



Weatherization Program Bulletin 18-2A Effective Date: February 1, 2018

Subject: NeWAP LIHEAP Augmenting Fund Procedures

Purpose: This bulletin explains the uses and process associated with expending the available augmenting funds for reducing Health & Safety Cost Impacts and for Reducing Client Deferrals in owner-occupied units.

Scope: The provisions of this bulletin apply to Weatherization Assistance Program Sub-recipients of Department of Energy (DOE) and Low-Income Home Energy Assistance Program (LIHEAP) funding.

Procedures:

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

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

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

- During the initial inspection of the Subgrantee Energy Auditors must document program specific health and safety work needs in for the home.
- Appropriate bids are secured, contracts awarded and the work is completed.
- Units that exceed the \$1,300 limit must receive approval from NEO on a case-by-case basis.

- The Energy Audit on the home is completed, analyzing energy savings and the cost-effectiveness of implementing additional weatherization work using the efficiency of the newly installed equipment as “existing equipment efficiency”.
- Following the weatherization of the home and agency Quality Control Inspections can be processed for review and payment as per the Database BCJO Procedure as described in WPB 18-1A.
- The Subgrantee reimbursement request will indicate that more than one funding source has been used on the home, LIHEAP Augmented funds for health and safety work and DOE funds for weatherization work, with appropriate funding designated to each funding source.

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

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

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

- During the initial inspection of the Subgrantee Energy Auditors must document deferral issues associated with the home.
- Appropriate bids are secured.
- In units where the **entire** cost associated with addressing deferral issues in the home does not exceed \$1,600 contracts can be awarded and the work completed.
- Units where the **entire** cost associated with addressing deferral issues in the home exceeds the \$1,600 limit, the expenditures must approved by NEO prior to contracts can being awarded and the work completed. Approval for exceeding the \$1,600 limit will be based on, but not limited to, information associated with:
 - The Total Cost of Augmenting Deferral Funds Requested
 - The Property Value of the Home
 - The Length of Time of Home Ownership
 - The Number of Deferral Issues Being Addressed
- Following the weatherization of the home and agency Quality Control Inspections can be processed for review and payment as per the Database BCJO Procedure as described in WPB 18-1A.

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

Sub-grantees with questions regarding this guidance can contact the NEO Division Chief.



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