WAP/HARRP Event #*” column.

16
17 • For the “*Amount Charged to Program from Invoice/Receipt*” column,
18 Subgrantees must provide the total that is being charged to NCWAP to reflect
19 the cost allocation on the source document from the point of sale.

20
21 • The “*Is Tax being Included in the Amount Charged Column?*” column,
22 subgrantees must select the dropdown of “*Yes*” or “*No*” to specify whether
23 the amount charged to NCWAP includes sales tax. If the subgrantee selects
24 “*Yes*”, the sales tax as shown in the source document from the point of sale is
25 included in the “*Amount Charged to Program from Invoice/Receipt*” column
26 . However, if “*No*” is selected, only the cost allocated subtotal (without tax)
27 should be listed in the “*Amount Charged to Program from Invoice/Receipt*”
28 column based on the source document from the point of sale.

29
30 • Subgrantees should list the original invoices/receipts in the PES as they are
31 provided in the Official Invoices/Receipts Documentation (in the case that
32 Subgrantees submit all of their original invoices/receipts in one combined
33 PDF). This will assist with expediting NCWAP’s reviews.

34
35 ▪ The subgrantee will submit a final signed PDF along with an unsigned Excel copy
36 containing the final line items.

37
38 ○ **General Ledger [*Subgrantee Provides*]**

39 ▪ This is the general accounting record of subgrantee finances that contains a set of
40 numbered accounts used to track transactions and prepare financial reports. The
41 subgrantee should submit this document as an unsigned PDF -or- unsigned Excel
42 version.

1
2
3 ○ **Payroll Report & Summary [Subgrantee Provides]**

- 4 ▪ To ensure NCWAP is able to quantify the total amounts billed for payroll items by
5 program and contractual line item, subgrantees are required to provide one of the
6 following options:

7 • Payroll Report & Summary Option 1

8 a. Subgrantee provides a monthly export from their timekeeping system to
9 validate subgrantee staff time charged by program and contractual line
10 item. Time can be logged using outputs from tools such as:

- 11 i. Third-Party Timekeeping Software
12 ii. Payroll Report/System

13
14 b. Subgrantee provides a simple summary table/attachment to the “Payroll
15 Report” to assist with the quantification (*i.e., highlighting or clearly*
16 *identifying the charges being made to NCWAP*). An acceptable summary
17 that would be an attachment to the Payroll Report is below:

Payroll Summary Report - [Subgrantee Name]			
Billing Period - [Month XXXX - Month XXXX]			
Program	Contractual Line Item	Description	Value
DOE	Program Ops.	Salary + Fringe	\$ XXX
DOE	Administrative	Indirect	\$ XXX
DOE	Training & Technical Assistance	Salary	\$ XXX
LIHEAP	Program Ops.	Salary + Fringe	\$ XXX
LIHEAP	Administrative	Indirect	\$ XXX
HARRP	Program Ops.	Salary + Fringe	\$ XXX
HARRP	Administrative	Indirect	\$ XXX

18
19
20 • Payroll Report & Summary Option 2:

21 a. Subgrantee provides a Payroll Report that is a combination of detailing
22 staff time and the amount charged by program and contractual line
23 item. An acceptable summary would be:

Payroll Summary Report - [Subgrantee Name]						
Billing Period - [Month XXXX - Month XXXX]						
Program	Contractual Line Item	Employee Name	Hours	Rate	Value	Program Total
DOE	Program Ops.	James Blue	15	\$ 26.04	\$ 390.60	
DOE	Program Ops.	Barbara Green	8	\$ 26.04	\$ 208.32	\$ 598.92
LIHEAP	Program Ops.	Lance Brown	10	\$ 26.04	\$ 260.40	\$ 260.40
HARRP	Program Ops.	James Blue	11	\$ 26.04	\$ 286.44	
HARRP	Program Ops.	Barbara Green	9	\$ 26.04	\$ 234.36	\$ 520.80
Total Program Ops.					\$ 1,380.12	
DOE	Administration	Paul Grey	20	\$ 38.32	\$ 766.40	\$ 766.40
LIHEAP	Administration	Paul Grey	34	\$ 38.32	\$ 1,302.88	\$ 1,302.88
HARRP	Administration	Paul Grey	15	\$ 38.32	\$ 574.80	\$ 574.80
Total Administration					\$ 2,644.08	

24 The Subgrantee will a Payroll Report/Summary signed and dated by the
25 CEO/ED and Financial Director.
26

1
2
3 ○ **Official Invoices/Receipts and Supporting Documentation**

- 4 ▪ The subgrantee is required to provide original source documents from the point of
5 sale (*i.e., invoices/receipts*) along with proof of payment for any charge towards
6 NCWAP as listed in the Project Expense Summary within 30-days of receipt.
7
8 ▪ All original invoices/receipts **-or-** cost allocation cover pages for each original
9 invoice/receipt should include the following:
10 • Grand total charged to by program and contractual line item (*i.e., DOE,*
11 *Program Ops. \$XXX*).
12 • WAP/HARRP Event ID#: the full event number listed in the client database
13 such as “W-000011111” **-or-** shorthand “W-11111” (*if applicable and known*
14 *at the time of purchase*).
15 • Please note that providing general ledger codes in lieu of cost allocation labels
16 by program and contractual line item will deem the package incomplete.
17
18 ▪ PDF copies of spreadsheets containing costs charged to NCWAP are not acceptable
19 in lieu of source documentation from the point of sale (*i.e., receipts and invoices*).
20
21 ▪ Please note that for T&TA charges related to meetings, conferences, registration
22 fees, trainings, or any other events allowed under Section 1.05, the subgrantee is
23 required to provide a registration invoice, associated agenda, and/or sign-in sheet
24 before reimbursement is provided.
25

26 b) Reporting Format – DEQ has provided all Subgrantees with online access to software (*i.e.,*
27 *ShareFile and/or client database*) for the purpose of reporting weatherization activities. All
28 weatherization Subgrantees are required to use program software for reporting purposes.
29

30 c) Additional Guidance – DEQ has provided all Subgrantees with access to training videos
31 concerning the billing submittal process. In the instance Subgrantees need additional
32 guidance, NCWAP will provide case-by-case virtual training to discuss the billing process.
33

34 d) NCWAP cannot approve an incomplete billing package. Expenses will only be reimbursed
35 by providing all items based on Section 2.16(a) and (b) on a monthly basis (*regardless of*
36 *whether expenses were made*). Upon review of the Subgrantee submittal, NCWAP will
37 provide subgrantees with a detailed email listed by reporting requirement (*i.e., Invoice,*
38 *FSR286, PES, Payroll, Official Invoices/Receipts, and General Ledger*) explaining any
39 needed revisions, clarifications, and associated due date(s) for resubmittals. Subgrantees
40 must review, clarify, revise, and/or submit any items needed to correct the incomplete billing
41 package within the due date(s) listed in the email.
42

43 **Please note that any clarifying updates concerning 2.16 (a), (b), (c), and (d) will be sent from**
44 **the NCWAP Program Manager.**
45
46

1
2
3 **2.16.1 Success Story Reports**
4

5 Subgrantees receiving positive correspondence from or about people whose homes were
6 weatherized, should submit selected letters to NCWAP upon receipt. Letters will then be
7 forwarded to USDOE to bolster efforts to promote weatherization and give a human face to people
8 receiving weatherization assistance.
9

10 **2.16.2 Fuel Switching**
11

12 Until NCWAP receives approval by DOE to administer case-by-case fuel switching authorizations
13 under WAweb, NCWAP must submit the following to its Project Officer for DOE approval:

- 14 1. A description of the proposed fuel-switch as an ECM and/or H&S and the reason for doing
15 so.
16 2. A complete site-specific energy audit with all supporting documentation that either: a.
17 Demonstrates fuel-switching is cost-effective when interacted with all other appropriate
18 energy conservation measures for the building, or b. Properly supports the proposed switch
19 as a H&S measure.
20 3. Supporting documentation must include the initial site assessment, all available photos,
21 proposed equipment details (*type, capacity, efficiency, etc.*), the entire cost of the
22 installation including ancillary equipment necessary for the fuel-switch (*e.g., new natural*
23 *gas lines and additional or upgraded electrical equipment*), fuel costs used in the energy
24 audit, the energy audit's input record (*all costs must be modeled in the ECM evaluation*),
25 and selected measures report.
26

27 **2.16.3 Cook Stoves**
28

29 USDOE does *not* allow cook stoves to be replaced with USDOE funds. USDOE does, however,
30 allow for repair of gas cook stoves. If a Subgrantee discovers a cook stove that is emitting
31 dangerous levels of carbon monoxide (*check ambient CO Levels*) and repair is not possible, other
32 funds should be used to remedy the problem.
33

34 **2.16.4 Disaster Relief**
35

36 In the event of a declared natural or manmade disaster (those in which the President or the
37 Governor of the state of North Carolina has declared the event an Emergency), North Carolina will
38 allow Subgrantees to assist their eligible clients with weatherization funds to the extent that the
39 services are in support of eligible weatherization work. The allowable expenditures under the
40 NCWAP are limited to include the following:

- 41
42 a) The purchase, delivery, and installation of weatherization materials and,
43
44 b) The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to
45 make the installation of weatherization materials effective and,
46
47 c) The cost of eliminating health and safety hazards, elimination of which is necessary before

1 the installation of weatherization materials.

2
3 All materials utilized must be listed in 10 CFR Part 440 Appendix A. To the extent that the services
4 are in support of eligible weatherization (or permissible re-weatherization) work, such expenditure
5 would be allowable. For example, debris removal at a dwelling unit so that the unit can be
6 weatherized would be an allowable cost. Debris removal from a dwelling unit that is not to be
7 weatherized would not be an allowable cost.

8
9 In a declared federal or state disaster, subgrantees may return to a unit previously reported as a
10 completion to the Department of Energy that has been “damaged by fire, flood or act of God and
11 repair of the damage to weatherization materials is not paid for by insurance”, per 10 CFR
12 440.18(f)(2)(ii).

13
14 Local authorities must deem the dwelling unit salvageable as well as habitable and the damage to
15 the materials must not be covered by insurance or other form of compensation. In these cases, the
16 work can be addressed without prior approval or any special reporting.

17
18 North Carolina will also follow the provisions of its Energy Security Plan to assist with preventing
19 prolonged outages or disruptions of essential utilities.¹¹ In addition, it will follow the provisions
20 of its “Climate Risk Assessment and Resilience Plan” to bolster efforts that build resilient
21 infrastructure and communities.¹²

22
23 Please note that the ACPU limit and other budgetary maximums continue to apply during disaster
24 or disruptive events.

25 26 **2.16.5 Wood Stove Replacement**

27
28 Replacement of wood stoves is allowed if it meets federal emissions standards. New factory-sealed
29 purchases of wood stoves will meet these standards.

30 31 **2.17 Quality Control**

32
33 It shall be the responsibility of the Subgrantee to establish measures to ensure the quality of work
34 completed and address the following areas:

35 36 ***2.17.1 Fire Codes***

37
38 Each Subgrantee is responsible for contacting the fire code officials in their service delivery area
39 to verify that work done and materials used meet local fire codes. The sole purpose for this
40 requirement is to protect the client and limit the liability of the Subgrantee.

41 42 ***2.17.2 Electrical Codes***

43
44 Each Subgrantee is responsible for assuring that all work meets local and state electrical codes.

¹¹ <https://deq.nc.gov/media/21186/download>

¹² <https://files.nc.gov/ncdeq/climate-change/resilience-plan/2020-Climate-Risk-Assessment-and-Resilience-Plan.pdf>

1 Any and all electrical work **must** be performed by a licensed electrical contractor.

2
3 **2.17.3 Building Codes**

4
5 Subgrantees *shall not* undertake structural modifications without first consulting the appropriate
6 building codes and contacting local officials.

7
8 **2.17.4 Materials Installed Properly**

9
10 It is the Subgrantee’s responsibility to ensure all materials are installed to required specifications
11 to achieve maximum benefit from the materials. **All units (i.e., DOE and/or LIHEAP) require**
12 **post installation inspection completed by a certified Quality Control Inspector.** Inspections
13 of weatherized units **must** be completed by someone other than the installer(s).

14
15 **2.17.5 Maximum Service – Holistic Approach**

16
17 All Subgrantees are responsible to ensure each household has received the maximum amount of
18 services available within the expenditure limitations to maximize energy savings. Subgrantees are
19 encouraged to mobilize all funding available to deliver the highest level of energy efficiency
20 improvements in a holistic approach on each dwelling weatherized. Holistic approach refers to
21 treating the dwelling as an integrated complex system where the shell, mechanical and occupants
22 all interact and affect the energy usage.

1 **APPENDICES**

2

3 Appendix A - Peer Exchange Protocol

4

5 Appendix B - Determining Eligibility Levels

6

7 Appendix C - Deferral Criteria and Process

8

1 **Appendix A – Peer Exchange Protocol**

2
3 The following protocol may be used by NCWAP and subgrantees with a stable or vulnerable score
4 rating:

5
6 **a) Stable agencies and Vulnerable agencies may participate in an annual peer exchange.**

- 7
8 ○ Subgrantees can visit another subgrantee of their choice (with written permission). It is
9 encouraged that they seek an agency that has a new or interesting aspect to their program
10 such as a new weatherization measure, technique, or technical application.
11
12 ○ Subgrantees may not visit the same agency as prior year without NCWAP permission.
13
14 ○ Once an agency is chosen for peer exchange, the visiting agency shall inform the agency
15 to be visited of their intentions at least three (3) months prior to the visit.
16

17 **b) Selecting Units to Visit**

- 18
19 ○ At least three (3) weeks prior to the peer exchange, the host subgrantee and visiting
20 subgrantee will communicate and discuss visiting agencies topics of interest.
21
22 ○ At least 10 days prior to the visit, monitoring subgrantee will notify host agency of four
23 (4) jobs. Jobs selected based upon a previous conversation(s) concerning visiting
24 subgrantee’s topic of interest.
25
26 ○ Host and visiting subgrantee will schedule a mutual and convenient time for the peer
27 exchange.
28
29 ○ Host subgrantee will schedule any field visits.
30

31 **c) Elements of Exchange Visits**

- 32
33 ○ Discuss new and innovative techniques and applications; administrative procedures’
34 equipment uses; applications diagnostic testing techniques; and use of testing equipment.
35
36 ○ Job site inspection (all four (4) units):
37 ▪ Discuss work and make notes with host subgrantees’ representative.
38
39 ▪ Review installation techniques; testing procedures; benefits of application; as well
40 as related benefits to home and occupant.
41

42 **d) Discuss Observations**

- 43
44 ○ Items of interest should be discussed at length while on site; therefore, both subgrantees
45 have a clear understanding of the issue, techniques, tools used, and methods.

1 **e) Exit Interview**

- 2
- 3 ○ Staff and program coordinator to discuss visit, roundtable applications, techniques,
- 4 testing protocol, ideas and improvements.
- 5

6 **f) Report to NCWAP**

- 7
- 8 ○ Visiting agency to draft summary report of visit.
- 9
- 10 ○ The report will include:
- 11 ▪ Topics and discussion
- 12
- 13 ▪ A narrative letter discussing observations, ideas, what they learned, and any
- 14 differences they plan to implement into their program.
- 15
- 16 ○ Visiting subgrantee will submit a report to NCSEO within 15 business days of site visit.
- 17
- 18
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1 **Appendix B – Determining Eligibility Levels**

2
3 **INCORPORATION BY REFERENCE:**

4 This Appendix incorporates [WPN 24-3](#) by reference and includes any subsequent amendments or
5 editions. All subsequent amendments or editions shall become effective immediately upon
6 publication on the DOE’s “Weatherization Program Notices and Memorandums” website:
7 <https://www.energy.gov/scep/wap/weatherization-program-notices-and-memorandums>
8

9 **DETERMINING ELIGIBILITY LEVELS:**

10 As defined in [10 CFR 440.3](#), low-income means that income in relation to family size which:

- 11
- 12 a) Is at or below 200 percent of the poverty level determined in accordance with criteria
- 13 established by the Director of the Office of Management and Budget (OMB), except that
- 14 the Secretary may establish a higher level if the Secretary, after consulting with the
- 15 Secretary of the United States Department of Agriculture (USDA) and the Secretary of
- 16 Health and Human Services, determines that a higher level is necessary to carry out the
- 17 purposes of this part and is consistent with the eligibility criteria established for the
- 18 Weatherization Program under Section 222(a)(12) of the Economic Opportunity Act of
- 19 1964;
- 20
- 21 b) Is the basis on which cash assistance payments have been paid during the preceding twelve-
- 22 month period under Titles IV and XVI of the Social Security Act or applicable State or local
- 23 law; or
- 24
- 25 c) If a Grantee elects, is the basis for eligibility for assistance under the Low-Income Home
- 26 Energy Assistance Act of 1981, provided that such basis is at least 200 percent of the
- 27 poverty level determined in accordance with criteria established by the Director of the
- 28 Office of Management and Budget.
- 29

30 **QUALIFIED ALIENS RECEIVING WEATHERIZATION BENEFITS:** Grantees are
31 directed to review guidance provided by HHS under Low-Income Home Energy Assistance
32 Program (LIHEAP). This Guidance can be found at:
33 <http://aspe.hhs.gov/hsp/immigration/restrictions-sum.shtml>. **In North Carolina, all qualified**
34 **aliens are eligible for weatherization services.**

35
36 **ELIGIBLE RENTAL WEATHERIZATION:** A dwelling unit is eligible for weatherization
37 assistance if it is occupied by a family unit that meets the income guidelines set forth within this
38 WPN and meets the building eligibility guidelines detailed in [10 CFR 440.22](#). A Subgrantee may
39 weatherize a multifamily rental building containing a sufficient percentage of eligible rental
40 dwelling units, a single-family building, or a manufactured home provided written permission
41 from the owner or the owner’s agent. See [10 CFR 440.22\(b\)](#) and [WPN 22-13, Weatherization of](#)
42 [Rental Units.](#)

43
44 **WEATHERIZING HUD PROPERTIES:** [WPN 22-5](#) extends categorical income eligibility to
45 HUD means-tested programs. WAP Grantees and Subgrantees may certify that applicants have
46 met the income requirements of HUD means-tested programs through mechanisms including, but

1 not limited to, applicant documentation, interagency lists of recipients, shared system databases,
2 etc. Method of verification of eligibility must be included in the client file. See [WPN 22-5](#) for more
3 details.

4 5 **BUILDING ELIGIBILITY**

- 6 • Residential dwellings including single family homes, manufactured homes, and
7 multifamily homes are eligible to receive services.
- 8 • Subgrantees may also weatherize shelters. For the purpose of determining how many
9 dwelling units exist in a shelter, 800 square feet of the shelter or each floor of the shelter
10 will be counted as one unit. Prior to weatherizing a shelter, the Subgrantee is required to
11 submit information to the grantee for review and written approval.
- 12 • Multifamily units do not comprise 20% or more of the total units reported annually in the
13 annual appropriations. Multifamily projects under the “annual program” will be
14 submitted to DOE for approval.
- 15 • Weatherization of non-stationary campers and trailers that do not have a mailing address
16 associated with the eligible applicants shall not be allowed. The use of a post office box
17 for non-stationary campers or trailers does not meet this requirement.
- 18 • We use a client database to determine if home has been previously weatherized and the
19 date. All homes weatherized after 15-years from the date of prior closure are eligible for
20 weatherization services.

21 22 **DEFINITION OF INCOME**

23
24 a) **INCOME:** Income means Cash Receipts earned and/or received by the applicant before taxes
25 during applicable tax year(s) **but not** the Income Exclusions listed below in **Section C**. Gross
26 Income is to be used, not Net Income.

27
28 b) **CASH RECEIPTS:** Cash Receipts include the following:

- 29 ○ Money, wages and salaries before any deductions;
- 30 ○ Net receipts from non-farm or farm self-employment (receipts from a person's own
31 business or from an owned or rented farm after deductions for business or farm expenses);
- 32 ○ Regular payments from social security, railroad retirement, unemployment
33 compensation, strike benefits from union funds, worker's compensation, veteran's
34 payments, training stipends, alimony, and military family allotments;
- 35 ○ Private pensions, government employee pensions (including military retirement pay), and
36 regular insurance or annuity payments;
- 37 ○ Dividends and/or interest;
- 38 ○ Net rental income and net royalties;
- 39 ○ Periodic receipts from estates or trusts; and
- 40 ○
- 41 ○
- 42 ○
- 43 ○
- 44 ○
- 45 ○
- 46 ○

- 1
2 ○ Net gambling or lottery winnings.
3
4 c) **INCOME EXCLUSIONS:** The following Cash Receipts **are not** considered sources of
5 Income for the purposes of determining applicant eligibility:
6
7 ○ Capital gains;
8
9 ○ Any assets drawn down as withdrawals from a bank;
10
11 ○ Money received from the sale of a property, house, or car;
12
13 ○ One-time payments from a welfare agency to a family or person who is in temporary
14 financial difficulty;
15
16 ○ Tax refunds;
17
18 ○ Gifts, loans, or lump-sum inheritances;
19
20 ○ College scholarships;
21
22 ○ One-time insurance payments, or compensation for injury;
23
24 ○ Non-cash benefits, such as the employer-paid or union-paid portion of health insurance;
25
26 ○ Employee fringe benefits, food or housing received in lieu of wages;
27
28 ○ The value of food and fuel produced and consumed on farms;
29
30 ○ The imputed value of rent from owner-occupied non-farm or farm housing;
31
32 ○ Depreciation for farm or business assets;
33
34 ○ Federal non-cash benefit programs such as Medicare, Medicaid, Food Stamps, school
35 lunches, and housing assistance;
36
37 ○ Combat zone pay to the military;
38
39 ○ Child support, as defined below in **Section E**;
40
41 ○ Reverse mortgages; and
42
43 ○ Payments for care of Foster Children.
44
45 d) **PROOF OF ELIGIBILITY:** Grantees and Subgrantees are reminded that proof of income
46 eligibility must be clearly identified in the client file.

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- **Availability of Supporting Documentation:** For purposes of review and audit, each client file must contain an application from the client that contains the required demographics and income for the entire family living in the residence. Do not count, or enter, earned income or unemployment compensation for minors under the age of 18 (or full-time high school students) at the time of the application. The client file must also contain evidence provided by the Subgrantee that the client is eligible to receive NCWAP services. This evidence may include, but is not limited to, a memorandum from a third-party certification office stipulating the income levels of the family or source documentation for each income source listed on the application. These documents can be stored electronically or retained in hard copy for each client.
 - **Eligibility Determined by Outside Agency/Program:** If income eligibility is determined by an outside agency or program, i.e., Low-Income Home Energy Assistance Program (LIHEAP) or the U.S. Department of Housing and Urban Development (HUD), any document used to determine eligibility, such as a copy of LIHEAP eligibility or a copy of the HUD eligibility (e.g., Section 8 or Public Housing eligibility) will suffice as evidence of client eligibility. This document and any related documents must be retained in the client file.
 - **Self-Certification:** After all other avenues of documenting income eligibility are exhausted, self-certification is allowable. However, evidence of the various attempts at proving eligibility must be contained in the client file, **including** a notarized statement signed by the potential applicant indicating that the applicant has no other proof of income.
- e) **CHILD SUPPORT:** Child Support payments, whether received by the Payee or paid by the Payor, **are not** considered Sources of Income to be added to the payee income or deducted from the payor income for the purposes of determining applicant eligibility.
- **Payee:** Where an applicant receives Child Support from any state program or individual during an applicable tax year, such assistance **is not** considered income for the purposes of determining eligibility (i.e., where an applicant receives Child Support, he or she **does not** add that amount to his or her calculation of income for purposes of determining eligibility).
 - **Payor:** Where an applicant pays Child Support through a state program and/or to an individual, such assistance **is not** considered a deduction to Income for the purposes of determining eligibility (i.e., where an applicant pays Child Support, he or she **may not** deduct said assistance from his or her calculation of Income for the purposes of determining eligibility).
- f) **ANNUALIZATION OF INCOME:** Where an applicant only provides income verification for a portion of the applicable tax year, their partial income may be annualized to determine eligibility.
- *Example:* Applicant A only provides income verification for January, February and

1 March. The method of annualizing income to determine eligibility could be to multiply
2 the verified income by four to determine the amount of income received during the year.

3
4 The method of calculating annualized income is to be determined by the Grantee and must
5 be applied uniformly by all Subgrantees.

- 6
7 g) **RE-CERTIFICATION:** An applicant must be re-certified when eligibility lapses due to the
8 length of time the applicant was waiting to receive Weatherization services. As a reminder,
9 re-certification of eligibility must occur at least every 12 months. The Grantee must outline
10 the method of determining re-certification in their Annual Plan for approval by DOE.

Appendix C – Deferral Criteria and Process

Certain conditions may exist which make weatherization of certain dwellings unfeasible. In such cases, work for eligible households shall be deferred until the conditions can be adequately mitigated or corrected entirely. Prior to deferral, agencies shall evaluate utility, state, federal, or other programs for possible means which could help prevent the property from being deferred. When deferral conditions exist and cannot be mitigated, subgrantees shall notify the clients and attempt to pursue reasonable alternatives on behalf of the client, including making referrals. Deferrals and deferral reasons are tracked in NCWAP's client database.

Conditions requiring that a dwelling be placed on deferral status shall include but shall not be limited to:

- a) The dwelling has been condemned or major dwelling mechanical systems have been "red tagged" by local or state code enforcement officials or utility providers.
- b) The dwelling structure or its mechanical systems, including electrical and plumbing, are in such a state of disrepair that failure is imminent, and the conditions cannot be resolved cost-effectively.
- c) The primary heating system at the dwelling is non-functioning or is functioning improperly and is deemed unsafe and must be replaced, or major repairs are needed and there are insufficient resources available.
- d) Dangerous conditions exist due to high CO levels in combustion appliances which cannot be resolved within weatherization program guidelines.
- e) Moisture problems are so severe they cannot be resolved within program guidelines.
- f) Unsanitary conditions are present in the dwelling that may endanger the health and safety of dwelling occupants or weatherization personnel should weatherization work be performed.
- g) Household members report documented health conditions that prohibit the installation of insulation and other weatherization materials.
- h) Household members, guests, or pets maintained at the dwelling are uncooperative, abusive, or threatening to weatherization staff or contractors. This also includes denial of access.
- i) The extent and condition of lead-based paint or similar hazards in the dwelling may potentially create health and safety risks if weatherization work is performed.
- j) Illegal activities are being conducted in the dwelling unit.
- k) De-cluttering is limited to the attic and crawl spaces only. Any de-cluttering that would take more than 12 person hours is an automatic deferral.

1 **Supplement 1 – Sample Training and Certification Schedule**

2

Single Family Retrofit Installer			
Classes	Timeline	Course Method	Duration
Weatherization for Absolute Beginners	Any time after hiring. Only specified for employees unfamiliar with WX	In person	2 days
Fundamentals of Building Science	1 month after hiring	In person	4.5 days
CAZ and Combustion Appliances	4 months after hiring	In person	3 days
NC SWS Specific Crew Best Practices	2 months after hiring	In person	4.5 days
Manufactured Housing Weatherization	2 months after hiring	In person	4.5 days
Audit and Work Scope Utilization and Protocol	6 months after hiring	In person	3 days
ASHRAE 62.2	6 months after hiring	In person	3 days
BPI Infiltration and Duct Leakage	7 months after hiring	In person	3.5 days
BPI Building Analyst Technical	1 year after hiring	In person	4.5 days
IR Basics and Field Applications	2 months after hiring	In person	2 days

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Single Family Crew Leader			
Classes	Timeline	Course Method	Duration
HVAC And Mechanical Systems	2 months after hiring	In person	3 days
Fundamentals of Building Science	1 month after hiring	In person	4.5 days
CAZ and Combustion Appliances	4 months after hiring	In person	3 days
NC SWS Specific Crew Best Practices	2 months after hiring	In person	4.5 days
Manufactured Housing Weatherization	2 months after hiring	In person	4.5 days

Single Family Crew Leader (cont.)			
Classes	Timeline	Course Method	Duration
Audit and Work Scope Utilization and Protocol	6 months after hiring	In person	3 days
ASHRAE 62.2	6 months after hiring	In person	3 days
Building Science Math	2 Months after hiring	In person	3.5 days
Advanced CAZ and Combustion	1 year after hiring	In person	3 days
Modifiable Zonal Testing	1 year after hiring	In person	4 days
The Metrics of Moisture	4 months after hiring	In person	2 days
BPI Infiltration and Duct Leakage	7 months after hiring	In person	3.5 days
BPI Building Analyst Technical	1 year after hiring	In person	4.5 days
IR Basics and Field Applications	2 months after hiring	In person	2 days

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Single Family Energy Auditor			
Classes	Timeline	Course Method	Duration
Weatherization for Absolute Beginners	Any time after hiring. Only specified for employees unfamiliar with WX	In person	2 days
Fundamentals of Building Science	1 month after hiring	In person	4.5 days
CAZ and Combustion Appliances	1 month after hiring	In person	3 days
Best Practices for Audit and Work Scope Development	2 months after hiring	In person	4.5 days
NEAT and MHEA	3 months after hiring	In person	4.5 days
Building Science Math	2 months after hiring	In person	3.5 days
Manufactured Housing Weatherization	4 months after hiring	In person	4.5 days

Single Family Energy Auditor (cont.)			
Classes	Timeline	Course Method	Duration
The Metrics of Moisture	4 months after hiring	In person	2 days
ASHRAE 62.2	6 months after hiring	In person	3 days
BPI Infiltration and Duct Leakage	7 months after hiring	In person	3.5 days
BPI Building Analyst Technical	1 year after hiring	In person	4.5 days
BPI Building Analyst Professional	1 year after hiring	In person	3 days
Modifiable Zonal Testing	6 months after hiring	In person	4 days
IR Basics and Field Applications	2 months after hiring	In person	2 days
Energy Auditor Review and Testing	Based on experience	In person	4 days
Quality Control Inspector Review and Testing	Based on experience	In person	2 days

1

Single Family State Monitor Quality Control Inspector			
Classes	Timeline	Course Method	Duration
Weatherization for Absolute Beginners	Any time after hiring. Only specified for employees unfamiliar with WX	In person	2 days
Fundamentals of Building Science	1 month after hiring	In person	4.5 days
CAZ and Combustion Appliances	1 month after hiring	In person	3 days
Best Practices for Audit and Work Scope Development	2 months after hiring	In person	4.5 days
NEAT and MHEA	3 months after hiring	In person	4.5 days
Building Science Math	2 months after hiring	In person	3.5 days
Manufactured Housing Weatherization	4 months after hiring	In person	4.5 days
The Metrics of Moisture	4 months after hiring	In person	2 days

Single Family State Monitor Quality Control Inspector (cont.)

Classes	Timeline	Course Method	Duration
ASHRAE 62.2	6 months after hiring	In person	3 days
BPI Infiltration and Duct Leakage	7 months after hiring	In person	3.5 days
BPI Building Analyst Technical	1 year after hiring	In person	4.5 days
BPI Building Analyst Professional	1 year after hiring	In person	3 days
Modifiable Zonal Testing	6 months after hiring	In person	4 days
IR Basics and Field Applications	2 months after hiring	In person	2 days
Energy Auditor Review and Testing	Based on experience	In person	4 days
Quality Control Inspector Review and Testing	Based on experience	In person	2 days

1 **Supplement 2 - Readiness Plan**

2
3 **READINESS PLAN:** Weatherization Readiness Funds (WRF) are intended to reduce the
4 frequency of deferred homes that require third-party services, outside the scope of
5 weatherization, before the weatherization measures can be installed. Once a readiness job is
6 complete, NCWAP expects full weatherization to occur by the end of the contract term with
7 the subgrantee (i.e., July 1 – June 30). Please see the following plan for expending WRF.

8
9 **DISTRIBUTION OF FUNDS:** NCWAP expects to be allocated \$605,210 (±15%) during
10 FY2024-25, and it will be distributed among the subgrantees based on the provisions outlined in
11 the annual state plan.

12
13 **MAXIMUM COST PER UNIT:** The maximum cost per unit for Readiness will be
14 \$15,000, unless the subgrantee receives written approval by the NCWAP Program Manager.

15
16 **MONITORING OF UNITS:** Subgrantees will conduct 100% QCI inspections on readiness
17 units. NCWAP will monitor at least 5% of these units as part of its regular field monitoring.
18 NCWAP plans to add a section to the QCI checklist regarding whether readiness funds were
19 used on a client’s home.

20
21 **REPORTING:** Currently, subgrantees have access to a list of deferred clients in the client
22 database. Until the client database contains reports that track the key “reporting categories” of
23 readiness units during FY2024-25, NCWAP will require that subgrantees use DOE tools such
24 as the “*Deferral Classification Guide and Tracker*” Excel document to track this initiative.
25 This Excel document will be required to be submitted to NCWAP via ShareFile quarterly
26 (i.e., by *September 30th, December 31st, March 31st, and June 30th*). Once received quarterly,
27 NCWAP plans to compile an ongoing list of the most common materials, measures, and
28 associated costs so the state can target other funding opportunities under BIL and IRA that
29 assist with reducing deferrals.

30
31 Any changes to the reporting medium (i.e., *transitioning to the client database for readiness*
32 *tracking*) will be reported to the DOE project officer and subsequently sent via memo to the
33 subgrantee network.

34
35 **REPORTING CATEGORIES:**

36 Since affected clients will be qualified through the regular intake processes, any separate
37 reporting of readiness funds will only include readiness-specific data until the client database
38 is updated to include the following into its reporting features. Based on this, the following are
39 required to be reported for each readiness unit (*instructions for the fields are included in the*
40 *tool*):

41
42 **Date Information:**

43 WAP/HARRP Event #

44 WAP Intake Date

45 Date(s) Deferred

1 Date Weatherization Ready
2 Date Weatherized
3 Funding Source for DOE Weatherization Work
4

5 **Mailing Information:**

6 Street Address
7 Apartment Number (if applicable)
8 City
9 State/Territory
10 County
11 Zip Code
12

13 **Occupancy Information:**

14 Owner/Renter
15

16 **Building Information:**

17 Building Type
18 Year Built
19 Fuel Type
20

21 **Deferral Information:**

22 Stage Deferred
23 Total Deferral Reasons
24

25 **Deferral Issues (*One through Infinity*):**

26 Issue or Action Needed
27 Underlying Problem (if applicable)
28 Total Remediation Cost
29 Non-WAP Funding Source Used
30 Amount of WRF Funds Applied
31 Referred to?
32

33 **MEASURES: NATURE OF REPAIRS NEEDED WHICH PROHIBIT**
34 **WEATHERIZATION.**

35 Where applicable, the subgrantee will identify multiple repairs or remediation reasons for a
36 single building. These are some of the eligible categories. If a repair or replacement is needed
37 that is not on the list, subgrantees will contact their NCWAP State Technical Monitor in
38 writing with a variance request. The subgrantee may not proceed with items outside this list
39 until the NCWAP State Technical Monitor approves the variance request in writing.

- 40 ○ Roof repair/replacement
- 41 ○ Wall repair/replacement
- 42 ○ Ceiling repair/replacement
- 43 ○ Floor repair/replacement
- 44 ○ Foundation or subspace repair
- 45 ○ Exterior drainage repairs (*gutter/landscaping*)
- 46 ○ Plumbing repair/replacement

- 1 ○ Electrical repair/replacement
- 2 ○ Cleanup and or remediation beyond WAP lead paint/asbestos/mold and
- 3 moisture/biological/pests/etc.
- 4 ○ Fuel tank removal, repair, or installation major repair to unsafe chimney and stacks
- 5 ○ Water source repair (wells/filtration system, etc.)
- 6 ○ Windows and doors beyond scope of the energy audit.

7

8 **PROCESS:** WRF can only be used on homes that will receive weatherization services

9 following the deficit correction.:

- 10 1. If the subgrantee has a waitlist of deferred homes in a service area, these homes should
- 11 be considered immediately for WRF to add them in the cue for weatherization
- 12 services. The client should be contacted and scheduled for assessment.
- 13
- 14 2. Deferrals are identified at the time of the weatherization home assessment. If there
- 15 are serious issues identified that are beyond the scope of eligible WAP conservation
- 16 and H&S recommendations utilizing the funds available, the home will be categorized
- 17 as “deferred” until the deficiency is corrected. These clients will be identified
- 18 following the normal prioritization and wait list process so this should continue to be
- 19 followed.
- 20
- 21 3. To the extent that readiness funds are available for deferrals, the subgrantee would
- 22 create a scope of work, contract for services or engage with a crew to do the deferral
- 23 work so that the building would then be eligible for weatherization. Readiness work
- 24 needs to be identified by measure in the client file.
- 25
- 26 4. Once the Readiness work is complete, the client needs to sign off on a detailed list of
- 27 the measures installed and then should be scheduled as soon as possible for
- 28 weatherization services. (If this occurs during a transition between program years,
- 29 that is fine just keep the information from the Readiness work in the client file moving
- 30 forward.
- 31
- 32 5. The subgrantee will then report to NCWAP on a spreadsheet quarterly until we can
- 33 create a category in our new database system. Client files for each job are expected
- 34 to contain the intake, measure, cost, and inspection information for Readiness.

35

36 **BRAIDING FUNDS:** NCWAP will encourage the legally-allowable blending, braiding, and

37 bundling of funding sources to augment these Readiness funds. More guidance will be

38 provided via memo.

39