

State of California  
Department of Community Services and Development

Weatherization Assistance Program  
for Low-Income Persons



DRAFT  
2024 State Plan and Application  
to the  
U.S. Department of Energy

Released March 29, 2024

Gavin Newsom  
Governor  
State of California

Mark Ghaly  
Secretary  
California Health and  
Human Services Agency

Jason Wimbley  
Acting Director  
Department of Community  
Services and Development

## ***Table of Contents***

### **Annual File**

I.	Application for Federal Assistance Standard Form 424	1
II.	Budget Information	4
III.	Budget Explanation	5
IV.1	Subgrantees	16
IV.2	Production Schedule	18
IV.3	Energy Savings	19
IV.4	Department of Energy (DOE)-Funding Leveraging Activities	20
IV.5	Policy Advisory Council Members	21
IV.6	Public Hearing	23
IV.7	Miscellaneous	24

### **Master File**

V.1	Eligibility	
	V.1.1 Approach to Determining Client Eligibility	28
	V.1.2 Approach to Determining Building Eligibility	30
	V.1.3 Definition of Children	32
	V.1.4 Approach to Tribal Organizations	32
V.2	Selection of Areas to Be Served	33
V.3	Prioritizing Clients	34
V.4	Climatic Conditions	34
V.5	Type of Weatherization Work to Be Done	
	V.5.1 Technical Guides and Materials	35
	V.5.2 Energy Audit Procedures	36
	V.5.3 Final Inspection	37
V.6	Weatherization Analysis of Effectiveness	38
V.7	Health and Safety	43
V.8	Program Management	
	V.8.1 Overview and Organization	43
	V.8.2 Administrative Expenditure Limits	44
	V.8.3 Monitoring Activities	44
	V.8.4 Training and Technical Assistance Approach and Activities	57
V.9	Energy Crisis and Disaster Plan	58

### **Public Hearing Transcript (which includes comments)**

## Attachments

Attachments to the State Plan are available upon request by emailing [Energy.Programs@csd.ca.gov](mailto:Energy.Programs@csd.ca.gov) and indicating the specific attachment(s) requested.

- A. Certification Regarding Lobbying
- B. DOE Nondiscrimination Declaration
- C. Explanation of Indirect Costs
- D. Carryover Explanation
- E. Notices of Public Hearing
- F. Public Hearing Transcript
- G. CSD Eligibility and Verification Guide
- H. CSD Health and Safety Plan
- I. WPN 22-4 Quality Work Plan
- J. State Historic Preservation Officer Declaration
- K. PAC Activity Documentation
- L. CSD Organizational Chart
- M. State Administrative Manual
- N. Cost Allocation Plan
- O. CSD Audit by State of California
- P. CSD Training and Technical Assistance Plan
- Q. Contractor Evaluation Report and CSD CIR
- R. CSD Weatherization Technical Reference Manual
- S. California Energy Commission Climate Zones Zip Codes
- T. California Energy Commission Climate Zones Map
- U. DOE Weatherization Priority Plan Narrative
- V. PAC Represented Interests
- W. Weatherization Readiness Funds Fact Sheet
- X. Weatherization Readiness Funds Client Consent Form
- Y. Client-File Checklist

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application		2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision		If Revision, select appropriate letter(s) Other (specify):	
3. Date Received			4. Applicant Identifier:		
5a. Fed Entity Identifier:			5b. Federal Award Identifier: DE-EE0009890		
<b>State Use Only:</b>					
6. Date Received by State:			7. State Application Identifier:		
<b>8. APPLICANT INFORMATION:</b>					
a. Legal Name: State of California					
b. Employer/Taxpayer Identification Number (EIN/TIN): 680283471			c. UEI: F4LGDJEVBFK4		
<b>d. Address:</b>					
Street 1: 2389 Gateway Oaks Street 2: City: Sacramento County: SACRAMENTO County State: CA Province: Country: U.S.A. Zip / Postal Code: 958120000					
<b>e. Organizational Unit:</b>					
Department Name: Department of Community Services and Development			Division Name: Energy and Environmental Services		
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>					
Prefix: Mr First Name: Jason Middle Name: Last Name: Wimbley Suffix: Title: Acting Director Organizational Affiliation: California Department of Community Services and Development Telephone Number: (916) 576-7109 Fax Number: Email: jason.wimbley@csd.ca.gov					

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

**9. Type of Applicant:**

A State Government

**10. Name of Federal Agency:**

U. S. Department of Energy

**11. Catalog of Federal Domestic Assistance Number:**

81.042

CFDA Title:

Weatherization Assistance Program

**12. Funding Opportunity Number:**

DE-WAP-0002023

Title:

2024 Weatherization Assistance Program

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

State of California

**15. Descriptive Title of Applicant's Project:**

The Weatherization Assistance for Low Income Persons enables low-income families to permanently reduce their energy bills by making their homes more energy efficient.

**APPLICATION FOR FEDERAL ASSISTANCE SF-424**

Version 02

**16. Congressional District Of:**

a. Applicant:

b. Program/Project:

CA-Statewide

Attach an additional list of Program/Project Congressional Districts if needed:

**17. Proposed Project:**

a. Start Date: 07/01/2024

b. End Date:

06/30/2025

**18. Estimated Funding (\$):**

a. Federal	\$9,848,498.00
b. Applicant	0.00
c. State	0.00
d. Local	0.00
e. Other	0.00
f. Program Income	0.00
g. TOTAL	\$9,848,498.00

**19. Is Application subject to Review By State Under Executive Order 12372 Process?:**

- a. This application was made available to the State under the Executive Order 12372 Process for review
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372

**20. Is the applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation)**

No

**21. By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to**

I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency

**Authorized Representative:**

Prefix: Mr First Name: Jason

Middle Name:

Last Name: Wimbley

Suffix:

Title: Acting Director

Telephone Number: (916) 576-7109

Fax Number:

Email: jason.wimbley@csd.ca.gov

Signature of Authorized Representative:

Date Signed:

## II. Budget Information

Program/Project Identification No.		Program/Project Title	
EE0009890		Weatherization Assistance Program	
Name and Address	2389 Gateway Oaks Drive Sacramento, CA 95833	Project Dates	7/1/24 - 6/30/25

### Section A - Budget Summary

Grant Program	Estimated Unobligated Funds (Federal)	New/Revised Budget (Federal)	Total
DOE WAP 2024	-	9,848,498	9,848,498
DOE WAP 2022-2023	-	5,697,460	5,697,460
<b>Totals</b>		<b>15,545,958</b>	<b>15,545,958</b>

### Section B - Budget Categories

Object Class Categories	Grantee Administration	Subgrantee Administration	Grantee T&TA	Subgrantee T&TA	Total
Personnel	127,409		77,886		205,295
Fringe Benefits	68,978		42,167		111,145
Travel	95		2,055		2,150
Equipment	-		-		-
Supplies	-		-		-
Contractual	371,700	1,071,045	365,954	1,751,308	3,560,007
Construction					-
Other Direct Costs	-		50		50
<b>Total Direct Costs</b>	<b>568,182</b>	<b>1,071,045</b>	<b>488,112</b>	<b>1,751,308</b>	<b>3,878,647</b>
Indirect Costs	170,455		146,433		316,888
<b>Totals</b>	<b>738,637</b>	<b>1,071,045</b>	<b>634,545</b>	<b>1,751,308</b>	<b>4,195,535</b>

Object Class Categories	Program Operations	Health and Safety	Weatherization Readiness	Liability Insurance	Total
Personnel					-
Fringe Benefits					-
Travel					-
Equipment					-
Supplies					-
Contractual	7,027,813	2,089,198	2,128,412	105,000	11,350,423
Construction					-
Other Direct Costs					-
<b>Total Direct Costs</b>	<b>7,027,813</b>	<b>2,089,198</b>	<b>2,128,412</b>	<b>105,000</b>	<b>11,350,423</b>
Indirect Costs					-
<b>Totals</b>	<b>7,027,813</b>	<b>2,089,198</b>	<b>2,128,412</b>	<b>105,000</b>	<b>11,350,423</b>

### **III. Budget Explanation**

#### **Personnel**

##### Duties

Positions to be supported under the proposed award and brief descriptions of the duties of profess

<b>Position</b>	<b>Description of Duties</b>
Energy and Environmental Services Division - Staff Services Manager III	Manager provides staff supervision and oversees the Energy Division.
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager II	Manager provides staff supervision and oversees the Weatherization & Technical
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager I Specialist (Retired Annuitant)	Manager Specialist provides analysis, staff support, and staff training for DOE program.
Weatherization & Technical Support and Climate Investment Units - Research Program Specialist I	Specialist provides higher level technical and analytical support and training to Subgrantees and departmental staff.
DOE WAP Unit - Staff Services Manager I	Manager provides staff supervision and administers departmental policies and
DOE WAP Unit - Research Analyst II	Analyst provides higher level technical and analytical support to departmental staff.
DOE WAP Unit - Assoc. Govt. Program Analyst	Analyst provides technical and analytical support to departmental staff. Helps in the development of policies, standards, contracts, and DOE program guidance and LMS maintenance.
DOE WAP Unit - Assoc. Govt. Program Analyst	Analyst provides technical and analytical support to departmental staff. Helps in the development of policies, standards, contracts, and DOE program guidance and LMS maintenance.
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	Analyst provides technical and analytical support to departmental staff. Helps in the development of policies, standards, contracts, and DOE program guidance and database upgrades.
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	Analyst provides technical and analytical support to departmental staff. Helps in the development of policies, standards, contracts, and DOE program guidance and database upgrades.



Duties - continued

Position	Description of Duties
DOE WAP Unit - Assoc. Govt. Program Analyst - Davis-Bacon (Retired Annuitant)	Analyst tracks and prepares Davis-Bacon reports and provides assistance to Subgrantees
Energy Technical Unit - Staff Services Manager I	Manager performs oversight of the QA monitoring provided by third-party inspection contractor, oversees separate QA inspections performed by Grantee staff, oversight of energy audit reviews and technical standards development.
Energy Technical Unit - Assoc. Govt. Program Analyst	Analyst provides technical and analytical support and training to Subgrantees and departmental staff and oversight of weatherization customer complaints.
Energy Technical Unit - Assoc. Govt. Program Analyst	Analyst performs field monitoring of the third-party inspection contractor and separate QA inspections of Subgrantees, support of technical hotline and development of technical manuals.
Energy Technical Unit - Assoc. Govt. Program Analyst	Analyst performs field monitoring of the third-party inspection contractor and separate QA inspections of Subgrantees, support of technical hotline and development of technical manuals.
Climate Investment/Energy Reporting Unit - Staff Services Manager I	Manager performs oversight of complex technical and IT coordination services in support of weatherization and utility assistance programs.
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	Analyst provides complex technical and IT coordination services in support of weatherization and utility assistance programs.
Climate Investment/Energy Reporting Unit - Research Analyst II	Analyst provides complex technical and IT coordination services in support of weatherization and utility assistance programs.
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	Analyst provides complex technical and IT coordination services in support of weatherization and utility assistance programs.

Duties - continued

Position	Description of Duties
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Manager II	Manager provides staff supervision and oversees the Consumer Provider Assistance and Field & Weatherization Services Units.
Field & Weatherization Services and Consumer Provider Assistance Units - Associate Govt. Program Analyst	Analyst develops contracts for all programs in the Division, oversees the historic preservation tracking website and other projects as assigned for the weatherization programs.
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Analyst	Analyst performs DOE contracts, provide weatherization database support, and conduct Subgrantee payment reconciliation.
Field & Weatherization Services Unit - Staff Services Manager I	Manager provides staff supervision and oversight of the monitoring of Subgrantees.
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	Analyst performs review of DOE contracts, provides weatherization database support, and conducts Subgrantee payment reconciliation.
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.

Duties - continued

<b>Position</b>	<b>Description of Duties</b>
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	Analyst performs day-to-day program administration, reviews fiscal and programmatic data reports, conducts annual monitoring activities and program analysis for monitoring purposes.
Field & Weatherization Services Unit - Staff Services Analyst	Analyst provides administrative and programmatic support to the Field & Weatherization Services Unit.
Consumer Provider Assistance Unit - Staff Services Manager I	Manager provides staff supervision and oversight of the support services for CSD staff and Subgrantees.
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	Analyst performs review of DOE contracts, provides weatherization database support, and conducts Subgrantee payment reconciliation.
Consumer Provider Assistance Unit - Staff Services Analyst	Analyst performs review of DOE contracts, provides weatherization database support, and conducts Subgrantee payment reconciliation.
Consumer Provider Assistance Unit - Staff Services Analyst	Analyst performs review of DOE contracts, provides weatherization database support, and conducts Subgrantee payment reconciliation.

Direct Personnel Compensation

<b>Position</b>	<b>Salary</b>	<b>Time</b>	<b>Direct Pay</b>
Energy and Environmental Services Division - Staff Services Manager III	\$ 122,916	4.00%	\$ 4,917
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager II	110,628	10.00%	11,063
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager I Specialist (Retired Annuitant)	24,084	24.00%	5,780

Direct Personnel Compensation - continued

<b>Position</b>	<b>Salary</b>	<b>Time</b>	<b>Direct Pay</b>
Weatherization & Technical Support and Climate Investment Units - Research Program Specialist I	98,472	2.00%	1,969
DOE WAP Unit - Staff Services Manager I	100,776	24.00%	24,186
DOE WAP Unit - Research Analyst II	94,176	24.00%	22,602
DOE WAP Unit - Assoc. Govt. Program Analyst	85,368	24.00%	20,488
DOE WAP Unit - Assoc. Govt. Program Analyst	75,180	24.00%	18,043
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	75,180	24.00%	18,043
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	75,180	24.00%	18,043
DOE WAP Unit - Assoc. Govt. Program Analyst - Davis-Bacon (Retired Annuitant)	40,224	24.00%	9,654
Energy Technical Unit - Staff Services Manager I	100,776	2.00%	2,016
Energy Technical Unit - Assoc. Govt. Program Analyst	85,368	2.00%	1,707
Energy Technical Unit - Assoc. Govt. Program Analyst	78,948	2.00%	1,579
Energy Technical Unit - Assoc. Govt. Program Analyst	75,180	2.00%	1,504
Climate Investment/Energy Reporting Unit - Staff Services Manager I	98,592	5.00%	4,930
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	75,180	1.00%	752
Climate Investment/Energy Reporting Unit - Research Analyst II	94,176	1.00%	942
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	75,180	1.00%	752
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Manager II	110,628	2.00%	2,213

Direct Personnel Compensation - continued

<b>Position</b>	<b>Salary</b>	<b>Time</b>	<b>Direct Pay</b>
Field & Weatherization Services and Consumer Provider Assistance Units - Associate Govt. Program Analyst	75,180	10.00%	7,518
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Analyst	85,368	5.00%	4,268
Field & Weatherization Services Unit - Staff Services Manager I	94,116	2.00%	1,882
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	71,736	2.00%	1,435
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	80,868	2.00%	1,617
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	70,404	2.00%	1,408
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	85,368	2.00%	1,707
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	81,312	2.00%	1,626
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	75,180	2.00%	1,504
Field & Weatherization Services Unit - Staff Services Analyst	56,712	2.00%	1,134
Consumer Provider Assistance Unit - Staff Services Manager I	89,640	2.00%	1,793
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	75,180	3.00%	2,255
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	82,884	3.00%	2,487
Consumer Provider Assistance Unit - Staff Services Analyst	59,220	3.00%	1,777
Consumer Provider Assistance Unit - Staff Services Analyst	56,712	3.00%	1,701
<b>Total Direct Personnel Compensation</b>			<b>\$ 205,295</b>

Fringe Benefits

The fringe benefit rate is based upon actual percentages used to pay for benefits of all State employees. The total amount of fringe benefits is calculated based upon a prorated amount of the annual salary of each classification that is attributable to DOE activities.

Fringe Benefits - continued

<b>Benefit</b>	<b>Rate</b>
Retirement	32.00%
Payroll Taxes – OASDI	6.20%
Payroll Taxes - Medicare	1.45%
Medical Insurances	14.49%
<b>Total Fringe Benefit Rate</b>	<b>54.14%</b>

<b>Position</b>	<b>Benefit</b>
Energy and Environmental Services Division - Staff Services Manager III	\$ 2,662
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager II	5,989
Weatherization & Technical Support and Climate Investment Units - Staff Services Manager I Specialist (Retired Annuitant)	3,129
Weatherization & Technical Support and Climate Investment Units - Research Program Specialist I	1,066
DOE WAP Unit - Staff Services Manager I	13,094
DOE WAP Unit - Research Analyst II	12,237
DOE WAP Unit - Assoc. Govt. Program Analyst	11,092
DOE WAP Unit - Assoc. Govt. Program Analyst	9,768
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	9,768
DOE WAP Unit - Assoc. Govt. Program Analyst - Assoc. Govt. Program Analyst (Limited Term)	9,768
DOE WAP Unit - Assoc. Govt. Program Analyst - Davis-Bacon (Retired Annuitant)	5,226
Energy Technical Unit - Staff Services Manager I	1,091
Energy Technical Unit - Assoc. Govt. Program Analyst	924
Energy Technical Unit - Assoc. Govt. Program Analyst	855
Energy Technical Unit - Assoc. Govt. Program Analyst	814

Fringe Benefits - continued

<b>Position</b>	<b>Benefit</b>
Climate Investment/Energy Reporting Unit - Staff Services Manager I	2,669
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	407
Climate Investment/Energy Reporting Unit - Research Analyst II	510
Climate Investment/Energy Reporting Unit - Assoc. Govt. Program Analyst	407
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Manager II	1,198
Field & Weatherization Services and Consumer Provider Assistance Units - Associate Govt. Program Analyst	4,070
Field & Weatherization Services and Consumer Provider Assistance Units - Staff Services Analyst	2,311
Field & Weatherization Services Unit - Staff Services Manager I	1,019
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	777
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	876
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	762
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	924
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	880
Field & Weatherization Services Unit - Assoc. Govt. Program Analyst	814
Field & Weatherization Services Unit - Staff Services Analyst	614
Consumer Provider Assistance Unit - Staff Services Manager I	971
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	1,221
Consumer Provider Assistance Unit - Assoc. Govt. Program Analyst	1,346
Consumer Provider Assistance Unit - Staff Services Analyst	962

Fringe Benefits - continued

Position	Benefit
Consumer Provider Assistance Unit - Staff Services Analyst	921
<b>Total Fringe Benefits</b>	<b>\$ 111,145</b>

**Travel**

Purpose of Trip	Number of Trips	Average Cost per Trip	Total
CSD Staff Training - Energy Training Center - Duct/Shell Sealing	4	\$ 190	\$ 760
CSD Staff Training - Energy Training Center - Combustion Appliance	4	250	1,000
Subgrantee Comprehensive Monitoring - Air	3	30	90
Subgrantee Comprehensive Monitoring - Ground	5	20	100
Third Party Inspector Monitoring (Ride Along) - Air	2	40	80
Third Party Inspector Monitoring (Ride Along) - Ground	4	30	120
<b>Total Travel</b>			<b>\$ 2,150</b>

All budget estimations are based upon historical data incurred under previous grants. Travel costs for all monitoring and training are leveraged with the DOE BIL and LIHEAP weatherization programs. The NASCSP and Energy OutWest meetings and conferences are charged to DOE RII

**Contracts and Subgrants**

Name of Proposed Sub	Basis of Cost	Total Cost
Weatherization Service Providers	Net allocation after Grantee Admin and T&TA. Cost basis - Allocated by 3-factor formula to participating Subgrantees. Refer to Annual File IV.1 Subgrantees for allocation breakdown by Subgrantee.	\$ 14,172,776



Contracts and Subgrants - continued

Name of Proposed Sub	Basis of Cost	Total Cost
Administrative and Technical Assistance – RHA Inc.	Provide technical assistance and training to CSD and Subgrantees as assigned. Cost basis – competitive bid contract Leveraged with LIHEAP and other energy programs	660,354
Third Party Inspections - ConSol	Conduct weatherized unit inspections on behalf of CSD Cost basis - competitive bid contract Leveraged with LIHEAP and other energy programs	56,000
SHPO Reviews - ICF	Conduct full SHPO reviews of assessed dwellings. Cost basis – competitive bid contract Leveraged with LIHEAP and other energy programs	7,100
Learning Management System - S&P Technology Solutions/Latitude	Support of LMS system for CSD Training Program Cost basis - competitive bid contract, month-to-month after implementation Leveraged with LIHEAP and other energy programs	14,200
<b>Total Contracts and Subgrants</b>		<b>\$ 14,910,430</b>

**Other Direct Costs**

Description	Justification	Total Cost
Training Fees - PG&E Energy Training Center	CSD field staff attendance at PG&E Energy Training Center for weatherization training - Combustion Appliance Safety and Duct and Shell Sealing. 4 attendees per training. Cost Basis - established registration fees	\$ 50
Total Other Direct Costs		\$ 50

**Indirect Costs**

Refer to Attachment C – Indirect Cost Rate.

Annual LIHEAP grant, DOE BIL grant and other energy programs administered by CSD are leveraged to fund wages, benefits, and other program expenditures for the annual DOE grant.

## IV.1 Subgrantees

Subgrantee and Service Area	Planned Funds	Estimated Units
Amador-Tuolumne Community Action Agency (Amador, Calaveras, Tuolumne)	\$ 52,238	4
Campesinos Unidos, Inc. (Imperial, San Diego - Area A)	574,274	25
Central Coast Energy Services (Marin, Monterey, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz)	2,632,685	155
Central Valley Opportunity Center, Inc. (Stanislaus)	460,843	32
Community Action Agency of Butte County, Inc. (Butte)	343,991	24
Community Action Partnership of Orange County (Orange)	795,513	41
Community Action Partnership of Riverside County (Riverside)	352,479	24
Community Action Partnership of San Bernardino County (San Bernardino)	301,005	18
Community Action Partnership of San Luis Obispo County, Inc. (San Luis Obispo)	281,338	14
Community Resource Project, Inc. (Sacramento, Sutter, Yuba)	2,126,094	108
Community Services & Employment Training (Tulare)	284,409	20
Fresno County Economic Opportunities Commission (Fresno)	963,670	61
Glenn County Human Resource Agency (Colusa, Glenn, Trinity)	150,834	10
Great Northern Services (Siskiyou)	32,918	2
Kings Community Action Organization, Inc. (Kings)	230,763	16
Long Beach Community Action Partnership (Los Angeles - Area C)	471,374	27
Maravilla Foundation (Los Angeles - Area A)	1,080,305	65
Merced County Community Action Agency (Madera, Merced)	1,252,837	72
Metropolitan Area Advisory Committee (San Diego - Area B)	477,354	29

## ***IV.1 Subgrantees***

<b>Subgrantee and Service Area</b>	<b>Planned Funds</b>	<b>Estimated Units</b>
Pacific Asian Consortium in Employment (Los Angeles - Area B)	\$ 450,697	25
Redwood Community Action Agency (Humboldt, Modoc)	94,525	5
San Joaquin Co. Dept. of Aging & Community Services (Stanislaus)	634,694	44
Self Help Home Improvement Project (Shasta, Tehama)	127,936	7
<b>Total</b>	<b>\$ 14,172,776</b>	<b>828</b>

## IV.2 WAP Production Schedule

Weatherization Plans	Annual Total
Total Units (excluding reweatherized)	828
Rewatherized Units	-

Average Unit Costs, Units Subject to DOE Project Rules		
<i>Vehicle &amp; Equipment Average Cost per Dwelling Unit (DOE Rules)</i>		
A.	Total of Vehicles and Equipment Budget	-
B.	Total Units to be Weatherized, from Production Schedule above	828
C.	Units to be Rewatherized, from Production Schedule above	-
D.	Total Units to be Weatherized, plus Planned Rewatherized Units from Production Schedule above (B plus C)	828
E.	Average Vehicles and Equipment cost per Dwelling Unit (A divided by D)	-
<i>Average Cost per Dwelling Unit (DOE Rules)</i>		
F.	Total of Funds for Program Operations	\$ 7,027,813
G.	Total Units to be Weatherized, plus Planned Rewatherized Units from Production Schedule above (total from D above)	828
H.	Average Cost per Dwelling Unit, less Vehicles and Equipment (F divided by G)	\$ 8,488
I.	Average Cost per Dwelling Unit for Vehicles and Equipment (total from E)	\$ -
J.	Total Average Cost per Dwelling Unit (H plus I)	\$ 8,488

### ***IV.3 Energy Savings***

Method used to calculate savings: WAP algorithm

	<b>Units</b>	<b>Savings Calculator (Mbtus)</b>	<b>Energy Savings</b>
This Year Estimate	828	29.3	24,260
Prior Year Estimate	828	29.3	24,260
Prior Year Actual	572	29.3	16,760

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

CSD has no planned DOE-funded leveraging activities this year.

## ***IV.5 Policy Advisory Council Members***

CSD has targeted organizations that are members of the Community Services Block Grant (CSBG) Committee to increase participation from non-DOE service providers. Membership includes several organizations that are independent from the DOE WAP Subgrantee network. Not all members of PAC are CSBG service providers. The membership is currently made up of a diverse cross-section of sixty-two organizations.

<b>Agency</b>
Amador-Tuolumne Community Action Agency
Berkeley Community Action Agency
Calaveras-Mariposa Community Action Agency
California Community Action Partnership Association
California Community Economic Development Association
California Human Development
Campesinos Unidos (CUI)
Center for Employment Training
Central Valley Opportunity Center (CVOC)
City of Los Angeles, Department of Community Investment for Families
City of Oakland Human Services Department
CommUnify Santa Barbara
Community Action Agency of Butte County
Community Action Board of Santa Cruz County
Community Action Marin
Community Action Napa Valley
Community Action of Ventura County, Inc.
Community Action Partnership of Kern County
Community Action Partnership of Madera County
Community Action Partnership of Orange County
Community Action Partnership of Riverside County
Community Action Partnership of San Bernardino
Community Action Partnership of San Luis Obispo County
Community Action Partnership of Solano
Community Action Partnership of Sonoma
Community Design Center
Community Services & Employment Training
Contra Costa Employment & Human Services
County of Los Angeles Dept of Public Social Services
County of San Diego, Health and Human Services Agency
Del Norte Senior Center
El Dorado County Health and Human Services Agency
Foothill Unity Center
Fresno County Economic Opportunities Commission
Glenn County Community Action Partnership
Inyo Mono Advocates for Community Action
Karuk Tribe



<b>Agency</b>
Kings Community Action Organization
La Cooperativa Campesina de California
Long Beach Community Action Partnership
Los Angeles County, Department of Arts and Culture
Merced Community Action Agency
Modoc-Siskiyou Community Action Agency
Monterey County Community Action Partnership
Nevada County's Health and Human Services Agency
North Coast Opportunities
Northern California Indian DC
Plumas County Community Development Commission
Project Go, Inc.
Proteus, Inc.
Redwood Community Action Agency
Rural Community Assistance Corporation
Sacramento Employment & Training Agency
Sacred Heart Community Service
San Benito Department of Community Services & Workforce Development
San Joaquin County Department of Aging and Community Services
San Mateo County Human Services Agency
Shasta Community Action Agency
Tehama County Community Action Agency
Urban Services, YMCA
County of Yolo Health and Human Services Agency
Yuba-Sutter Economic Development Corporation

## ***IV.6 Public Hearings***

The public hearing will be conducted virtually via webinar on Wednesday, April 10, 2024, at 10:00 a.m. PST by the Department of Community Services and Development (CSD).

To register for the webinar, use the link below:

<https://csd-ca.zoomgov.com/meeting/register/vJltcOCtqzwsHIC61o-eSbOjkyZKeRAAQYo>

Notices for the hearing were posted on the CSD Public Website and social media platforms on March 29, 2024.

Comments for the State Plan will be accepted during the Public Hearing.

See Attachment E: Notices of Public Hearing Public and Attachment F: Public Hearing Transcripts (available after the public hearing). Additionally, the Public Hearing Transcript will be included as an addendum to this State Plan, once approved by the Department of Energy.

## ***IV.7 Miscellaneous***

### **Recipient Business Officer**

Kathy Andry  
Branch Chief, Energy and Environmental Services Division  
California Department of Community Services and Development  
[Kathy.Andry@csd.ca.gov](mailto:Kathy.Andry@csd.ca.gov)

### **Recipient Principal Investigator**

Lizzie Adams  
Unit Manager, Department of Energy Weatherization Unit  
California Department of Community Services and Development  
[Lizzie.Adams@csd.ca.gov](mailto:Lizzie.Adams@csd.ca.gov)

### **Continuing Resolution**

As of the finalization of this Draft 2024 Annual Department of Energy Weatherization Assistance Program (DOE WAP) State Plan, the federal government continues to operate under a continuing resolution. Thus, the California Department of Community Services and Development (CSD) ascertained the budget for this State Plan using funding levels of the 2023 Program Year as an estimate. When DOE releases final allocation determinations for the 2024 Program Year, CSD will revise this State Plan and re-release. Per DOE guidance a new public hearing will not be required prior to releasing the revised 2024 Annual DOE WAP State Plan.

### **Buy American**

The Build America Buy America Act (“Buy American Act”) establishes a domestic procurement preference by requiring agencies ensure applicable programs incorporate a Buy America preference in the terms and conditions of each award after May 14, 2022. The Buy America preference applies to federal financial assistance programs where funds are used for projects for “infrastructure”, absent an exception. Infrastructure is defined in Section 70912(5) of the Infrastructure Investment and Jobs Act (also known as the Bipartisan Infrastructure Law) to include “the structures, facilities, and equipment for, in the United States, buildings and real property”. As outlined in OMB M-22-11, which provides implementation guidance, the Buy America preference will not be a requirement on non-infrastructure projects. Non-infrastructure projects include projects consisting solely of the “construction, or improvement of a private home for personal use.” Although further guidance from the DOE on application of the Buy American Act is anticipated, , the Buy America preference provisions requiring certain domestic procurement will likely apply. Therefore, for DOE WAP services, the Buy America preference will require purchases of iron, steel, manufactured products, and construction materials produced in the United States. In the event that

such an infrastructure project is undertaken, CSD will plan activities, such as ensuring any supplies of iron, steel, manufactured goods, or construction materials can certify, in writing, that their products are manufactured domestically.

### **Weatherization Readiness Funds (WRF) Plan**

To address deferral issues under the Annual 2024 DOE WAP, CSD will use the Weatherization Readiness Funds (WRF) as described below. These funds are to be used for DOE WAP jobs where deferral was initially required due to a condition beyond the regular weatherization program scope. These funds will allow the identified deferral condition to be corrected (within the limits of this guidance/plan) and for weatherization work to resume and result in a completed DOE WAP unit.

#### WRF Maximum Average Cost Per Unit

The maximum WRF average cost per unit (WRF ACPU for Program Year 2024 is \$20,000. The maximum WRF ACPU is both separate and higher than the ACPU for weatherization services.

#### WRF Process

Homes that have been previously deferred and maintaining eligibility for program services will be prioritized for WAP services. For all other WRF needs, Subgrantees must follow the same priority and ranking used for weatherization. Once it has been determined that WRF money will be used on a dwelling, the Subgrantee must document the actions to be taken to make the dwelling ready for weatherization, the entity performing the actual work, and the cost of the work. Once the readiness work has been completed, the dwelling must immediately receive weatherization services and be documented as a DOE WAP unit.

#### Restrictions on WRF

Any dwelling that receives WRF money must result in a completed DOE unit. If WRF money is used on a dwelling and the dwelling does not result in a completed DOE unit, the cost will be disallowed. WRF money must be tracked separately from other DOE funding.

#### Repairs Eligible for WRF Money

The following is a non-comprehensive list of repairs that are eligible for WRF money. Items not on this list can be implemented based on the discretion of the Subgrantee after discussions with CSD.

- Asbestos remediation
- Mold remediation
- Pest infestation

- Roof repair/replacement
- Structure repair
- Wall repair (interior and exterior)
- Ceiling repair
- Floor repair
- Leak repair
- Plumbing repair (including sewer/septic repair)
- Exterior drainage repairs (e.g., landscaping or gutters, bulk moisture control)
- Electrical upgrade or repair
- Insulation preparation
- Infiltration reduction
- Incidental Repairs that if included in the Savings-to-Investment Ratio (SIR) calculations, would cause a unit to not be cost effective
- Repairs not previously listed as incidental repair because of high cost or other reasons
- Other (as needed to correct dwelling deferrals – must be pre-approved by CSD)

Units needing repairs beyond those supported by WRF, weatherization assistance, and other funding sources will be deferred under the regular deferral policy.

#### WRF Tracking

For each client, Subgrantees are required to report WRF expenditures and repairs in CSD's online reporting system. The DOE WAP Unit will monitor the WRF ACPU throughout the program year to ensure compliance.

#### Client Files

Each unit that receives WRF funding will require photographic documentation of the conditions requiring the WRF work and any additional supporting documentation to validate the use of WRF funds. A copy of the contractor's license for all work performed by a third-party contractor must be saved and included in the client file. These photos and all other supporting documentation must be included in the client file of the completed unit to substantiate the use of WRF funds.

Due to the nature of this new funding, CSD will request a sampling of DOE WAP WRF jobs for monitoring purposes.

#### Redistribution of Funds

Funds may be reclaimed and redistributed to another Subgrantee(s) who has capacity to spend out for the following reasons:

- A Subgrantee cannot meet their production goals.
- A Subgrantee is not in compliance with program requirements or other extenuating circumstances.

- A Subgrantee has determined that DOE WAP funds are insufficient to administer and maintain WAP at the local level.
- A Subgrantee does not maintain the services of a certified Quality Control Inspector for the duration of the contract term.

Considerable efforts will be made to serve the affected service area, but it will be dependent upon the ability to secure an alternate Subgrantee for the remainder of the contract period.

## V.1 Eligibility

### V.1.1 Approach to Determining Client Eligibility

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

Income is defined as cash receipts earned and/or received by the dwelling occupant(s) before taxes within six weeks of the application intake date and must comply with the stated acceptable forms of income documentation referenced in Attachment G: CSD Eligibility and Verification Guide. Certain types of income are excluded from total household income including but not limited to: capital gains, non-cash benefits, employee fringe benefits, reverse mortgage, child support, and money received from the sale of a property, house, car, or tax refunds.

**Describe what household eligibility basis will be used in the Program.**

Eligibility is based on the household's total monthly gross income, which cannot exceed the DOE Weatherization Assistance Program (WAP) income guidelines. CSD uses the federal poverty level of 200 percent as determined by the Office of Management and Budget as follows:

Household Size	DOE Monthly Income 200% Federal Poverty Effective 7/1/24
1	\$2,510.00
2	\$3,406.67
3	\$4,303.33
4	\$5,200.00
5	\$6,096.67
6	\$6,993.33
7	\$7,890.00
8	\$8,786.67
9	\$9,683.33
10	\$10,580.00
11	\$11,476.67
12	\$12,373.33
13	\$13,270.00
14	\$14,166.67
15	\$15,063.33
16	\$15,960.00
17	\$16,856.67
18	\$17,753.33

Household Size	DOE Monthly Income 200% Federal Poverty Effective 7/1/24
19	\$18,650.00
20	\$19,546.67
21	\$20,443.33
22	\$21,340.00
23	\$22,236.67
24	\$23,133.33
25	\$24,030.00

Priority for providing weatherization assistance is given to elderly persons, persons with disabilities, families with children under 19, and households with high energy burden. Subgrantees will be required to develop a service priority plan that includes energy burden (refer to Attachment V: CSD 793 DOE Weatherization Priority Plan Narrative). CSD will review and approve service priority plans as part of the contract execution process. Refer to Attachment G: CSD Eligibility and Verification Guide.

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

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, H.R. 3734, also known as the Welfare Reform Act, placed specific restrictions on the eligibility of aliens for “federal public benefits”, including on qualified aliens for “federal means-tested public benefits” for a period of five years. LIHEAP is identified as providing a “federal public benefit” which non-qualified aliens may not receive. (63 FR 41657.) As defined in a Federal Register notice dated August 26, 1997 (62 FR 45256), the Department of Health and Human Services (HHS) interpreted “federal means-tested public benefits” to include only those benefits provided under Federal means-tested, mandatory spending programs (e.g., only Medicaid and TANF for HHS programs). Accordingly, HHS Information Memorandum LIHEAP-IM 98-25 dated August 6, 1998, states that all qualified aliens, regardless of when they entered the U.S., continue to be eligible to receive assistance and services under the Low Income Home Energy Assistance Program (LIHEAP) if they meet other program requirements.

To ensure program continuity between LIHEAP and DOE weatherization for all Subgrantees operating both programs, the DOE WAP will follow the interpretation as adopted by HHS. Therefore, U.S. citizens and qualified aliens are eligible to apply for DOE WAP so long as they meet other program requirements (e.g., household income levels per the chart above).

In addition, LIHEAP IM 99-10, issued June 15, 1999, further clarifies that use of LIHEAP funds to weatherize a multi-unit building is not a benefit which is a federal public benefit.



Therefore, weatherization in a multi-unit building is not a covered activity for status verification, meaning providers do not need to verify qualified alien or citizen eligibility.

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

#### **Procedures to determine that units weatherized have eligibility documentation.**

Subgrantees utilize intake forms that include procedures to ensure units weatherized have eligibility documentation in accordance with CSD's Eligibility & Verification Guide (Attachment G). Subgrantees also maintain a client file for each unit weatherized, including documented proof that the dwelling unit is an eligible dwelling unit as defined in 10 CFR Section 440.22. This documented proof ensures a dwelling and its owner(s) meet eligibility requirements.

CSD created and provided an optional Client File Checklist to Subgrantees in July 2023, which assists Subgrantees with ensuring weatherized dwelling files contain all necessary eligibility and other documentation required by CSD-administered energy programs.

#### **Describe reweatherization compliance.**

Weatherization services for a dwelling unit previously weatherized using DOE WAP funds are only allowable if:

- A dwelling unit has been damaged by fire, flood, or act of nature and qualifies for disaster relief services in accordance with an approved DOE Disaster Relief Plan; or
- A dwelling unit has not been weatherized using Federal funds (DOE WAP, DOE ARRA, BIL WAP, LIHEAP, HUD, or USDA) within fifteen years of the date such previous weatherization was completed.

Each dwelling must receive a new dwelling assessment, diagnostic testing, and a determination as to whether the dwelling qualifies as a Priority List dwelling or requires an energy audit, which will consider any previous energy conservation improvements to the dwelling. Only feasible health and safety measures and energy conservation measures that qualify under the Priority List or for a dwelling where an energy audit was conducted at or above a savings-to-investment ratio (SIR) of 1.0 are allowable.

To confirm a dwelling's eligibility for DOE WAP, CSD has developed an automated system, the Address Verification and Earmarks System (AVES), that Subgrantees must check to ensure that the dwelling has not been weatherized using LIHEAP, DOE WAP, DOE ARRA, and/ or BIL WAP funding during the prior 15 years. AVES was implemented in October 2023 and includes data on federal programs that CSD administers, but does not include HUD or USDA data. Subgrantees must check a dwelling's address in AVES, and verify that the household's income is within the

program income eligibility guidelines before committing to providing reweatherization services under DOE WAP.

**Describe what structures are eligible for weatherization.**

The following structures are eligible for weatherization services:

Mobile or Manufactured Home – A manufactured home regulated by the California Department of Housing and Community Development (HCD) that is built on a trailer chassis and designed for highway delivery to a permanent location, and can be a single-, double-, or triple-wide home. A mobile home must be a permanent, full-time residential dwelling with a floor area of at least 330 square feet.

Multi-Family Dwelling Unit – A dwelling structure containing five or more dwelling units in a single building.

Shelter – A dwelling unit or units whose principal purpose is to house individuals on a temporary basis who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.

Single Family Dwellings – A detached dwelling structure containing no more than one dwelling unit, or two to four unit buildings.

**Describe how rental units/multifamily buildings will be addressed.**

To ensure that the benefits of weatherization to occupants of rental units are protected, CSD's contracts require Subgrantees to assure that owners and renters receive equitable treatment under this program and no undue enhancements to the dwelling occur.

Language is included on all energy service agreement forms that prohibit property owners from raising rental prices within two years after services are provided as a result of building improvements from weatherization work, discloses tenant complaint procedures and property resale restrictions, and stipulates permission to enter the property for purposes of this program. The agreements are signed by owner/occupants, tenants, and rental property owners prior to receiving weatherization services for the dwelling.

CSD has adequate procedures to process tenant complaints regarding any property-owner violation of weatherization service agreement terms and conditions.

CSD will abide by 10 CFR Section 440.22, ensuring that not less than 66 percent of the units in multi-family buildings (50 percent for duplexes and four-unit buildings) are eligible units or will become eligible dwelling units within 180 days under a Federal, State, or local government program prior to rehabilitating the building or making similar improvements.

CSD follows guidance offered in WPN 22-5 that streamlines the qualification of certain HUD-assisted multifamily properties for weatherization work, streamlines income eligibility determination, and ensures that benefits accrue primarily to the low-income residents.

### **Describe the deferral process.**

Deferral takes place upon discovery of circumstances giving rise to the feasibility of a given measure or other issue causing the installation of weatherization measures to be deferred or omitted. This can be a full deferral of all services or partial deferral of one or more measures if a condition exists that presents a hazard or unsafe condition affecting the health and safety of workers or clients/occupants, and the condition is unable to be resolved within the service scope of WAP. If a condition is outside the service scope of WAP, the Weatherization Deferral Form (CSD 542), signed by the client, provides an area for Subgrantees to document the deferral condition and refer the client to other programs, agencies or outside assistance, if the Subgrantee can identify appropriate contractors and/or other entities to assist the client. Only after the issues identified on the deferral form have been corrected to the satisfaction of the Subgrantee shall weatherization work begin. Further detail of deferral conditions is provided in:

- Attachment H: CSD Weatherization Health and Safety Plan
- Attachment R: CSD Technical Reference Manual, Appendix E Health and Safety Requirements, Section 11.3 Deferral and Referral Policy

CSD currently collects data on units that have been provided only assessment and diagnostic services, however, the deferral condition, though captured on the CSD Weatherization Deferral Form, is not uploaded into CSD's current reporting system. Through new system enhancements, CSD is planning on data collection expansion, deferral form updates and deferral process review to work towards a deferral tracking process that will allow for improved access to program services.

### **Weatherization Readiness Funds (WRF)**

Refer to Section IV.7 Miscellaneous in the Annual File for CSD's Weatherization Readiness Funds Plan.

#### **V.1.3. Definition of Children**

"Children" are defined as members of a household who have not attained their nineteenth (19th) birthday.

#### **V.1.4 Approach to Tribal Organizations**

The State ensures that low-income members of the American Indian population receive services equivalent to the assistance provided other low-income persons within the State. CSD recommends that a tribal organization not be treated as a local Subgrantee

applicant due to the difficulty in establishing a weatherization program. Based on CSD's allocation formula, the grant allocation to the tribes would not provide enough resources to implement a full-service program from the ground up and would be too low to sustain an ongoing localized program.

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

CSD subcontracts with Subgrantees to provide DOE WAP services throughout the state in their designated service area. A service area may be a portion of a county, an individual county, or a group of counties. The projected funding, goals, and other information for each service area are set forth in Subgrantee Information in the Annual File.

When a Subgrantee cannot serve their designated service area for DOE WAP, CSD will attempt to contract with a neighboring (in-network) Subgrantee until services can be resumed by the former Subgrantee. If the Subgrantee cannot resume services, it may be necessary to procure a new Subgrantee.

Funds may also be redistributed to an existing Subgrantee(s) who has capacity to provide DOE WAP services for the following reasons:

- A Subgrantee (i.e., the original recipient) cannot meet their production goals.
- A Subgrantee is not in compliance with program requirements or other extenuating circumstances.
- A Subgrantee has determined that DOE funds are insufficient to administer and maintain the DOE WAP at the local level.
- A Subgrantee does not maintain the services of a certified Quality Control Inspector for the duration of the contract term.

Due to supplemental funding awarded with the Bipartisan Infrastructure Law Department of Energy Weatherization Assistance Program Grant (BIL WAP) and reliance on leveraging Low-Income Home Energy Assistance Grant funds to facilitate the administration of DOE WAP at the local level, Subgrantees are having difficulty fully spending their annual DOE WAP allocation. With the recent decrease in Low Income Home Energy Assistance Program (LIHEAP) funding and a lower health and safety percentage maximum, many Subgrantees have expressed concerns about having enough LIHEAP leveraging dollars to match with both the Annual DOE WAP Grant and the BIL WAP Grant. However, through the BIL WAP, CSD is nearly able to achieve statewide coverage by providing services in almost all 58 counties.

It should be noted that all WAP Subgrantees currently receive funding under CSD's LIHEAP program, which provides an array of energy assistance services, including weatherization and emergency repairs to heating and cooling appliances. These services are provided throughout the state in every county and at levels significantly higher than the Annual DOE WAP. In any county not currently served by an active DOE WAP Subgrantee, should a resident specifically request DOE WAP services, CSD will

coordinate with that Subgrantee to ensure that the eligible household receives other available weatherization services.

### ***V.3 Prioritizing Clients***

Weatherization services performed must align with the DOE WAP rules and regulations, CSD Technical Reference Manual (TRM), CSD's Eligibility and Verification Guide, and 10 CFR Section 440.16. CSD contracts require participating Subgrantees to develop service priority plans, which require the following:

- No dwelling unit may be weatherized without documentation that the dwelling unit is an eligible unit for DOE WAP services.
- Priority is given to identifying units/dwellings owned or occupied by low-income persons that are particularly vulnerable, including elderly persons, persons with disabilities, families with children under age 19, high residential energy users, and households with high energy burdens. Subgrantees indicate how units/dwellings meet these criteria in a detailed narrative on Form CSD 793 – DOE Weatherization Priority Plan Narrative (Attachment U).
- Subgrantees are required to have written policies outlining how DOE weatherization services are provided meeting the criteria of 10 CFR Section 440.16.

Waiting lists may be maintained by Subgrantees when demand for services exceeds capacity. Each Subgrantee determines how they draw applications from their waiting lists in accordance with service priority requirements. Applications that do not meet CSD's eligibility timelines must be recertified before services can be provided.

A high residential energy user is defined by contract as a low-income household whose residential energy expenditures exceed the median level of residential expenditures for all low-income households in the state. Subgrantees upload client income and utility data to CSD's online data collection system from which an energy burden is derived. On CSD's DOE Weatherization Priority Plan Narrative (CSD Form 793), Subgrantees provide their plans for prioritizing services to elderly persons, persons with disabilities, families with children, high residential energy users, and households with a high energy burden.

CSD's DOE WAP does not have specific objectives expressly regarding Justice40. However, due to the service emphasis of LIHEAP on serving elderly persons, persons with disabilities, families with children, and households with a high energy burden, For administrative ease, Subgrantees administer DOE WAP services in accordance with these service considerations thereby meeting the objectives set forth by Justice40.

### ***V.4 Climatic Conditions***

California experiences a wide range of climatic conditions ranging from a Mediterranean-like climate with warm, dry summers and mild, wet winters to

temperature extremes in the Central Valley, Mountain and Desert areas. CSD currently uses the U.S. Climate Zone Map provided by the California Energy Commission (CEC) which consists of sixteen climate zones. To be more consistent with the applicability of California Title 24 requirements and to remove the subjectivity related to using weather stations, the CEC climate zones replaced the DOE climate zone map. Priority lists were developed using Region 1 (Hot) from the climate zone map as identified in WPN 22-8 for DOE-WAP Sponsored Priority List for Site-Built Single Family, Manufactured Homes, and Low-Rise Multifamily dwellings.

The Subgrantees use the data included in the Energy Audit/Priority List Protocol to customize the energy audit for dwellings to be weatherized. Much of California requires heating and cooling to achieve comfort standards. Refer to Attachment S: California Energy Commission Climate Zones by County and City and Attachment T: California Building Climate Zones Map.

With such diverse housing stock spanning the whole of California's 16 climate zones, CSD currently does not track energy savings differences between Subgrantees. CSD does, however, take note of Subgrantees that demonstrate improved effectiveness in the installation of weatherization measures and measure cost efficiencies. These components effectively allow CSD to continue to hone training and technical assistance (T&TA) activities and priorities.

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

### **V.5.1 Technical Guides and Materials**

All weatherization work is performed in accordance with DOE-approved audit procedures and 10 CFR Section 440, Appendix A. CSD has developed manuals in compliance with WPN 22-4 to guide Subgrantees in the proper delivery of weatherization services. The primary field guidance is the Technical Reference Manual (TRM), which serves as the benchmark for quality workmanship and as a tool for measuring quality performance. The TRM incorporates the Standard Work Specifications (SWS) for Home Energy Upgrades pertaining to material and installation specifications, provides guidance on key work procedures, and outlines the field policies for the Subgrantees. The TRM is available electronically for Subgrantees and their subcontractors on CSD's Local Agencies Portal. CSD regularly updates the TRM to reflect recent DOE guidance and code changes, and once approved by DOE, the manual is released to Subgrantee network.

CSD issues energy-focused Program Notices (CPN-E) to introduce new policies related to subjects such as asbestos removal, callbacks, and audit protocols. Energy-focused CSD Program Advisories (CPA-E) are issued to provide clarity on the TRM and other policies, as needed. In addition, CSD maintains a technical assistance hotline staffed by CSD technical unit employees.

CSD contracts require Subgrantees to adhere to the latest version of the TRM, Energy Program Notices, Office of Management and Budget (OMB), and other federal and state laws, regulations, and guidelines. When subcontracting, Subgrantees are required to include all program requirements in their subcontractor contracts.

A signature on the contract is confirmation by the Subgrantees and their subcontractors that they understand the work expectations and standards required when utilizing WAP funds. Full detail of these requirements can be obtained by referring to Attachment I: WPN 22-4 Quality Work Plan.

All technical guides and materials are located on CSD's secure Local Agencies Portal (LAP) website. The LAP is only accessible to Subgrantees and CSD staff via a login.

The National Environmental Policy Act (NEPA) is a federal law requiring all federally funded projects to consider environmental impacts of work to be performed. Requirements for data tracking are defined based upon a DOE WAP determination by state. As it relates to eligible structures, CSD and its Subgrantees will comply with all National Environmental Policy Act (NEPA) requirements as documented by the NEPA Determination and WAP Guidance documents.

### **V.5.2 Energy Audit Procedures**

In June 2023, CSD released the 2023 Technical Reference Manual with an effective date of July 1, 2023, providing details of the DOE-approved energy audit and priority list methodologies and measure installation hierarchy. DOE approved CSD's protocols on February 22, 2023. The protocols will remain in effect until April 20, 2026. CSD will submit updated protocols to DOE for approval prior to that.

Each dwelling served under DOE WAP must follow either the Priority List (PL) path or Audit path based on an established set of criteria. When the Priority List path will be applied as determined by the CSD 710 Energy Audit/Priority List Checklist, a prescriptive list of measures must be installed based on building type and the approved dwelling criteria.

CSD utilizes REM/Design auditing software for single-family dwellings, mobile homes, and multifamily buildings with 24 or fewer dwelling units, where each unit is independently heated and cooled. The Targeted Retrofit Energy Analysis Tool (TREAT) will be used for all multifamily buildings and small multifamily buildings with common heating and/or cooling systems. REM/Design will be used for small multifamily buildings of 24 or fewer units with independent heating/cooling systems. All TREAT projects will be submitted to DOE for approval prior to commencement of work.

For detailed procedures on energy audit requirements and the priority list, consult Attachment R: Technical Reference Manual, Appendix D, Energy Audit/Priority List Protocol.

### V.5.3 Final Inspection

Subgrantees are required to review and inspect all dwellings weatherized. A statement on the CSD Post Weatherization Inspection Report certifies that all required measures were installed in accordance with contract and program requirements and shall be signed and dated by the Certified Quality Control Inspector including the QCI's Certification Number.

Subgrantees are required to have 100 percent of their completed units inspected by a Certified Quality Control Inspector who has not performed any of the weatherization work on the inspected unit and has met CSD training and DOE certification requirements. CSD will conduct a minimum of five to 10 percent of third-party quality assurance inspections on completed dwelling units for all Subgrantees.

It may not be feasible to have a separation of duties between a weatherization installer and inspector. Exemptions are granted on a case-by-case basis, such as when the Subgrantee is a small rural agency with a very small number of staff, or has temporary staffing shortages due to medical leave, turnover of critical staff, or difficulties in finding qualified personnel. When these exemptions occur, inspections will be increased to at least 10 percent. Additionally, when the Subgrantee has opted to use the QCI mentorship option or has experienced a break from services in the formula grant, a higher percentage of inspections will also be applied.

If there is not a Certified Quality Control Inspector on staff, the Subgrantee is required to contract with a neighboring Subgrantee or another qualified technical consultant to perform the required inspections. All diagnostic tests are required to be re-performed to ensure that the tests are being properly conducted.

CSD third-party inspections of assessments, energy audits, diagnostics, post inspections, and installed weatherization measures are performed by a contracted third party and CSD QC inspectors. These inspections are comprised of a sampling of weatherized homes. All diagnostic tests will be re-performed to confirm test results. Statewide standards for the installation of weatherization measures and inspections of homes weatherized by Subgrantees will help assure that weatherization measures are being installed properly.

If it is determined during CSD's QC inspections that work performed by the Subgrantee including QCI inspections is not in accordance with program policy and work quality requirements, then corrective action and special conditions may be applied to address identified work deficiencies. Special conditions may include: requiring training and/or technical assistance; the imposition of special or additional reporting requirements; special or conditional cost reimbursement requirements and procedures; the provision of documentation by Subgrantee; and/or the requirement to amend or modify systems, procedures, and/or policies.



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

**Has the Grantee/Subgrantee effectively integrated diversity, equity, and inclusion objectives into the Program? If so, how (e.g., fostering a welcoming and inclusive environment, support people from underrepresented groups in weatherization, advance equity, and encourage the inclusion of individuals from these groups as part of the workforce, update allocation formulas, priority of service definitions, or other program policies and documents; etc.)?**

CSD's network of WAP Subgrantees is made up of non-profit community-based organizations and public agencies that primarily provide services to low-income Californians that have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. All WAP Subgrantees have a longstanding presence in their respective communities, administer LIHEAP services and, in many cases, administer the Community Services Block Grant program to fund services to low-income communities. Because annual DOE WAP Subgrantees offer more than DOE WAP services, Subgrantees embrace and utilize integrated and inclusionary practices to provide the most comprehensive forms of energy and non-energy assistance and service to low-income families and individuals to deliver the greatest service impact to clients. LIHEAP Subgrantees encourage utility assistance recipients to be prioritized to receive weatherization services to reduce their home energy burden. Annual DOE WAP Subgrantees often seek to leverage the use of annual DOE WAP funds to comply with this requirement and ensure clients receive services that help reduce the financial burden over both the short- and long-term. CSD does not require reporting from Subgrantees that tracks workforce demographics.

For CSD staff, the California Department of Human Resources strives to make employment with the State of California a diverse and equitable working environment free from discrimination and retaliation.

### **How is the effectiveness of Subgrantee weatherization assessed?**

In evaluating the effectiveness of Subgrantees, the following criteria is reviewed:

- The number and type of program compliance findings.
- The number and types of measures applied to completed units.
- The number and types of inspection findings.
- Final contract expenditure, completed units and adherence to Average Cost Per Unit (ACPU).
- Regular monitoring to ensure compliance with other contractual programmatic requirements.
- Subgrantee staff turnover.

CSD's Field Representatives perform programmatic evaluations. As part of the programmatic evaluations process and monitoring scope, Subgrantees are required to submit various internal policies and procedures, including but not limited to, effective

internal controls, subcontractor oversight (when applicable) and others pertaining to areas of contractual compliance. The department currently collects individual dwelling data electronically from each Subgrantee in a central database repository maintained at CSD. Information contained in the database repository is used to evaluate the following:

- Cost allowances.
- Reasonableness of costs.
- Tracking of weatherized homes
- Program compliance.

The development of automatic comprehensive analysis, data reporting, and enhanced reporting continues. All changes to CSD's monitoring and inspection protocols, field and programmatic policies, and weatherization contracts are discussed and reviewed with a representative group of Subgrantees before enactment. Depending on the nature of the change(s), training may be required to help ensure these changes are effectively communicated and implemented.

**How are training needs being assessed and how are the comparisons used in the development of T&TA activities and priorities?**

Training needs are assessed through programmatic monitoring and field inspection visits. Thus, when training needs are identified, one or more of the following actions are taken:

- The issue is discussed with Subgrantees as part of their exit interviews and/or communicated via formal monitoring and inspection reports.
- As needed, a training referral may be issued and training (field-related or programmatic training, or mentoring) will be coordinated accordingly.

More extensive training-related issues can result in multiple visits by CSD's field and QA staff to assess improvement, the need for additional training, or conduct comprehensive investigations.

Comparisons between Subgrantees are used in the development of T&TA activities and priorities in the following ways:

- To foster discussion with field staff and, if necessary, executive management concerning programmatic or operational barriers.
- To discuss solution options including, but not limited to, mentoring and training.
- To assist in identifying of best practices supporting strong and effective program administration and service delivery.

Additionally, deficiencies identified through on-site programmatic and inspection visits may result in training referrals. If issues are widespread, webinars and/or online trainings are developed and delivered on a statewide basis.

CSD's new Training Portal (a Learning Management System) was implemented in January 2023. It greatly assists with training needs assessments, Subgrantee training and certification tracking, training registration, access to online training and videos, and a variety of other training related applications.

### **How is the Grantee incorporating monitoring feedback?**

Monitoring feedback is incorporated in the following ways (as applicable):

- Programmatic changes.
- Development and future updates of the department's new field standards (TRM)
- Supplemental trainings, as needed.
- Development of resource material that is available electronically on the Local Agencies Portal website.

### **What is the Grantee doing to be on a path of continuous improvement?**

Every year the field monitoring and quality assurance inspection tools are reviewed and updated as required to improve their effectiveness and to incorporate changes addressing new issues identified throughout the previous year. These tools include:

- Improved data transfer rules have been developed and implemented at the local level to ensure improved data collection.
- Diagnostic forms are provided in two formats: hardcopy and automated (Excel with formulated fields). As another option, the Subgrantees' software vendors (i.e., Front-End Vendors) have developed electronic versions of CSD's assessment form compatible with their local systems. Subgrantees are encouraged to implement automated or electronic applications for field use. These forms will help standardize data collection and provide added value in the field.
- CSD conducted an electronic forms (eForms) pilot with several Subgrantees. The eForms pilot sought to ascertain how to overcome obstacles in replacing paper forms with virtual forms. The pilot concluded in 2022. Many field forms are available electronically using the FastField platform. Front-end vendors were also provided schemas for approximately one-third of the developed forms for integration into their platforms.
- Online training was developed in lieu of the planned regional trainings for the new TRM. Virtual Q&A sessions were held, and a FAQ document was created as a result of these sessions and posted to CSD's Local Agencies Portal.
- On January 24, 2024, CSD issued an announcement regarding the formation of the Weatherization Training and Technical Committee (WTTC) to provide input on approaches to help LSPs overcome challenges in meeting on-the-job training requirements as outlined in the CSD Training Policies and Procedures manual and to provide further refinements to the weatherization training curriculum. The first meeting for

the WTTC took place on February 29, 2024. After completing the initial work focus for on-the-job training, the WTTC will be tasked to direct its attention to other areas of the weatherization program, including the Learning Management System (LMS), training curriculum enhancements, and technical weatherization policies.

**How is the Grantee tracking Subgrantee performance reviews?**

Findings by CSD's Field Representatives and QA team are tracked in spreadsheets to ensure that action plans are completed, and inspection findings are rectified and closed. Significant findings can lead to added compliance monitoring, special contract conditions, or a high-risk designation where more stringent special conditions can be applied and where additional on-site visits and/or desk reviews will occur.

**If a Subgrantee has failed final inspections, how are things improving?**

CSD QA Inspections performed on completed DOE WAP units for other Agencies did not reveal significant findings or workmanship issues. CSD will continue to track findings associated with assessments, measure installation, and overall workmanship while noting final inspections to confirm satisfactory workmanship by Subgrantees. In addition, CSD will continue to track the implementation and execution of any Training Referrals and/or Corrective Action Plans issued, and evaluate whether improvements are being made as required, or if additional action will be required.

**If a Subgrantee has management findings or concerns cited as a result of Grantee monitoring or audit proceedings, how are things improving?**

In the past, CSD has placed Subgrantees on high-risk status, and when necessary, removed the Subgrantee temporarily or permanently from the program. CSD monitoring tools have continuously improved, and as a result, CSD is better able to identify and address issues sooner. Significant improvements can be made to enable a return to normal status in some cases. These improvements are due in part to several site visits, consultations, and field training.

**What are the management mechanisms being put in place this year to affect improvement?**

As part of CSD's reimbursement process, Subgrantees continue to upload data into a centralized weatherization database system monthly. The weatherization project file uploads are subjected to additional validations which improve the overall quality of electronically reported project records from Subgrantees to CSD. CSD continues to design specific reports to identify compliance issues and provide statistical feedback for administrative purposes. In 2023 CSD launched its new CSD Training Portal, which assists in identifying training non-compliance.

CSD works closely with Subgrantees to help them develop a better understanding of the Average Cost Per Unit (ACPU) grant requirements. Efforts in this area include:

- Increased training and communication to Subgrantees to help them better understand average investment per unit contract requirements and grant ACPU.
- Requirement that Subgrantees monitor their contract expenditure investments in completed units on a monthly basis.
- Providing regular updates to Subgrantees to confirm their current ACPU throughout the program year.
- Increased monitoring of Subgrantees to ensure adherence to contract average cost per unit.

**Are there technical and financial systems that have been reviewed?**

CSD provides data transfer rules to the two front-end vendors who offer reporting software to Subgrantee. From a review perspective, the systems must incorporate these data transfer rules to validate uploaded data. CSD continues to expand and enhance data transfer rules to validate additional programmatic requirements.

**What has the Grantee done in the area of market analysis to ensure particular measures are being costed accurately?**

During field monitoring, Subgrantees are asked to provide backup documentation to support specific line items from their summary expenditure reports. Bid documents and subcontracts are also reviewed particularly when costs do not appear to be reasonable. Subgrantee procurement standards must be in accordance with all federal and state rules and regulations governing DOE WAP grants pertaining to procurement, including the Uniform Administrative Requirements, Cost Principles, and Audit Requirements. Subgrantees must establish, maintain and follow written procurement procedures consistent with the procurement standards in 2CFR Section 200-317 through Section 200.326. Measure costs are also evaluated by CSD's third-party QCI during inspection visits. Weatherization measures not included in the energy audit are subject to cost maximums established by the Weatherization Measure Matrix.

When necessary, an auditor will make an on-site visit to investigate any costs that are deemed inappropriate or inaccurate. Any discrepancies that cannot be explained become a finding and a possible disallowance.

This evaluation of cost data is ongoing and will be revisited annually to ascertain the need for any necessary adjustments.

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

Subgrantees will be authorized to mitigate health and safety hazards within the scope of the weatherization program pursuant to the CSD Health & Safety Plan, CSD Policies and Procedures, and CSD TRM.

Details related to health and safety protocols are found in Attachment H: CSD Weatherization Health and Safety Plan.

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

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

CSD is one of several departments under the auspices of the California Health and Human Services Agency (CalHHS). CSD has been serving low-income communities for over 50 years. CSD has traditionally partnered with a network of non-profit and local government organizations, dedicated to reducing poverty by helping low-income individuals and families achieve and maintain economic security, meet their home energy needs, and reduce their utility costs through energy efficiency upgrades and access to clean renewable energy.

CSD administers the following federal programs intended to reduce poverty and improve the lives of low-income Californians:

- U.S. Department of Energy Weatherization Assistance Program (DOE)
- U.S. Department of Health & Human Services Low Income Household Water Assistance Program (LIHWAP)
- U.S. Department of Health & Human Services Low Income Home Energy Assistance Program (LIHEAP)
- U.S. Department of Health & Human Services Community Services Block Grant
- CSD also administers several state-funded programs that reduce poverty and improve the lives of low-income Californians such as California Low-Income Weatherization Program (LIWP) and California Earned Income Tax Credit Education and Outreach Program.

All weatherization programs administered by CSD are managed by a team that consists of Program Analysts, Field Representatives, internal QCI staff, Fiscal and Contracts Units, and through the assistance of services provided by third-party consultants for dwelling inspections and training and technical assistance.

CSD subcontracts with a network of Subgrantees that provide DOE and LIHEAP weatherization services. The network is comprised of Community Services Block Grant agencies and public or non-profit entities that have over 45 years of experience in providing public assistance programs to the low-income households in their respective service territories.

For the DOE WAP grant cycle, Subgrantees interested in administering the annual DOE WAP grant program must complete a brief application outlining the Subgrantee's specific allocation request and plans for ensuring the successful expenditure of the allocation within the 12-month contract term. Upon receipt of all applications, CSD will allocate available funding after a review of past performance, allocation amount requested, and projected Subgrantee capacity to comply with grant objectives and requirements. The application process promotes understanding of policy updates associated with the upcoming grant policies that are in transition. This process enables Subgrantees to make an informed decision on whether to submit an application for new grant funds and encourages greater engagement in the development and review of the annual DOE WAP State Plan.

CSD will continue to administer the DOE WAP through its Subgrantee network for the annual DOE WAP. When CSD determines that an organization is not administering the program satisfactorily, it may take the following action:

- Correct the problem(s) with training, technical assistance, and/or imposition of special contract conditions; or
- Reduce a Subgrantee's future allocation(s), including capped budget items, if the Subgrantee does not fully expend its allocation by the end of the contract term; or
- Re-assign the service area to another existing Subgrantee; or
- Solicit or select a new or additional Subgrantee in accordance with 10 CFR Section 440.15 provisions.

### **V.8.2 Administrative Expenditure Limits**

CSD will retain one-half (7.5 percent) of the allowable fifteen percent (15 percent) administrative funds; Subgrantees will receive the remaining funds (7.5 percent), per DOE guidelines. Subgrantees allocated \$350,000 or less will not be provided the opportunity to apply to CSD for approval to use up to an additional five percent (5 percent) of their funding for administration.

### **V.8.3 Monitoring Activities**

#### **Monitoring Approach**

CSD conducts onsite inspections, desk reviews, and quarterly reviews to ensure Subgrantees meet the performance goals, administrative standards, financial management requirements, and other requirements of the DOE WAP and CSD contracts and weatherization standards. In addition to the onsite visits by QA personnel (detailed below under the QA section), Field Representatives will conduct annual program and fiscal monitoring to determine the program and operational effectiveness of Subgrantees through desk reviews and onsite visits. Subgrantees determined to be at a higher risk will receive onsite program monitoring in addition to the onsite

monitoring by QA. An annual comprehensive desk review will be conducted on each Subgrantee, and the scope will be the equivalent of an onsite visit. To facilitate this process, Subgrantees will be instructed to submit necessary documents and client files for review purposes electronically. Findings based upon unauthorized measure installation, billing discrepancies, client and dwelling ineligibility may result in disallowed costs. CSD has fifteen (15) full-time staff within three Energy Division units who perform monitoring functions in various capacities: DOE WAP, Field Operations, and Energy Technical Support. There are also three (3) staff with third-party independence who perform unit inspections. All staff who perform unit inspections are QCI certified as required by DOE WAP. Nine percent of the Grantee T&TA allocation (or nine percent of the total T&TA allocation) is dedicated to field monitoring and inspection purposes including travel. These activities are leveraged with LIHEAP.

CSD's monitoring program consists of the following strategies:

Programmatic and Management Monitoring:

- Subgrantee Review:
  - Monitoring tools are reviewed and updated annually. The tool addresses but is not limited to administrative review, conflict of interest, inventory management, record retention, complaint management and procurement; fiscal review (billing process, line-item reconciliation, expenditure status and benchmarks); and programmatic review (prior monitoring issues, eligibility, client file review, diagnostic testing, reweatherization, SHPO).
  - Field representatives conduct annual comprehensive desk reviews equivalent to an onsite visit. These reviews include but are not limited to, an evaluation of the Subgrantee's expenditure performance, financial evaluation, adherence to budget restrictions, client file reviews, and operational deficiencies.
  - For Subgrantees that received recent DOE WAP funding and exhibited no performance issues, client file reviews will be limited to five percent of client files or five client files (whichever is greater) associated with assisted households over the course of the new DOE WAP contract term.
  - For Subgrantees that have not received recent DOE WAP funding, client file reviews will be limited to a minimum of 10 percent of client files or 10 client files (whichever is greater) associated with assisted households over the course of the new DOE WAP contract term.
  - Noted concerns are brought to the attention of the Subgrantee's Executive Director and/or Board Chair for resolution and may result in an onsite visit or increased reporting requirements, such as additional comprehensive evaluations. Subgrantees determined to be at a higher risk will receive onsite visits.



- All contracts, program notices, policies, audit protocols and installation standards are available electronically through CSD's Local Agencies Portal. Installation standards can be downloaded for easy access in the field.
- There is a separate web-based system that tracks and facilitates approval of work to be performed on dwellings that meet the SHPO criteria.

Financial/Administrative:

- Accounting systems and weatherization reporting software are noted in the Subgrantee working files. A consolidated list is maintained of the software used for reporting weatherization activities and expenditures.
- Program notices have been issued for procurement, capped budgetary line items, program income and contract implementation options (in-house crews vs. subcontractors) as guidelines for Subgrantees to meet OMB and contract requirements.
- Monthly and quarterly reviews are conducted to track expending of capped line items and other program requirements including inspections. CSD reviews for disproportionate spending to other activities, or whether the proper number of inspections has not been completed annually during close-out procedures as part of a final inspection process. Subgrantees are required to submit proof of liability insurance before contract execution.

Eligibility:

- CSD issues an annual Eligibility and Verification Guide that outlines eligibility criteria, income verification, energy cost verification and appeal processes. An intake form (automated and/or hard copy) is completed by Subgrantees that includes all the necessary requirements to qualify clients.
- Client data maintained in CSD's repository includes client demographics, household income and energy costs for federal reporting and monitoring purposes.
- Costs are disallowed for any work performed for ineligible clients.

Rental:

- By contract, rental service agreements signed by occupants and property owners include language protecting occupants from rent increases because of the weatherization services provided.

- For large multi-unit projects, CSD staff evaluates whether any undue enhancement might occur in the value of the dwelling units and confirms that the benefits of weatherization accrue primarily to the residents.
- CSD QC Inspectors give special attention to inappropriate or unnecessary enhancements for any rental files and/or dwellings inspected. If there are reports of improprieties, the inspectors conduct a follow-up investigation and address remedial action with the Subgrantee as deemed appropriate.

#### Energy Audits:

- CSD has established audit protocols for single family, mobile home, and multi-family dwellings.
- For new Energy Auditors (Tier 1), all electronic audit files and supporting pictures are required to be submitted to CSD for review and approval before work commences. Experienced Energy Auditors (Tier 2) are required to submit all audits for CSD review; however, work can commence before the Auditor receives an approval. Audits are rejected when anomalies are found and Subgrantees are asked to correct and resubmit. Any serious misuse of audits can lead to disallowances and high-risk designation.
- Although photos are not required from Tier 2 auditors, CSD reserves the right to request photos at any time.
- For large multi-family building projects where the TREAT audit software is used, CSD and CSD's technical consultant review the projects before forwarding to DOE for approval.
- As part of the annual application process, Subgrantees notify CSD of any local training needs. Existing Energy Auditors are required to take bridge and/or refresher REM Design training(s) when updates are made to the Energy Audit Protocol.

#### Field Work:

- CSD contracts contain an extensive list of required documentation to be maintained in each client file.
- CSD contracts require that completed units can only be billed after they have been inspected. CSD staff review monthly activity reports to confirm that inspections have been performed. Per CSD's data transfer rules, Subgrantees must report if any measure is to be billed to DOE. Entering Subprogram Code "DOE" code triggers a business rule that ensures inspections are billed.

- Inspections are required to be performed by a Certified Quality Control Inspector and are confirmed through client file review. Quality Control Inspector certificates are required to be on file at CSD.
- All Subgrantees are required to use a standardized inspection form that includes the inspector's name and signature, BPI QCI certification number, inspection date and time, and client's signature.
- Subgrantees are required to correct any deficient work identified by their internal inspectors before the work is submitted for reimbursement. Because of CSD inspections, Subgrantees with incomplete work and workmanship issues are asked to rectify the problem before disallowances are levied. Subgrantees will be asked to reverse or repay costs that are determined to be unallowable. If questioned costs are significant, an investigation may be performed, and inspection percentages may increase.
- When necessary, communication between the Subgrantee and client may be overseen or initiated by CSD staff to help resolve the complaint. If not resolved, the client is made aware of the appeal and fair hearing processes.
- Policy changes are derived from input from the Subgrantee network, CSD staff, CSD's technical consultant and Federal partners.

#### Health & Safety:

- CSD's Health and Safety Plan is incorporated into the contract by reference and training is readily available to Subgrantees through CSD's Training Portal.
- Subgrantees are required to maintain, and have available for review, all training records, and certifications. CSD technical staff maintains a list of certified firms, renovators, OSHA, contractors licensing, and completion of required training. Copies of certificates are required to be submitted to CSD.
- Field monitoring guidelines include the quarterly verification of the Injury and Illness Prevention Plans (IIPP), Respirator Programs and Safety Data Sheets (SDS) binders.

#### Equipment/Inventory/Materials:

- Subgrantees are required to have inventory policy and procedures that include processes to ensure adequate safeguards to prevent loss, damage and theft, and proper accounting. Records are to be maintained of all equipment purchased with Federal grant funds, their utilization and continued need for the equipment.

- Subgrantees are required to have a written procurement policy in place that follows OMB requirements, demonstrates a competitive bid process is conducted when applicable, and that purchases over \$5,000 receive CSD and DOE approval prior to purchase.
- Subgrantees are required to have a written conflict of interest policy in place to prevent and deter any occurrence of organizational conflicts of interest or noncompetitive practices that may restrict or eliminate fair competitive advantage or otherwise restrain trade.
- Subgrantees are required to follow the vehicle and equipment disposition policies set forth in WPN 17-6: Property Acquired Under the Weatherization Assistance Program Including Vehicle and Equipment Purchases.

Quality Assurance:

- During annual monitoring, Field Representatives conduct client file reviews for inclusion of all required documentation including eligibility, completeness of forms, and adherence to other contract requirements.
- At a minimum, twice per year quality assurance of Subgrantees' field work is conducted by third-party inspectors, all of whom are QCI certified. Consolidated pass/fail inspection rates are maintained by CSD. Programmatic findings and resolutions are maintained for tracking purposes as well as identification of trends. CSD conducts regular monitoring of the third-party inspectors. CSD QAIs review all third-party QCI inspection reports each month for compliance and to monitor third-party QCI inspection performance, including review and approval of invoices from third-party QCI.
- CSD has developed a Quality Work Plan in accordance with WPN 22-4 Quality Work Plan Requirement. Refer to Attachment I: WPN 22-4 Quality Work Plan Requirements.

Training & Technical Assistance:

- Through monitoring and inspection processes, the need for training may be identified. When the need arises, a referral is made to the technical support unit to arrange for training through the CSD-approved training centers, CSD's technical consultant or CSD internal technical staff. Additionally, Subgrantees can initiate training themselves by submitting a request to the technical support unit or through the CSD Training Portal.
- CSD's contract has specific training requirements that must be met within certain time frames for Subgrantee staff to continue working within the program. Training records for the required online, classroom and field training are maintained by the

Subgrantee and CSD. CSD's Training Portal (CTP) serves as the primary platform for training records.

Feedback and Reporting:

- CSD holds quarterly meetings with the Subgrantee network. A subcommittee comprised of a representative group of Subgrantees generally meets once a month to discuss policy development for all CSD-administered energy programs.
- Subgrantees are required to submit monthly activities and expenditure reports. CSD reviews the reports and contacts Subgrantees about any anomalies found.
- All findings through monitoring and technical investigations culminate in reports provided to the Subgrantees and their respective Board of Directors. Inspection reports are provided to Subgrantees at the exit interviews.

Required Follow-Up Procedures:

- Both Field Representatives and Quality Assurance Inspection teams issue reports following their visits/reviews. Field Representatives submit reports within 30 days of their monitoring. Third-party inspectors issue inspection reports at the completion of inspection visits. All findings are tracked and followed through resolution. Depending upon the severity of the finding, a return visit or review to verify resolution may be necessary and/or the frequency of inspections may increase.

**Subgrantee Monitoring**

Program Overview (Client File Review, Work Orders, etc.):

- Field Representatives confirm that Subgrantees have the necessary information and forms to administer the weatherization program effectively and meet program requirements.
- Through client file reviews, Field Representatives confirm all documentation is present as required by contract, including but not limited to: eligibility, SHPO reviews, priority list and energy audits, prioritization of services, completed work is documented and justified, and reweatherized dwellings handled appropriately.
- CSD Inspectors review the more technical aspects of the client file including combustion appliance safety testing, blower door, and duct leakage diagnostics. Assessments, energy audits, work orders, work justification, permits, Home Energy Rating System (HERS) ratings, file notes, and Subgrantee inspections are also reviewed.

Financial/Administration:

- The fiscal and performance review conducted by Field Representatives ensures that the Subgrantee is on track with their expenditures, performance, and benchmarks. This review includes validating claims submitted for reimbursement, line-item reconciliation, verification of the Subgrantee's billing process, verification of internal controls, and verification of procurement procedures.

Inventory:

- Field Representatives ensure that Subgrantees have written inventory policy and procedures in place, review Subgrantees' tracking procedures, and review vehicle tracking logs.
- A third-party inspector reviews equipment and calibration tracking logs.

Energy Audits:

- CSD's Technical Support Unit and CSD's third-party technical consultant are responsible for evaluating the integrity of the energy audits for all dwelling types.
- Field Representatives and CSD Quality Assurance Inspectors review files for inclusion of the Priority List Checklist and energy audit reports. CSD Quality Assurance Inspectors verify the proper application of the priority list and energy audit.

Qualifications & Training:

- Field Representatives and Technical Support staff follow up with Subgrantees when required training is incomplete, training discrepancies are found, or Subgrantee staff is found to be working in areas for which they are not qualified.
- The Technical Support Unit will verify any training referred by Field Representatives and CSD Quality Assurance Inspectors was completed.

Weatherization of Units:

- When CSD Quality Assurance Inspectors find work that needs to be addressed, an evaluation will take place to determine and document why it was not identified through the Subgrantee's own inspection process and if any trends are present. Subgrantee Inspectors, crews, and field supervisors may be referred for additional training or have disallowances levied.

Health & Safety:

- The implementation and continual application of health & safety guidelines are monitored through the quality assurance inspection and field monitoring processes, which includes client file reviews and client and Subgrantee staff interviews. Deficiencies are reported and must be addressed.
- Field Representatives and CSD Quality Assurance Inspectors review client files for the resolution of identified health and safety issues, required client education, and Renovation, Repair, and Painting documentation. A finding is issued and Subgrantees are required to resolve any issues left unresolved.
- CSD inspections currently include questions related to the application of lead-safe practices, the applied use of LSW during weatherization services, and renovator records.

Final Inspections:

- CSD third-party inspectors and/or CSD Quality Assurance Inspectors will conduct inspections to monitor feasibility of weatherization measures, quality of workmanship, material standards, review of client files, proper application of the DOE Priority List, energy audit protocols and installation standards. Inspections are conducted at a rate of a minimum of five percent up to 10 percent of all completed units for each Subgrantee, CSD Inspectors use a standardized form to record measures installed and billed, feasibility, and workmanship. This process ensures dwelling units reported to DOE have had all weatherization measures installed and a QCI has been completed.
- For Subgrantees that received previous DOE WAP funding and exhibited no performance issues, third-party quality assurance inspections will be limited to a minimum of five percent of completed projects or five inspections (whichever is greater) associated with assisted households over the course of the contract term.
- Subgrantees who meet the following criteria will be subject to third-party inspections of a minimum of 10 percent of completed projects associated with assisted households over the course of the current DOE WAP contract term.
  - Subgrantee has been granted a separation of duties waiver on a case-by-case basis. Typically, these Subgrantees are small rural agencies with a very small number of staff or have temporary staffing shortages due to medical leave, turnover of critical staff, or difficulties in finding qualified personnel.
  - Subgrantee has opted to use the QCI mentorship option.

- Subgrantee has not administered an Annual DOE WAP contract since at least the 2020 Program Year.
- Any identified inspection findings and trends are discussed with the Subgrantee and training may be recommended.

Required Follow-Up Procedures:

- Both Field Representatives and the Quality Assurance Inspection team issue reports following their visits. All findings are tracked and followed through resolution.

Corrective Action Plan:

- Once CSD Monitoring Reports are finalized, Subgrantees have 30 calendar days to provide CSD with a Corrective Action Plan (CAP) for all Findings identified in the report. The following items must be included within their CAP:
  - Detail the action(s) that will be taken to resolve the finding(s);
  - Describe the internal control mechanism that will prevent and detect the issue(s) of noncompliance from future occurrence; and
  - The implementation date of the CAP, which is to be no later than 90 calendar days from the date of the finalized report.
- The CAP is reviewed to ensure Subgrantees have addressed all aspects and once confirmed, the monitoring report is closed. Follow-up is then conducted during the next monitoring cycle to determine if they are indeed following their CAP and if the issue can be considered fully resolved.

**Financial Monitoring**

Financial Management/Accounting Systems and Operations:

- Field Representatives review accounting operations by tracing a sampling of expenditures from source documentation through payment including bank statements.
- Enhanced monitoring and investigative audit visits will be conducted, as needed, to evaluate Subgrantees' accounting systems and fiscal integrity.
- Special investigations may be conducted by the CSD Technical Support Unit if deemed necessary.



- Field Representatives determine if internal controls are present with written policies in place. Audit staff will also review separation of duties and internal controls as part of their fiscal audit.

Audits:

- Auditors perform annual reviews of Subgrantees' OMB "Super-Circular" audits for compliance with OMB requirements, follow up on findings identified in the Single Audit, and issue transmittal letters to Subgrantees that include findings.
- Investigative audits will be conducted, as needed, to evaluate Subgrantees' accounting systems and fiscal integrity.

Payroll/Personnel:

- Annual monitoring by Field Representatives may include reviews of payroll records, timesheets, and organizational charts. During onsite visits, Subgrantee staff is interviewed to determine job responsibilities, work performed under CSD programs, and any reporting irregularities.
- Testing of payroll records may be reviewed by Auditors dependent upon their audit work scope.

Vehicles and Equipment:

- Field Representatives determine if vehicles and equipment are properly tracked and maintained, are currently being utilized, costs are shared between programs (if applicable), and disposition.
- Testing of vehicle records may be reviewed by Auditors dependent upon their audit work scope.

Procurement:

- Field Representatives review Subgrantees' written procurement policies and procedures to verify that the policies have been followed, a competitive bid process is in place, items are cost allocated appropriately between different programs (if applicable), and that OMB requirements are being met.
- Testing of procurement processes may be reviewed by auditors dependent upon their audit work scope.

Invoicing:

- Field Representatives verify the Subgrantee's billing process from intake through inspection for accuracy, review submittal of budget line items (on-site and desk reviews), test reasonableness and conformity of billed measures and trace costs to the general ledger.
- The Technical Support Unit may conduct special investigations in this area when deemed necessary.
- Testing of invoices may be reviewed by Auditors dependent upon their audit work scope.

Records Retention:

- Subgrantees are required to retain records for a minimum of three years after the close of the audit review and resolution of any findings or disallowances. Data related to the weatherization of dwellings is uploaded and maintained in CSD's central repository. CSD Field Representatives confirm Subgrantees' retention policies are following these requirements.

Required Follow-Up Procedures:

- Both Field Representatives and the Quality Assurance Inspection team issue reports following their visits and/or in-house reviews. All findings are tracked and followed through resolution. Depending upon the severity of the finding, a return visit or follow-up review to verify resolution may be necessary.
- CSD's Audit Unit issues an Audit Transmittal Report after a desk review of single audit reports submitted by Subgrantees. Reports are issued as a result of any standard or investigative audit. Disallowances identified through these processes that are not repaid to the department could delay execution of subsequent contracts.

Expanded Monitoring Scope – Automation:

- CSD requires all Subgrantees to convert to fully automated data systems at the local level. Subgrantees have the discretion to choose the electronic solution that best fits their needs and meets the state's reporting requirements.
- CSD currently requires Subgrantees to transfer electronic client file data to CSD in a central depository monthly. It is limited to client information, demographics, and measure installation and related costs. The data can be accessed and evaluated for programmatic inconsistencies. For the current program year, Subgrantees will continue to enter summary level data for reimbursement

purposes into CSD's web-based reporting system based upon reports generated from their databases.

## **Monitoring Reports**

Monitoring reports are provided to the Subgrantee in the following manner:

- Dwelling inspection reports are provided during exit conferences. If it is determined that training and technical assistance is necessary to resolve any workmanship and/or paperwork issues, the Subgrantee shall be referred to the third-party Technical Consultant or CSD Technical Support staff.
- Subgrantees are briefed on observations and potential findings generated by the monitoring visit and/or in-house review, usually through an exit conference. Within 30 calendar days after each visit and/or in-house review, CSD will prepare a draft written report on its findings and/or observations, and send it to the Subgrantee to review. CSD will address any findings, observations, and/or recommendations for which Subgrantee contests and/or needs clarification. After CSD finalizes the written report, it is provided to the Subgrantee. If corrective action is applicable, Subgrantees must submit a corrective action plan.

## **Monitoring Schedule**

The monitoring season for Field Representatives typically runs from March through the end of October. CSD monitors all Subgrantees annually through on-site visits or comprehensive desk reviews. Subgrantees with programmatic concerns or at high-risk may receive a comprehensive desk review and an onsite visit.

## **Recordkeeping**

All records maintained by Subgrantees must meet the 2 CFR Part 200, "Uniform Administrative Requirements for Cost Principles, and Audit Requirements for Federal Awards." Subgrantees are required to maintain all records pertaining to this program for a minimum period of three years after submission of the close-out report. Subgrantees must maintain all applicable records until resolution of all related audit and monitoring findings are completed. Addresses and installed measures of all completed units must be submitted to CSD. Employee and applicant records are required to be maintained in a confidential manner to assure compliance with the Information Practices Act of 1977, as amended, and the Federal Privacy Act of 1974, as amended.

Regarding re-weatherization policy changes made by DOE in 2021, CSD directed Subgrantees to maintain historical data for dwellings receiving weatherization services from a federal weatherization program within the last 15 years, and to use this information to verify the eligibility of a dwelling for DOE WAP services. Dwellings that received federal weatherization program services are prohibited from receiving additional DOE WAP services. This method of eligibility verification is essential to meet

DOE WAP re-weatherization rules and will remain in effect until additional information regarding HUD and USDA weatherization data is provided by DOE.

### **Noncompliance**

If it has been determined that a Subgrantee cannot fulfill their contractual obligations, steps may be implemented to redistribute any remaining allocated funds to other Subgrantees. These funds will be redistributed to the nearest Subgrantee, if feasible, to provide services in the same service area. For designated high-risk Subgrantees, an independent financial audit may be performed.

### **Termination Procedures**

CSD may commence suspension or terminations proceedings based on non-performance or material breach of Subgrantee contract. CSD may impose sanctions as provided in 2 CFR Section 200.339 which may include temporarily withholding cash payments, disallowing payment, suspending, or terminating the federal award, recommending suspension or debarment proceedings, withholding further federal awards, or taking other remedies that may be legally available.

Should it become necessary to terminate any Subgrantee, or select new ones, the regulations governing such actions, i.e., Title 10 of the Code of Federal Regulations Section 440.15 (c) and (d), will be followed. Should termination of a Subgrantee during the current grant cycle become necessary, CSD will redistribute the allocations and/or unexpended balances to Subgrantees operating efficient programs to ensure that the services continue in the areas served by the Subgrantee being terminated.

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

### **Overview**

One of the goals of program monitoring and report and records evaluation is to assess the need for training. CSD QA Inspectors conduct inspections throughout the program year. CSD field representatives conduct desk reviews and report evaluations on an ongoing basis in accordance with Section V.8.3 Monitoring Activities. Problems that qualify to be resolved through training and technical assistance will be addressed by the Field Representatives and/or other CSD staff, outside consultants, and occasionally by staff brought in from other Subgrantees.

To meet the long-term demand for a training facility in Southern California, CSD is in discussions with a Subgrantee located in the area for consideration as a new training facility. Before the facility can be utilized, a number of updates will be needed to ensure that the facility meets the required standards of CSD's weatherization programs. Once final approval has been attained, an MOU between CSD and the training facility provider will be executed.

For a full description of CSD's training and technical assistance activities refer to Attachment P: DOE WAP Training and Technical Assistance Plan.

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

The purpose of California's Department of Energy (DOE) disaster planning and relief response plan is to provide emergency services to low-income individuals and families affected by a disaster as determined by a Presidential or Gubernatorial order declaring either a Federal or State Emergency. DOE WAP provides limited support in a disaster response plan. Funds are limited to eligible weatherization activities and the purchase and delivery of weatherization materials.

To the extent that services are in support of eligible weatherization (or permissible re-weatherization) work for eligible households, such expenditure is allowable. Allowable expenditures include:

- The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective.
- The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials.
- The cost to perform functions related to protecting the DOE investment such as: weatherization materials, tools, equipment, weatherization vehicles, or protection of local Subgrantee weatherization files, and records during the initial phase of the disaster response.
- The cost to use weatherization vehicles and/or equipment to help assist in the disaster relief provided DOE is reimbursed per 2 CFR Part 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

The use of DOE funds for relief efforts is limited by the following:

- The total allowance for relief efforts is limited to a maximum allowance per dwelling unit allowed by the current program year.
- The total allowance for incidental repairs in support of the installation of weatherization materials is limited to the current maximum reimbursement for limited home repairs per Subgrantee contract.
- The total allowance for the installation of each weatherization measure is limited to the current maximum reimbursement per Subgrantee contract.
- The cost to pay for weatherization personnel to perform relief work in the community because of a disaster is not allowable.

Prioritization of weatherization requests within a disaster relief plan requires consideration of the following factors:

- Disaster relief services are only available to qualified low-income households directly affected by the declared disaster.

- DOE requires that priority be given to identifying and providing weatherization services to the elderly, disabled, families with children, high residential energy users, and households with high energy burdens. However, it is permissible to prioritize households located in the disaster area if the households are eligible, meet one of the priorities above and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.
- In the event of a declared Federal or State disaster, weatherization crews may return to a unit reported as a completion to CSD that has been “damaged by fire, flood or act of God to be re-weatherized, without regard to date of weatherization.” Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to materials is not covered by insurance or other form of compensation.

Prior to initiating disaster relief services, Subgrantees are required to submit a written plan to the CSD for approval outlining the specific services to be provided and the estimated costs necessary to support each type of activity. Activities are required to be reported monthly describing all relief efforts, expenditures, and demographics. Approved plans will be in effect for a maximum of six months but could be extended dependent upon the anticipated recovery period and the type of disaster involved.