

Arkansas

Weatherization Assistance Program Program Year 2014 State Plan July 1, 2014 – June 30, 2015



Arkansas Economic Development Commission – Energy Office
900 West Capitol Avenue, Suite 400
Little Rock, Arkansas 72113
501-682-7560
www.arkansasenergy.org

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Mission Statement

The mission of the Arkansas Energy Office, a division of the Arkansas Economic Development Commission (AEO), is to promote energy efficiency, clean technology, and sustainable strategies that encourage economic development, energy security and the environmental well-being for all citizens of Arkansas.

AEO Goals

The policies contained in this document are meant to enable AEO and the subgrantee network to effectively provide weatherization services for the maximum amount of Arkansans as possible by:

- Ensuring that only the most cost effective measures are employed.
- Leveraging all available resources, financial or otherwise.
- Significantly reducing wait time for Arkansans seeking weatherization services to one year or less.

I. Overview

Executive Summary

The Arkansas Weatherization Assistance Program State Plan for Program Year 2014 serves as Arkansas's application to the US Department of Energy (USDOE) for Weatherization Assistance Program (WAP) funding. These funds will provide assistance to approximately 239 households across the State.

The purpose of the Program is to install energy conservation measures in the homes of income-eligible persons, especially homes occupied by the elderly, persons with disabilities, families with children, high energy burden and high energy users. Funds are targeted to the most cost-effective energy efficiency measures, as determined by an on-site energy audit of the eligible building. The program helps to reduce national energy consumption, reduces carbon emissions that contribute to climate change, and lessens the impact of higher energy costs for low-income families. The program also improves the health and safety of assisted households.

Arkansas relies on a network of eight (8) sub grantees, six of which have extensive experience in delivering weatherization services in their designated service area; two are new to the network. One of the new sub grantees will have a service territory and the other will work statewide on multi-family developments.

Sub grantees provide energy efficiency weatherization services using their own trained crews and by subcontracting work to qualified contractors. Energy efficiency measures financed through the program can range from air sealing and insulating single-family homes to replacement of heating systems. The program assists all types of housing units, including single- and multifamily housing, manufactured housing, and group homes. The AEO will allocate program funds for the Program Year (PY) 2014 in accordance with this plan.

I.2 Budget

2014 Program Year Allocation	\$	1,570,503
Training and Technical Assistance	\$	157,050
AEO Administration	\$	78,529
Sub grantee Administration	\$	78,525
CPA Audits	\$	10,000
Pollution Control Insurance (LIHEAP)	\$	17,000
Leveraging Plan (LIHEAP)	\$	100,000
Software Maintenance (LIHEAP)	\$	60,000
Liability Insurance	\$	10,000
Multi-Family Projects (LIHEAP)	\$	350,000
Health & Safety	\$	185,460
Capital Intensive Measures (LIHEAP)	\$	500,000
Program Operations	\$	1,050,943

I.3 Proposed Weatherization Projects

DOE Allocation Sub grantee Network PY2014

Black River Area Development Corporation	\$	133,333.63
Central Arkansas Development Council	\$	234,950.04
Community Action Program for Central Arkansas	\$	82,664.06
Crowley's Ridge Development Council	\$	186,560.15
Crawford-Sebastian Community Development Council	\$	303,273.06
Pine Bluff-Jefferson County Economic Opportunities Commission	\$	144,247.34
Elevate	\$	237,052.08
Better Community Development, Inc.		LIHEAP

I.4 Summary of Major Changes from the 2013 Program Year

In 2013, the AEO issued a Request for Qualification (RFQ) for additional service providers to address multi-family units and special projects; there were four (4) responsible bidders each of whom met the minimum requirements to participate in the WAP. Of the four (4) bidders, only two (2) will perform work in the PY2014. One new sub grantee will be allocated a territory; one other will complete multifamily units in each congressional district and the remaining two will work on special projects.

Arkansas has elected to set the maximum cost per unit at \$4,500. This maximum cost does not include Health and Safety and Capital Intensive Heating and Cooling Modifications (LIHEAP funds). Please note Arkansas uses LIHEAP funds for capital investments to reduce the overall DOE cost. The rationale for reducing the average cost per unit is that:

- (1) The energy audit recommended measures over the past year, have had an estimated cost of \$4,500 or less;
- (2) Arkansas has a LIHEAP funded separate category to fund Capital Intensive Heating and Cooling efficiency measures. This category will complement WAP funds.
- (3) Arkansas has a separate category to address Health and Safety;
- (4) The time on a wait list ranges between 2 ½ and 14 years. By limiting the cost per unit the state will be able to complete more units and reduce existing waiting lists.

In addition to reducing the maximum cost per unit, the AEO will limit the program support category to a maximum of 20% of the cost per unit. The AEO will also revise the program support (operations) category by removing contract labor line item which leaves all other program operations cost, off site supervision salary and fringe budget items. The state will add the category of Client Direct Services that will include, agency installed materials, contractor installed materials, on-site personnel salary and fringe (energy auditor, QCI, etc.).

The state will implement new program management software that will allow the program staff to manage the program from application intake to invoice processing. The Energy Conservation Online Software known as ECOS will replace NEAT and MHEA and will be used to mandate measures to be installed on all homes, site built, manufactured and multifamily homes.

In Program Year 2014, the state will explore the possibility of using a third-party contractor to conduct Quality Control Inspections (QCI) for the state. This exploration will include a Request for Qualifications (RFQ) and a possible pilot testing.

II. Application for Federal Assistance – Standard Form 424

APPLICATION FOR FEDERAL ASSISTANCE		2. DATE SUBMITTED	
1. TYPE OF SUBMISSION: Application <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Non-Construction	Pre-application <input type="checkbox"/> Construction <input type="checkbox"/> Non- Construction	3. DATE RECEIVED BY STATE	
		4. DATE RECEIVED BY FEDERAL AGENCY Applicant Identifier #	
5. APPLICANT INFORMATION			
Legal Name: Arkansas State of		Organizational Unit: Arkansas Energy Office Department: Arkansas Economic Development Commission	
Organizational DUNS: 784114217		Division: Arkansas Energy Office	
Address:		Name and telephone number of person to be contacted on matters involving this application (give area code)	
Street: 900 West Capitol Ave, Suite 400		Prefix: Mr.	
City: Little Rock		First Name: James	
County: Pulaski		Last Name: Lowery	
State: Arkansas	Zip Code: 72201	Suffix:	
Country: United States		Email: JLowery@arkansasEDC.com	
6. EMPLOYER IDENTIFICATION NUMBER (EIN): 710489145		Phone Number (give area code) (501) 682-7678	
8. TYPE OF APPLICATION: <input checked="" type="checkbox"/> New Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) Other (specify)		7. TYPE OF APPLICANT: (See back of form for Application Types) A Other (specify)	
10 CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER: 81-042 TITLE (Name of Program): Title IV, Part A, P.L. 94-385		9. NAME OF FEDERAL AGENCY: U. S. DEPARTMENT OF ENERGY	
12. AREAS AFFECTED BY PROJECT (Cities, Counties, States, etc): State of Arkansas		11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT: Weatherization Assistance Program - The program provides energy conservation for the homes of low-income elderly and disabled.	
13. PROPOSED PROJECT Start Date: 07/01/14		14. CONGRESSIONAL DISTRICTS OF: a. Applicant Second	
Ending Date: 06/30/15			
15. ESTIMATED FUNDING:		16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?	
a. Federal	\$1,570,503	a. Yes <input checked="" type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON	
b. Applicant	\$	DATE:	
c. State	\$	b. No <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372 <input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE	
d. Local	\$	FOR REVIEW	
e. Other (HEAP)	\$4,125,706	17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT? <input type="checkbox"/> Yes If "Yes" attach an explanation. X No	
f. Program Income	\$		
g. TOTAL	\$5,696,209		
18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.			
a. Authorized Representative			
Prefix Mr.	First Name James	Middle Name David	
Last Name Lowery		Suffix	
b. Title Deputy Director		c. Telephone Number (give area code) (501) 682-7678	
d. Signature of Authorized Representative		e. Date Signed	

STATE CLEARINGHOUSE
APPLICATION SUPPLEMENT

1. IF THIS IS A "NOTIFICATION OF INTENT" TO APPLY OR A PREAPPLICATION, PLEASE CHECK THIS BOX AND INDICATE GRANT I.D. ASSIGNED.
GRANT I.D. _____X(8)
2. IF THIS IS AN ACTUAL GRANT APPLICATION, PLEASE CHECK THIS BOX , AND INDICATE GRANT I.D. ASSIGNED. Grant I. D. AEO-1301 (8)
*NOTE: IF A NOTIFICATION OF INTENT OR PREAPPLICATION HAS BEEN PREVIOUSLY SUBMITTED, USE THAT I.D. TO COMPLETE ITEM 2 AND INDICATE SAI# THAT WAS ASSIGNED TO THE NOI OR PREAPP. SAI# _____X(8)
3. IF THIS IS AN APPLICATION FOR SUPPLEMENTAL FUNDS OR IS A REVISION, PLEASE INDICATE ORIGINAL GRANT I.D. AND SAI# TO WHICH IT APPLIES.
GRANT I.D. _____X(8) SAI# _____X(8)
4. GRANT YEAR 2014-2015 XX
5. GRANT START DATE 07 / 01 / 14 GRANT END DATE 06 / 30 / 15 (mo/day/yr)
6. APPLICANT (AGENCY) CODE 710H X(7) (see Applicant Code List)
7. GRANTOR CODE DOE X(5) (see Grantor Code List)
8. ORGANIZATION UNIT _____ Department of Energy
9. FUNDING PERCENTAGE REQUIREMENTS:
FEDERAL 100 % STATE _____ % OTHER _____ %
10. TYPE OF ASSISTANCE (A THROUGH P) _____ (see instructions on back)
11. METHOD OF FUNDING 3
 1. ADVANCE BY TREASURY CHECK
 2. REIMBURSEMENT BY TREASURY CHECK
 3. ADVANCE BY LETTER OF CREDIT
 4. REIMBURSEMENT BY LETTER OF CREDIT
12. FEDERAL FUNDS FOR THIS GRANT WILL BE RECEIVED DIRECTLY FROM (CHECK ONE)
 A FEDERAL AGENCY ANOTHER STATE AGENCY OTHER SOURCE

**If a source is OTHER please specify _____

13. DO YOU HAVE AN INDIRECT COST RATE? YES NO
14. IF YES, IS THE RATE BEING APPLIED TO THIS PROJECT? YES NO

15.	A. DIRECT COST BASE	B. INDIRECT COST RATE	C. INDIRECT COSTS CLAIMED*
	\$	%	\$
D. EXPLANATION*			

GRANTS ANALYST _____

 Signature
 AGENCY _____ Arkansas Energy Office

DATE _____

III. Budget

III.1 SF 424A Budget Preparation

SUPPLEMENTARY GRANT INFORMATION

APPLICANT: Arkansas Energy Office
 900 West Capitol Ave, Suite 400
 Little Rock, Arkansas 72201

PROJECT DURATION:
 07/01/14 - 06/30/15

Name of Funding Agency: Arkansas Energy Office

Part I: Project Description: Briefly describe the purpose of the grant, the work to be done and the projected accomplishments:

The Weatherization Assistance Program for Low-Income Persons will weatherize 816 units for the low-income families in program year 2014.

Part II: Budgetary Information:

	<u>Applicant</u>	<u>Federal</u>	<u>State Local Other (LIHEAP Funds)</u>	<u>Total</u>
Personnel Services	\$ _____	\$113,024.00	\$150,250.00	\$163,274.00
Supplies and Materials	_____	<u>0</u>	<u>9,802.02</u>	<u>9,802.02</u>
Travel	_____	<u>34,698.65</u>	<u>46,233.42</u>	<u>80,932.07</u>
SF Capital Outlay	_____	<u>0</u>	<u>0</u>	<u>0</u>
Consultants Services	_____	<u>1,372,780.35</u>	<u>3,754,420.70</u>	<u>5,127,201.05</u>
Other	_____	<u>50,000.00</u>	<u>165,000.00</u>	<u>215,000.00</u>
Total	_____	<u>1,570,503.00</u>	<u>4,125,706.14</u>	<u>5,696,209.12</u>
Indirect Cost (___%)	_____	<u>0</u>	<u>0</u>	<u>0</u>
Total Support	\$ _____	<u>\$1,570,503.00</u>	<u>\$4,125,706.14</u>	<u>\$5,696,209.12</u>

Indicate Other Services: _____

Indicate "In-Kind" support by an (*) next to amount.

If the project is for more than one year, you should submit a separate budget for each applicable year.

III.2 Budget Categories – Section B

Budget Information - Non Construction Programs

OMB Approval No. 0348-0044

Section A - Budget Summary								
Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget			Total (g)	
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)			
1. DOE	81.402			\$1,570,503			\$1,570,503	
2.							\$0	
3.							\$0	
4.							\$0	
5. Totals		\$0	\$0	\$1,570,503	\$0		\$1,570,503	
Section B - Budget Categories								
6. Object Class Categories	Grant Program, Function or Activity				Grant Program, Function or Activity			Total (9)
	(1) Grantee Adm	(2) Sub Grantee Adm	(3) Grantee T & TA	(4) Sub-Grantee T & TA	(5) Program Operations	(6) Liability Insurance	(7) Financial Audit	
a. Personnel	\$41,384		\$37,878				\$79,262	
b. Fringe Benefits	\$17,410		\$16,352				\$33,762	
c. Travel	\$11,879		\$22,820				\$34,699	
d. Equipment	\$0		\$0				\$0	
e. Supplies	\$0		\$0				\$0	
f. Contractual	\$0	\$70,673	\$50,000	\$30,000	\$1,252,108	\$10,000	\$1,422,780	
g. Construction							\$0	
h. Other							\$0	
i. Total Direct Charges (sum of 6a-6h)	\$70,673	\$70,673	\$127,050	\$30,000	\$1,252,108	\$10,000	\$1,570,503	
j. Indirect Charges							\$0	
k. Totals (sum of 6i-6j)	\$70,673	\$70,673	\$127,050	\$30,000	\$1,252,108	\$10,000	\$1,570,503	
7. Program Income							\$0	

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III.3 Budget Justification

BUDGET EXPLANATION FOR FORMULA GRANTS

Provide detailed information to support each Cost Category using this form. Cost breakdown estimates may be entered on this form or attach a breakdown of costs using your own format as Attachment A.

1. **PERSONNEL** – Prime Applicant only (all other participant costs must be listed on 6. below and form DOE F 4600.4, Section B. Line 6.f. Contracts and Sub Grants.

- a. Identify, by title, each position to be supported under the proposed award.

Weatherization Program Administrator
Budget Specialist
Grants Analyst (2)
Administrative Assistant

- b. Briefly specify the duties of professionals to be compensated under this project.

Weatherization Program Administrator supervises staff, develops annual grant, develops grant guidance, provides technical assistance to sub grantees, reviews sub grantee contracts. Salary for the Program Manager will be paid using 50% DOE Administration funds and 50% LIHEAP Administration funds.

Budget Specialist assist in the development and management of the sub grant program operations budget. Salary for the Budget Specialist will be paid using 50% DOE funds and 50% LIHEAP Administration funds.

Grants Analyst monitors performance of weatherization sub grantees. The Grants Analyst will also assist with the states two training centers, coordinating hands-on training, develops the statewide training plan, review sub grantees for compliance with policies/procedures. Salary for the Grants Analysts (Program Monitors) will be paid using 50% DOE T&TA funds and 50% LIHEAP Administration funds.

Administrative Assistant provides clerical support to the staff and assists the program manager with sub grantee contracts, typing reports and maintains all records. Salary will be paid 100% from LIHEAP funds.

2. **FRINGE BENEFITS** –

- a. Are the fringe cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and include a copy of the rate agreement.
No
- b. If above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations as an attachment.

Weatherization Positions for 2014

ST- Using AEDC Formulas To Calculate Adm Cost				0.0765*Salary	(0.1488+0.0765)* Salary	410*12 months		
DHS Personnel 2013	Position Number	Salaries (00)	Career Service Bonus (00)	FICA (03)	Retirement (03)	Health (03)	Workers Compensation Premium Tax (03)	Total
Program Manager	22100108	\$ 49,216.00	\$ 900.00	\$ 3,765.02	\$ 11,088.36	\$ 4,920.00	\$ 1.00	\$ 69,890.39
Admin. Assistant	22098742	\$ 23,049.00	\$ 600.00	\$ 1,763.25	\$ 5,192.94	\$ 4,920.00	\$ -	\$ 35,525.19
Budget Specialist	22100278	\$ 33,552.00	\$ -	\$ 2,566.73	\$ 7,559.27	\$ 4,920.00	\$ -	\$ 48,597.99
Grants Analyst	22103086	\$ 42,204.00	\$ 800.00	\$ 3,228.61	\$ 9,508.56	\$ 4,920.00	\$ -	\$ 60,661.17
Grants Analyst	22099370	\$ 33,552.00	\$ -	\$ 2,566.73	\$ 7,559.27	\$ 4,920.00	\$ -	\$ 48,597.99
Adm Total		\$ 181,573.00	\$ 2,300.00	\$ 13,890.33	\$ 40,908.40	\$ 24,600.00	\$ 1.00	\$ 263,272.73

3. **TRAVEL** - Identify total Foreign and Domestic Travel as separate items.
- a. Indicate the purpose(s) of proposed travel.
 - (1) Program Monitor Training - two trips for certifications for program monitors.
 - (2) In state monitoring - at least four (4) trips by the program monitors to visit each of two new sub grantees; and at least three (3) visits to each of the remaining 6 sub grantees for the purpose of monitoring and providing technical assistance. At least one trip to the sub grantee to conduct financial monitoring.
 - (3) Weatherization Assistance Program Meeting.
 - (4) Two trips to the National Association for State Community Services Programs (NASCS) Conferences (Mid-Winter and Annual).
 - (5) Annual State WAP Conference for state staff
 - b. Specify the basis for computation of travel expenses (e.g., current airline ticket quotes, past trips of a similar nature, federal government or organization travel policy, etc.).
 - (1) (Training and Technical Assistance) T&TA \$ 10,000 - Program Monitor Training (2)
 - (2) T&TA – \$2,610 – Annual Weatherization Conference
 - (3) Admin – \$1,898.65 – DOE Program Meeting
 - (4) T/TA - \$10,210 – In-State Travel
 - (5) Admin. - \$ 10,000 - NASCS Conference
4. **EQUIPMENT** – as defined in 10 CFR 600.202. Definitions can be found at http://www.access.gpo.gov/nara/cfr/waisidx_00/10cfr600_00.html.
- a. Provide the basis for the equipment cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

Catalog quotes and prior purchases
 - b. Briefly justify the need for items of equipment to be purchased.

No new equipment purchases required.
5. **MATERIALS AND SUPPLIES** – as defined in 10 CFR 600.202. Definitions at http://www.access.gpo.gov/nara/cfr/waisidx_00/10cfr600_00.html.
- a. Provide the basis for the materials and supplies cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).
 - b. Briefly justify the need for items of material to be purchased.

LIHEAP funds will be used for office purchases for stationary and other office supplies.
6. **CONTRACTS AND SUB GRANTS** – All other participant costs including subcontractor, sub-grants, and consultants.

Provide the information below for new proposed sub recipients and subcontractors. For ongoing subcontractors and sub recipients, if this information is provided elsewhere in the application, it does not have to be restated here, but please indicate the document and page numbers where it can be found.

For example—Competitive, Historical, Quote, Catalog

- (1) Ongoing sub recipient information is provided elsewhere in the application.
- (2) The AEO proposes to utilize two additional sub grantees for special projects:

ARVETS is a non-profit support organization working with Veterans; and the University District Development Corporation (UDDC) an organization working in a targeted area in the City of Little Rock that is a part of the HUD Choice Neighborhoods and Promise Neighborhoods Programs.

The Arkansas Veterans in Green Jobs is a proposed project by the Arkansas Energy Office (AEO) to employ veterans to provide energy efficiency (weatherization) services for income-qualified homes in Arkansas.

The AEO will seek to work with ARVETS a non-profit veteran's support group to establish the project. Through a contract with the AEO, the non-profit organization will manage the Arkansas Veterans in Green Jobs Project which will provide weatherization services to include home energy audit, insulation upgrades, air sealing, and installation of high-efficiency furnaces to help residents ensure that their high energy consuming equipment is operating at maximum efficiency. These services will help make Arkansas residents more comfortable in winter and summer, reduce utility bills, increase health and safety, and lower their carbon footprint.

The AEO proposes to collaborate with the University District Community Corporation by coordinating work for WAP eligible clients in the HUD designated Choice and Promise Neighborhoods in Little Rock. The UDDC will advise the AEO of the number of proposed rehab units that will be completed during the program year with other funding sources and AEO will allocate WAP funds based upon the cost per unit stated elsewhere in this plan.

7. **OTHER DIRECT COSTS** - Include all direct costs not included in above categories.
 - a. Provide the basis for the cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.).

N/A
 - b. Briefly justify the need for items to be purchased. These expenses are based on prior year experience.

8. **INDIRECT COSTS** -

- a. Are the indirect cost rates approved by a Federal Agency? If so, identify the agency and date of latest rate agreement or audit below, and include a copy of the rate agreement.

The state uses a cost allocation formula that has been approved by the Department of Energy. The cost allocation formula is updated annually.

III.4. Carryover Explanation

Carryover will be determined once the 2013 program ends.

IV.1 Sub grantees

In accordance with 10 CFR Part 440.15, an entity that receives funds from the AEO to manage a weatherization project is considered a WAP sub grantee. The AEO enters into contracts with sub grantees to perform WAP services within specified service areas throughout the State.

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Black River Area Development Corporation	Central Arkansas Development Corporation	Community Action Program for Central Arkansas	Crowley's Ridge Development Council	Crawford-Sebastian Community Development Council, Inc.	Pine Bluff-Jefferson County Economic Opportunities Commission, Inc.	Elevate	Better Community Development, Inc.
DOE Allocation	\$ 106,976.08	\$ 188,504.83	\$ 66,322.93	\$ 149,680.72	\$ 243,321.67	\$ 116,293.98	\$ 190,191.34	
Admin	\$ 7,123.66	\$ 12,552.76	\$ 4,416.52	\$ 9,967.41	\$ 16,203.08	\$ 7,744.15	\$ 12,665.06	
H&S	\$ 19,233.89	\$ 33,892.45	\$ 11,924.61	\$ 26,912.02	\$ 43,748.31	\$ 20,209.21	\$ 34,195.68	
Total DOE	\$ 133,333.63	\$ 234,950.04	\$ 82,664.06	\$ 186,560.15	\$ 303,273.06	\$ 144,247.34	\$ 237,052.08	
LIHEAP Allocation	\$222,155.30	\$ 391,464.59	\$ 137,731.64	\$ 310,839.26	\$ 505,301.74	\$ 241,505.62	\$ 394,966.94	\$66,000.00
Admin	\$ 20,793.15	\$ 36,640.05	\$ 12,891.32	\$ 29,093.73	\$ 47,294.91	\$ 22,604.29	\$ 36,967.86	
H&S	\$ 48,097.82	\$ 84,754.19	\$ 29,819.64	\$ 67,298.37	\$ 109,400.55	\$ 52,287.27	\$ 85,512.47	
Cap Intensive Pollution Ins	\$ 50,399.01	\$ 88,809.16	\$ 31,246.33	\$ 70,518.19	\$ 114,634.70	\$ 54,788.89	\$ 89,603.72	
Total LIHEAP	\$ 341,445.28	\$ 601,667.99	\$ 211,688.93	\$ 477,749.55	\$ 793,631.90	\$ 371,186.07	\$ 607,050.99	\$66,000.00
Total DOE & LIHEAP	\$ 474,778.91	\$ 836,618.03	\$ 294,352.99	\$ 664,309.70	\$ 1,096,904.96	\$ 515,433.41	\$ 844,103.07	\$66,000.00
Number of Units*	73	129	45	102	166	80	130	44
Congressional Districts	1, 2, 3, 4	4	1, 2	1	3, 4	1, 4	1, 2, 3, 4	TBD

*Number of Units = (DOE Allocation + LIHEAP Allocation)/4500

1. Black River Area Development Corporation

1403 Hospital Drive, Pocahontas, Arkansas 72455-3847

Type of Organization: Community Action Agency

Source of Labor: Private Contractors and Crews

Contact: James Jansen - Email: jjansen@bradcorp.org

Phone: 870-892-5219 Fax: 870-892-0707

Counties Served: Baxter, Boone, Clay, Fulton, Independence, Izard, Lawrence, Marion, Newton, Randolph, Searcy, Sharp, Stone, Van Buren

2. Central Arkansas Development Council

321 Edison Avenue, Post Office Box 580, Benton, Arkansas 72018-0580

Type of Organization: Community Action Agency

Source of Labor: Crews and private contractors

Contact: Larry Cogburn Email: lcogburn@cadc.com

Phone: 501-315-1121 Fax: 501-778-9120

Counties Served: Calhoun, Clark, Columbia, Dallas, Garland, Hempstead, Hot Spring, Howard, Lafayette, Little River, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Saline, Sevier, Union

3. Community Action Program for Central Arkansas

707 Robins Street, Suite 118, Conway, Arkansas 72034-6517

Type of Organization: Community Action Agency

Source of Labor: Private Contractors

Contact: Jennifer Welter Email: Jennifer.welter@capcainc.org

Phone: 501-329-9247 Fax: 501-329-9247

Counties Served: Cleburne, Faulkner, White

4. Crowley's Ridge Development Council

2401 Fox Meadow Lane, Post Office Box 16720, Jonesboro, Arkansas 72403-6711

Type of Organization: Community Action Agency

Source of Labor: Crews and Contractors

Contact: Darla Tate Email: dtate@crdcnea.com

Phone: 870-802-7100 Fax: 870-935-0291

Counties Served: Craighead, Crittenden, Cross, Greene, Jackson, Mississippi, Poinsett, St. Francis, Woodruff

5. Crawford-Sebastian Community Development Council, Inc.

4831 Armour Street, Post Office Box 4069, Fort Smith, Arkansas 72914

Type of Organization: Community Action Agency

Source of Labor: Private Contractors

Contact: Mark Whitmer Email: mwhitmer@cscdcaa.org

Phone: 479-785-2303 Fax: 479-785-2341

Counties Served: Benton, Carroll, Crawford, Franklin, Johnson, Logan, Madison, Scott, Sebastian, Washington

6. Pine Bluff-Jefferson County Economic Opportunities Commission, Inc.

817 South Cherry Street, Post Office Box 7228, Pine Bluff, Arkansas 71611-7228

Type of Organization: Community Action Agency

Source of Labor: Private Contractors

Contact: Linda Inmon Email: linmon@pbjceoc.org

Phone: 870-536-0046 Fax: 870-535-7558

Counties Served: Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, Lee
Lincoln, Monroe, Phillips, Prairie

7. Elevate

100 Gamble Road, Little Rock, Arkansas 72211

Type of Organization: Non-Profit

Source of Labor: Private Contractors

Contact: Brannon Runions Email: brannon@elevateus.org

Phone: 501-410-3305

Counties Served: Conway, Lonoke, Perry, Pope, Pulaski, Yell

8. Better Community Development, Inc.

3805 West 12th, Suite 203, Little Rock, Arkansas 72204

Type of Organization: Non-Profit

Source of Labor: Private Contractors

Contact: Darryl Swinton, Email: dswinton@bcdinc.org

Phone: 501-379-1539

Counties Served: TBD

IV.2 WAP Production Schedule PY2014

Total Units (Excluding Re-weatherized)	236
Re-weatherized Units	3
<i>Unit Costs Including Reweathering</i>	\$4,500
Total Funds – Federal	\$1,570,503
Total Units to Be Weatherized	236
Total Units to Be Re-weatherized	3
Grand Total Units	239
Total Vehicle and Equipment Budget	\$0
Total Units to Be Weatherized and Re-weatherized	239
Average Vehicle and Acquisition Cost Per Unit	\$0
Total Funds for Program Operations	\$1,570,503
Cost Per Unit	\$4,500
Average Vehicle and Equipment Acquisition Cost	\$0
Total Cost Per Unit	\$4,500

IV.3 Energy Savings & Program Impact

Method Used to Calculate Savings: WAP Algorithm

Estimated Energy Savings: 1,562 kilowatt hours (kWh) of electricity and 106 thousand cubic feet of natural gas usage per housing unit.

In 2012, the AEO contracted with the University of Arkansas at Little Rock to conduct an analysis of the impact of the Weatherization Program and to develop a tool to measure economic and environmental impact of weatherization activities. The results are discussed below.

Program Impact

The Institute for Economic Advancement (IEA) at the University of Arkansas at Little Rock (UALR) has worked in cooperation with the Arkansas WAP to evaluate the statewide effects of WAP's efforts. This evaluation consisted of several parts, including a series of surveys to determine customer experience. The surveys gathered demographic information as well as characteristics of housing in Arkansas. Economic benefits were evaluated by gathering energy usage data for actual WAP customers and comparing the prior year's usage to that of the year following completion of the weatherization measures. Savings from the customer records were used to compute the average energy savings per unit. This average was applied to the total number of units weatherized from the beginning of the program in 2009 through projects completed by December 31, 2010 to generate the total energy savings of the program.

The initial study included analysis of weatherization measures that were implemented in FY2009, 2010, and 2011. The sample of houses evaluated in the analysis yielded an average annual reduction in electricity usage of 13.6 percent and 17.1 percent reduction in natural gas usage due to the weatherization measures undertaken. Approximately, 49 percent of the housing units in the weatherization programs used natural gas for water and/or space heating. These reductions in energy usage resulted in an estimated average annual savings of \$2,409,458 for all recipients of the weatherization services. Over the life of the weatherization measures, it is expected that the weatherization measures will save the recipients \$1.94 for every \$1 invested.

IV.4 DOE-Funded Leveraging Activities

DOE funds will be leveraged with the Arkansas Weatherization Program (AWP), utility energy efficiency programs and any other additional appropriate funding sources when available.

IV.5 Policy Advisory Council Members

As required by federal regulations, a Policy Advisory Council (PAC) assists in the development and implementation of the WAP and advises the AEO on a broad range of issues relating to WAP. The PAC is broadly representative of organizations that provide services to low-income persons in Arkansas.

Member Representing:

Mark Whitmer – Executive Director Community Action Agency
Andre Bernard – Local Government
Morris F. Cranmer – Environmental and Occupational Health
Brett Curry – Electric Cooperatives
Keith Fountain – At Large – Banking2
Kenny Gunn – Weatherization Director – Community Action Agency
Linda Hardway – Federal Housing - HUD
Richard Champlin – Public Utility – Entergy Arkansas
Lawrence McCullough – Housing - USDA Rural Development
Quinyatta Mumford – Health Department
Wally Nixon – Public Service Commission
Kirk Pierce – Public Utilities – CenterPoint Energy
Joe Riddle – At Large (ADFA)
Ken Smith – At Large (Energy Trade Association)
Charles Thompson – Aging/Adult Services

IV.6 State Plan Hearings and Transcripts

A public hearing will be held to receive public input on the Program Year 2014 State Plan at 10:00 a.m. Friday, April 11, 2014 at Pulaski Technical College, 3303 East Roosevelt Road, Room 202, Little Rock, Arkansas. Notice of the meeting was published in the statewide daily publication the Arkansas Democrat Gazette and posted on the Arkansas Economic Development Commission website at www.arkansasedc.com. It is distributed via email to all WAP program managers and agency executive directors.

IV.7 Miscellaneous –

Other Funding Sources

Low Income Home Energy Assistance Program (LIHEAP) funds have been directed into the weatherization program since 1982. The amount of LIHEAP funds available for weatherization during the 2014 program year is \$4,125,706.00; which represents 15% of the state's LIHEAP allocation. LIHEAP funds are received October 1 of each year and must be expended by September 30 of the following year. Additional LIHEAP funds will become available to the WAP October 1, 2014. LIHEAP funds are used in accordance with all applicable U.S. DOE and Arkansas State Plan rules and regulations.

Sub grantees Involved in the Leveraging and Collaboration Process

Leveraging Activities

- (1) The Arkansas sub grantees will utilize the Arkansas Weatherization Program (AWP) a utility Demand-side Management Program approved by the Arkansas Public Service Commission.

With the implementation of the new management software system, the state will begin the first of its kind in the state Residential Carbon Trading Initiative. The National Association for State Community Services Programs (NASCSPP) Residential Carbon Trading Program creates new revenue through the sale of carbon offsets on the voluntary carbon market. The Residential Carbon Trading Initiative will help the WAP measure its environmental impact by quantifying emissions reductions and generate additional revenues to expand weatherization program services to more low income and moderate income households.

- (2) The state is experiencing increased Health and Safety cost due to the implementation of ASHRAE 62.2. To address this issue, the AEO will utilize an Inter-Local Agreement between the state and The Home Depot. The Office of State Procurement (OSP) has negotiated discount prices with the Home Depot that will allow the state to receive a three percent (3%) rebate on all purchases. The rebate will be returned to the AEO and will be considered earned income which will be used to complete additional units.

The Inter-Local Agreement will provide an option to sub grantees with regards to materials (refrigerators, CFL's, etc.) and compliance with ASHRAE 62.2. In addition, The Home Depot has negotiated prices with contractors for plumbing, electrical and HVAC work who are willing to work statewide. Sub grantees will conduct their normal procurement process but will required to compare local prices to the Home Depot prices; if local prices are in excess of the prices in the Inter-Local Agreement the sub grantee will be required to use the Inter-Local Agreement negotiated by the OSP.

Collaborative Efforts:

- (3) The AEO has entered into a Memorandum of Understanding (MOU) with the United States Department of Agriculture (USDA) Rural Development. This MOU will allow the state to reduce the number of deferrals and assist the Secretary of Agriculture's Poverty Initiative as well as to advance the cause of healthy and sustainable affordable housing in rural communities by enabling both parties to serve more families in more ways and in more rural areas.
- (4) The state is also collaborating with the United States Department of Housing and Urban Development (HUD) and USDA on multifamily weatherization. The state will set aside funding to address multifamily developments in the state's four Congressional Districts.
- (5) Arkansas plans to implement a WAP Pilot called AEO Community Efficiency Project (CEO). The CEO will allow the state to collaborate with the AWP and other utility funding programs, USDA and HUD. The CEO will target a community in an area of the state with high poverty and high energy burden; the state will coordinate with the municipal leadership and target income eligible clients for WAP and USDA funding. Utility funding will be leveraged with WAP and USDA funds to allow the state to complete more units. The state will collaborate with USDA and HUD to address multi-family units in the community.

Once the work is completed the community will be recognized by the state as an “***Energy Efficient Community***”. The municipal leadership and any participants who would like to attend will be invited to participate in the Annual Weatherization Day activities where they will be formally recognized.

- (6) In addition during the Community Efficiency Project, the AEO will pilot its Home Energy Labeling Project using the DOE Home Energy Score for residents who are ineligible for the WAP. The Home Energy Scoring Tool will allow homeowners to compare the energy performance of their homes to other homes nationwide. It will also provide homeowners with suggestions for improving their homes efficiency.

V. Master File

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

Definition of Income Used to Determine Eligibility (Client Eligibility)

Low income will mean that income in relation to family size, which: (1) is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget, or (2) is the basis on which cash assistance payments have been paid at any time during the preceding twelve months under Titles IV and XVI of the Social Security Act, or (3) is the basis on which energy assistance payments have been paid under the Low Income Home Energy Assistance Program (LIHEAP) at any time during the preceding twelve months.

Procedures to Determine That Units Weatherized Have Eligibility Documentation (Household Eligibility)

All dwelling units certified as eligible for services shall be occupied by an income-eligible household family unit with income at or below 200 percent of the poverty level, or "which contains a member who has received cash assistance payments under Title IV or XVI of the Social Security Act or during the twelve month period preceding the determination of eligibility for weatherization assistance," or which contains a member which has received energy assistance payments under the Low Income Home Energy Assistance Program during the twelve month period preceding the determination of eligibility for weatherization assistance. Sub grantees are required to keep documentation in each client file for review during Program Compliance and Onsite Program monitoring visits by AEO WAP staff.

Qualified Aliens Receiving Weatherization Benefits:

U.S. DOE directs grantees to guidance provided by Health and Human Services (HHS) under LIHEAP. This guidance can be found by going to:

<http://www.acf.hhs.gov/programs/ocs/resource/professional-frequently-asked-questions> and searching the word "aliens" under the "Find Answers" section. Sub grantees must verify qualified alien status of Weatherization Program applicants. The verification documentation is required as part of the Sub grantee Client Files

V.1.2 Approach to Determining Building Eligibility

Procedures to Determine that Units Weatherized Have Eligibility Documentation

All dwelling units certified as eligible for services shall be occupied by an income-eligible household family unit with income at or below 200 percent of the poverty level, or "which contains a member who has received cash assistance payments under Title IV or XVI of the Social Security Act or applicable State or local law during the twelve month period preceding the determination of eligibility for weatherization assistance," or which contains a member which has received energy assistance payments under the Low Income Home Energy Assistance Program during the twelve month period preceding the determination of eligibility for weatherization assistance. Sub grantees are required to keep documentation in each client file for review during Program Compliance and Onsite Project monitoring visits by AEO WAP staff.

Reweathering Compliance

Homes weatherized on or before September 30, 1994 are eligible to be reweatherized. No more than 10% of a sub grantee's DOE completions may be reweatherized without approval from the AEO.

Building Eligibility – Housing Types

Eligible housing types include owner and renter-occupied single-family homes, manufactured (mobile) homes, and multifamily buildings.

Rental and Multifamily Building Procedures

Rentals may be weatherized when occupied by an eligible client ³, and:

³ See V.1.1 Approach to Client Eligibility

- The sub grantee has written permission from the owner or his agent. Such written permission shall be permanently maintained in the file of the client whose unit is weatherized.
- The benefits of weatherization assistance will accrue primarily to low-income tenants.
- Not less than 66 percent (50 percent for duplexes and four-unit buildings) of the dwelling units in the building are eligible dwelling units or will become eligible dwelling units within 180 days under a Federal, State, or local program for rehabilitating the building or making similar improvements to the building.
- The sub grantee must obtain and place in the client file a signed agreement from the landlord (or authorized agent of the landlord) that states that for a minimum of twelve (12) months after weatherization work has been completed on a dwelling, the tenants in that dwelling will not be subjected to rent increases because of the increased value of dwelling units due solely to weatherization assistance provided under this part.
- No undue or excessive enhancement shall occur to the value of the dwelling units.
- In the event of a dispute between the tenant and property owner regarding the issues listed above, the sub grantee will attempt to resolve the dispute; if that fails, the tenant will be referred to legal aid by the sub grantee.
- In the case of a vacant rental dwelling, weatherization assistance may be provided if there is assurance that a low-income household will inhabit the dwelling within 180 days of the date the weatherization service was completed.
- The Arkansas Weatherization Assistance Program does not seek property owner agreements for placement of liens nor does it use other contractual restriction.
- Sub grantees will provide copies of the signed Landlord Agreements to the tenants and ensure that documentation is placed in the Sub grantee Client File.

Multi-family Buildings

The total amount of funds that can be invested in a multi-family project is determined as follows: Multiply the total number of income-eligible units in the multi-family building by the current statewide average cost per unit. The total is the maximum amount of DOE funding available to weatherize the building. All units in the building can be served and all units should be reported to DOE. However, because the AEO has elected to use LIHEAP funds to weatherize multi-family buildings, the amount that will be invested will be based upon research which indicates that \$1,500 per unit is the average cost experienced. Adjustments to this figure will be made as needed to address multi-family buildings in Arkansas. *Sub-grantees must*

submit multi-family projects to the AEO for review and approval before work begins and costs are incurred.

Deferral Process

There are conditions and situations under which a sub grantee must not or may choose not to weatherize an otherwise eligible dwelling unit. Information for making this determination may become evident during either the eligibility process or during the initial inspection process. The Arkansas WAP Deferral policy is part of the Health & Safety plan found in the Arkansas Sub Grantee Operations Manual, Chapter 7 Technical Standards and Best Practices, VI. Health & Safety.

V.1.3 Definition of Children

Children are defined as those individuals under the age of 19.

V.1.4 Approach to Tribal Organizations

Low-income members of Indian tribes will receive benefits equivalent to the assistance provided to other low-income persons within Arkansas. Arkansas has no identified Indian Tribes.

V.2 Selection of Areas to be served

Current service areas are predominantly based upon the historic boundaries of the state's community action agencies (CAA's). This was done for two reasons. Traditionally, Arkansas sub grantees have been CAA's and in general, these boundaries were their operational boundaries. Second, this approach enables CAA's to use existing outreach structures to recruit eligible clients. However, the State reserves the right to re-designate weatherization service areas. As a result of the re-bid of the service delivery network, the state has changed the service delivery areas. The state reserves the right to change the service delivery areas during a program year should production of homes or service to eligible clients become deficient in any given service area for the Weatherization Assistance Program. The AEO reserves the right to operate, on a temporary basis, the Weatherization Program in the territory of any defunded sub grantee. This will be done to ensure continued service to an area during the search for a new sub grantee.

The AEO reserves the right to issue a Request for Qualifications (RFQ) at any time during the program year.

Generally, eligible entities that wish to become a sub grantee under the Weatherization Assistance Program must notify AEO by January 15 of their interest in becoming a sub grantee for the program year beginning July 1 of that year. The AEO will, upon receiving written notification of intent to apply for sub grantee status, provide to the potential applicant an application package containing, but not limited to requests for: Articles of Incorporation, Mission Statement, key agency personnel, Board of Directors and representation, two most recent Certified Public Accountant audits, organizational chart, and proposed staffing levels. The application must also address:

- The organization's experience, performance and training in weatherization or housing renovation activities;
- The organization's experience in assisting low income persons in the area to be served; and
- The organization's capacity to undertake a timely and effective weatherization program.

The completed application must be returned to the AEO by February 15 of that year. The Arkansas AEO will hold a public hearing for all potential sub grantees prior to April 15 of that year.

V.3 Priorities for Service Delivery

Eligible clients will receive weatherization assistance in Arkansas according to the following priorities:

1. Disabled persons 60 years of age or older
2. Persons 60 years of age or older
3. Disabled persons
4. Native American persons
5. Persons with children under six years of age
6. Other eligible clients

Note: Sub grantees are authorized to develop procedures to prioritize client households based on their energy burden.

The term "disabled person" means any individual who: has a physical or mental disability which constitutes or results in a substantial handicap to the individual's employment; or has had a record of having, or is regarded as having a physical or mental impairment which substantially limits one or more of the individual's major life activities; or has a disability which would make the individual eligible to receive disability insurance benefits or Supplemental Security Income from the Social Security Administration or developmentally disabled assistance from the Department of Health and Human Services; or is a veteran or surviving spouse, child, or dependent parent of a veteran receiving compensation from the Veteran's Administration for a service connected disability or death; or is a veteran or surviving spouse or child of a veteran receiving a pension from the Veteran's Administration because of a non-service connected disability; or is a veteran receiving a pension from the Veteran's Administration because of being on a Medal of Honor Roll of one of the military services.

Sub grantees must serve clients according to date of application submission, by priority by county. As a rule, within an individual county, a lower priority client should never be served prior to a higher priority client if the higher priority client's application date preceded the lower priority client's application date. Sub grantees must document irregularities in the selection of clients. Sub grantees are authorized to develop procedures for addressing applications that have aged for more than twelve (12) months because of lengthy waiting lists in individual counties.

Prioritization of Single Family Homes and High Energy Users

Single-family homes remain the primary target of the Arkansas Weatherization Assistance Program. Sub grantees have been authorized to develop procedures to prioritize client households based on their energy burden.

V.4 Climatic Conditions

Total heating degree-days in Arkansas range from a high of 5,708 in the northwestern corner of the State to a low of 4,555 in southeastern Arkansas. The average heating degree-days are 30 year averages that have been supplied by the National Oceanic and Atmospheric Administration. In counties without reporting stations and some without complete data for 30 years, data from nearby stations was utilized.

Black River Area Development Council	5,458
Central Arkansas Development Council	4,961
Community Action Program for Central Arkansas	5,276
Crowley's Ridge Development Council	5,291
Crawford-Sebastian Community Development Council	5,331
Pine Bluff-Jefferson County Economic Opportunities Commission	5,064
Elevate	5,182

V.5 Types of Weatherization Measures to be implemented

Beginning Program Year 2014, Arkansas will use the Energy Conservation Online Software known as ECOS to mandate measures to be installed on all homes, site built, manufactured and multifamily homes. Sub grantees should install all measures that have an individual and cumulative SIR of 1.0 and above to the maximum cost per unit as established by the AEO. With the exception of refrigerators, windows and doors which must have an SIR of 3.0 and above.

The primary goal of the weatherization program remains the conservation of energy. Please see Arkansas's Weatherization Priority Measures and Work Standards. Primary emphasis is on insulation, lighting and air sealing.

FRAME, MASONRY AND MODULAR HOUSING

- Health and Safety Measures
- General Heat Loss Measures
- Envelope Insulation Measures
- Electric Baseload Measures
- Window Measures

MOBILE HOMES

- Electric Baseload Measures
- Health and Safety Measures
- General Heat Loss Measures
- Envelope Insulation Measures
- Window Measure

V.5.1 Technical Guides and Materials –

Definition of Work Quality, guidelines and Standards

Currently Arkansas uses the Arkansas Weatherization Field Guide and Installation Standards to provide guidance to sub grantees in determining how weatherization work measures are installed. All work is performed in accordance to the USDOE-approved energy audit procedures and 10 CFR 440 Appendix A.

Beginning with Program Year 2015, Arkansas will adopt the Standard Work Specification “Deck of Cards” maintained on an on-line system by Santa Fe Community College (“SFCC”). The Standard Work Specification Deck of Cards (SWSDC) is considered the Gold Standard by DOE for compliance with SWS. The SWSDC will replace the current Arkansas Field Guide.

The SWSDC is comprised of a set of PDF documents (“Cards”) that incorporate the National Standard Work Specifications (SWS), which define performance requirements for a particular task, into a Department of Energy (DOE) Weatherization Assistance Program (WAP) field guide to be used as a tool for weatherization services training, implementation, and inspection. Each “Card” in the “Deck” addresses the elements of an individual Standard Work Specifications (SWS), providing both written instructions and photographic illustrations for performance of the SWS.

Communication of Guidelines and Standards

Beginning in Program Year 2014, the AEO will ensure that all sub grantee agreements and sub grantee vendor contracts contain language which clearly documents the following:

- (1) That the state is implementing work quality standards that align with the SWS for work;
- (2) That all sub grantee staff, contractors, and anyone doing the actual work are aware of these standards;
- (3) That every home is inspected and complies with SWS.

The state will require written sub grantee communication verification to ensure that the requirements are understood. The state will require the sub grantee to provide written communication verification from all vendors of the SWS.

V.5.2 Energy Audit Procedures

Single Family

Site-specific audits using ECOS must be run on all single-family frame homes weatherized with Arkansas Weatherization Assistance Program funds. *Any single family home where the total WAP investment exceeds \$4,500 must be submitted for review by AEO staff before work is started on the unit. Submit the completed Energy Audit, the inspection documentation, and all bids received for work.*

For Program Year 2014, the Arkansas Energy Office has submitted mobile home energy audits procedures to the USDOE for review as a part of a new program management software package, ECOS. Site-specific audits must be run on all mobile homes weatherized with Arkansas Weatherization Assistance Program funds. *Any mobile home where the total WAP investment (including Health & Safety) exceeds \$4,500 must be submitted for review by AEO staff before work is started on the unit. Submit the completed Energy Audit, the inspection documentation, and all bids received for work. AEO staff will review and respond with questions and/or approval.*

Multi-family Energy Audits

DOE has advised that multi-family buildings that have more than three stories should not be weatherized using the NEAT audit. Currently, Arkansas has no multi-family audit; for Program Year 2014, the Arkansas Energy Office has submitted multi-family audit procedures to the USDOE for review as a part of a new program management software package. The Energy Conservation Online System or ECOS will add a multi-family audit to the Arkansas WAP.

Savings to Investment Ratio

For Program Year 2014, Arkansas has elected to raise the Savings to Investment Ratio (SIR) for Capital Intensive furnace or cooling efficiency modifications, doors and windows to 3.0 or above. The SIR means that the expected energy savings from installing the measure is equal to or greater than the initial cost of installation. All other measures must have an SIR of 1.0 or greater must be installed up to the maximum cost per unit allowed by the state. All energy-savings measures must be considered and ranked in order of descending SIR; *the higher the SIR, the higher the priority.*

Opting Out or Skipping Cost-effective Weatherization Measures

Completion of all measures with an SIR of 1.0 or greater is required up to the maximum cost per unit allowed by the state. No measure may be skipped in order to complete a measure with a lower SIR. In other words, measures may not be skipped and/or clients cannot ‘opt’ out of a measure.

V.5.3 Final Inspection – Inspection and Monitoring of Work Using Guidelines and Standards

DOE requires that Quality Control Inspectors working for the WAP possess the knowledge, skills and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis for Quality Control Inspectors. This requirement applies to all individuals who perform an evaluation and sign off on work performed in homes including final inspectors and state monitoring staff.

For Program Year 2015, the state will ensure that QCI competency is demonstrated by mandating certification as a Home Energy Professional (HEP) Quality Control Inspector (QCI). The state will require that each Program Monitor become certified as a HEP QCI and/or the state will hire a third-party contractor with the HEP QCI credentials. Each sub grantee will employ or contract with a Certified Home Energy Professional Quality Control Inspector. And because the state is ultimately responsible for ensuring that every unit reported to DOE meets the work quality guidelines required by the WAP, sub grantees must include in their application package the credentials of all staff employed as a QCI and of any third party organizations engaged to conduct QCI’s.

Effective PY 2015, Arkansas will implement policy and procedures to address situations when the QCI is not inspecting units using the standards adopted by the state and consistent with SWS. This policy will include disciplinary action that will result in the disallowance of the unit for reimbursement until the final inspection is conducted by a QCI and additional monitoring to ensure that state protocols are consistently followed. If state protocols are not consistently followed, the sub grantee risks the state reducing their funding allocation and using the funds to hire a third party QCI or having funds reallocated to another sub grantee.

Quality Control Inspection

Beginning in Program Year 2015, the Arkansas Energy Office will require that every DOE WAP unit reported as a “completed unit” must receive a final inspection by a certified QCI ensuring that all work meets the minimum specifications outlined in the SWS in accordance with 10 CFR 440.

- Units will be inspected using criteria found in the specifications outlined in the *Work Quality* section of this plan.
- Every client file will have a form that certifies that the unit had a final inspection and that all work met the required standards. The certification will be by a certified QCI. Signatures will meet the requirement. If a unit has received both a final inspection and has also been monitored by the state, two certification forms will be available in the client file - one for each inspection.
- The Quality Control Inspection will include an assessment of the original audit and confirm that the measures called for on the work order were appropriate and in accordance with the state audit procedures and protocols approved by DOE.

Arkansas has elected to implement one of the DOE standard options for administering quality control inspections- Independent QCI: the QCI is the individual that has no involvement in the work on the home

either as the auditor or as a member of the crew. Each sub grantee must have a certified QCI on staff or must have a third party certified QCI perform final inspections on each unit prior to submitting the unit as a “completed unit” to AEO.

The state or a DOE approved representative (third party certified Quality Control Inspector) will perform quality assurance reviews on at least 5 percent of all completed units.

To ensure the individual who is functioning as the quality control inspector is able to consistently perform both tasks, the state has developed a quality assurance plan that requires the individual complete the Quality Control Inspector training at an accredited WAP Training Center and be a certified Quality Control Inspector (QCI). When the Home Energy Professional Energy Auditor Certification becomes available, the state will mandate this certification as well.

To ensure that there are a sufficient number of certified individuals available to meet the requirements of this section, the AEO has developed a training and certification plan as described in section V.8.4:

V.6 Weatherization Analysis of Effectiveness

The State of Arkansas is concerned that all entities that participate in the program be qualified and have sufficient ability to effectively deliver a quality product to the citizens of Arkansas. The following evaluation system has been developed to analyze current sub grantee performance and to assess viability for continued participation in the weatherization program.

- **On-site Inspections of Weatherized Units:** AEO program monitors will inspect between 10% of completed units for each sub grantee.
- **Program Monitoring:** A Program Compliance onsite monitoring visit is conducted for each sub grantee annually. The visit focuses on fiscal and administrative compliance with all applicable federal and state WAP rules and regulations.
- **CPA Audits:** Each sub grantee must submit a satisfactory CPA audit within 13 months of the end of their fiscal year. Audits are reviewed by the AEO staff.
- **Productivity:** each sub grantee must maintain a rate of production to ensure that all USDOE WAP funds are expended in a timely manner each program year.

V.7 Health and Safety Plans

Please see 2014 Arkansas Operations Manual, Chapter 7 Technical Standards and Best Practices for Arkansas’s WAP Health and Safety plan. Historically, Arkansas has limited H&S investment of 15 percent of the cost per unit.

Liability Insurance

Sub grantee must obtain pollution occurrence insurance coverage for their agency. Sub grantees that employ private contractor labor to perform Weatherization services must ensure that each private contractor is adequately insured, including pollution insurance coverage.

V.8 Program Management

V.8.1 Overview and Organization

The weatherization program is administered by the AEO, an independent state agency. Beginning with Program Year 2014, the state will implement a new program management system called the Energy Conservation Online System or ECOS. ECOS supports the US Department of Energy's state administered Weatherization Program and will allow the state to combine the WAP with other state and regionally financed energy conservation programs. The ECOS application is a comprehensive management information system that extends from client selection and energy audit to final billing and monitoring of weatherization jobs. The core of ECOS is a U.S. DOE-approved residential energy audit application and integrated job-costing and management system that generates work orders in addition to providing inspection tools to capture test results and track changes as the job proceeds to completion.

ECOS provides the tools to manage all critical business processes of the weatherization program. Additionally, the software application captures and stores all critical health and safety data about a home including moisture issues, mold issues, air quality, CO2 levels and more. It can and will be updated to reflect program changes at the state and federal levels. The application is customizable for any state or local agency.

V.8.2 Administrative Expenditure Limits

The State Energy Efficiency Programs Improvement Act of 1990 permits sub grantees receiving less than \$350,000 in federally appropriated Low Income Weatherization Assistance Program funds to receive up to an additional 5% share of administrative funds. However, due to the federal requirement that limits administration to a maximum of 10%, the state would have to reduce its 5% share in order to allow the sub grantee network an additional amount for administration. To do so, would impact the state's ability to administer the program and therefore, is not an option.

V.8.3 Monitoring Activities

To ensure quality workmanship throughout the State, the AEO implements a comprehensive project and program compliance monitoring strategy. The WAP Network of sub grantees provides access to weatherization services in each of the state's seventy-five (75) counties based on the relative need of the low-income population residing in each county of their service area.

Monitoring consists of visits to sub grantees to review program administration and compliance functions as well as onsite visits to inspect weatherized homes. The AEO performs annual Program Compliance Monitoring including a review of fiscal and administrative systems to assure compliance with all applicable rules and regulations. Program Monitors conduct monitoring and technical assistance centered on monthly site visits to work sites and completed weatherized homes during several phases of project implementation.

Monitoring Activity	Monitoring Goal
Onsite Inspection of Completed Units	5% of all completed units for each sub grantee
Quality Control Inspections	Minimum of 4 per quarter
Onsite File Review	File review for each completed project that receives an onsite inspection during annual Program Compliance Monitoring
Program Compliance Monitoring	Annually - Program compliance monitoring consists of a financial review and a systems monitoring.
Lead Safe Weatherization	Minimum 1 per quarter/per contractor or crew
Desktop Energy Audit Review	10% of units submitted for reimbursement

AEO Program Monitoring and Compliance Strategy				
Type of Monitoring/Review	Purpose	Conducted by:	# of Units	Frequency
Onsite Inspection of Weatherized Homes	Inspection of completed projects that are submitted to AEO for reimbursement	WAP Program Monitors	5% of all completed units for each sub grantee	Quarterly or as needed to reach targeted number of units per sub grantee
Quality Control Monitoring	Accompany sub-grantee Quality Control Program Inspector on final diagnostic testing and monitoring of unit prior to submittal for reimbursement to AEO	WAP Program Monitors	A minimum of four per sub grantee	Quarterly or as needed to reach targeted number of units
File Review Monitoring	On-site review of sub grantees reviews	WAP Program Monitors	100% of weatherized homes that receive an onsite inspection	Quarterly or as needed to ensure that file review is completed for every unit inspected by a Program Field Monitor
Lead Safe Weatherization	Assure that lead-safe procedures are implemented as required	WAP Program Monitors	At least 1 (one) per quarter, per contractor or crew.	At least once per quarter/per sub grantee and per crew/ contractor
Program Compliance Monitoring	Comprehensive review of sub grantee program administration	Budget Specialist	Ensure 5% of all completed units are monitored.	At least once annually
Energy Audit Review	Review energy audits submitted with reimbursement requests to ensure all energy efficiency measures are identified and implemented and SIR's for appropriate measures	WTC Building Program Specialist or JAI Software Management Team	10% of all completed units	Monthly sample from Reimbursement Requests

Inspection of Weatherized Homes

AEO Program Monitors make quarterly and/or monthly site visits to weatherized homes that have been completed and undergone a quality control final inspection by sub grantees.

Program monitoring consists of the inspection of recently weatherized houses. Some sub grantees will be monitored each quarter, while others are monitored more frequently or infrequently depending on production and identified needs to address quality and/or health and safety concerns. The goal is to inspect five (5) percent of weatherized homes for each sub grantee; however, if deficiencies are noted, the percentage could increase to ten (10) percent of all homes weatherized.

Quality Control Monitoring

AEO Program Monitors will accompany sub grantee crews and contractors as they conduct final quality control inspections. This provides the opportunity for the AEO to provide technical assistance with weatherization techniques such as CAZ (combustion area zoning) and air sealing.

File Review Monitoring

AEO Program Monitors complete an onsite file review for every weatherized home that is inspected.

Lead Safe Weatherization Site Visits

AEO Program Monitors will make periodic unannounced site visits to homes that are being weatherized to observe that the required lead-safe work practices are being used by crews and contractors. This is an opportunity to clarify and demonstrate best practices related to lead-safe weatherization.

Program Compliance Monitoring

The AEO believes monitoring is an extremely important aspect of weatherization program management. A successful monitoring program improves sub grantee operations, identifies problems early enough for corrective action, and promotes quality work. The AEO considers monitoring to be an assessment of sub grantee performance in fulfilling program objectives.

A Program Compliance monitoring will be conducted annually with each sub grantee. Program compliance monitoring consists of a financial review and an administrative monitoring.

The financial review will include:

1. A check of the contract files against contract procedures
2. Sample journal entries
3. Inventory reconciliation
4. Cost categories
5. Administrative expenses

The program administration review will include:

1. The outreach support level and client application process
2. Reviewing client files for compliance with all federal and state Weatherization Assistance Program rules and regulations regarding mandated documentation of: household income, client certification of eligibility, owner/landlord permission for weatherization, rent declaration, fuel release statement, inspection statement, a complete Building Check & Job Order form, site-specific audit, complete material cost information, funding source designation, final quality control inspection and client release
3. Client certification and prioritization system
4. Inspection/quality control systems
5. Subcontracting system
6. Review of goals for serving elderly, disabled, Native Americans, and renters
7. Review of procurement systems

A minimum of five percent (5%) of the client files of all DOE and LIHEAP units completed in the twelve (12) months prior to the Program Compliance Monitoring visit will be examined. AEO staff will review sub grantee management systems to ensure compliance with rules, regulations, and mandated file documentation. Material records shall be examined and inventory will be inspected to verify the adherence to Federal specifications. The financial review will encompass the examination of all completed programs not previously reviewed.

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

Energy Audit Review

The AEO will use the JAI ECOS Management Team and the Weatherization Training Centers Building Specialist to review ten (10) percent of the energy audits that are submitted for each weatherized home. The audits will be reviewed to ensure that the appropriate audit tool is used and the inputs are correct to maximize the weatherization measures that are implemented in the home.

V.8.4 Training

Beginning in Program Year 2014, the AEO Training Plan will require comprehensive training for all WAP workers that is aligned with National Renewable Energy Lab (NREL) Job Task Analysis (JTA) for the position which the worker is employed.

The Training Plan will address two distinct categories, Tier 1 and Tier 2 Training.

•**Project 1.1: Tier 1 Training:** Comprehensive, occupation-specific training which follows a curriculum aligned with the JTA for that occupation. The Tier 1 Training will be administered by a training program that is accredited by IREC for the JTA being taught.

•**Project 1.1.1:** Develop a Weatherization Training Center (WTC) with a curriculum aligned with the JTA for each occupation. Both training programs are accredited by IREC for the JTA's.

(Milestone: Developed two WTC's: Pulaski Technical College (PTC) and North West Arkansas Community College (NWAC) Date: Q4 FY 2011)

•**Project 1.1.2:** Provide Tier 1 training to all workers in the Weatherization Assistance Program.

(Milestone: Provided funding to the WTC's to provide Energy Auditor, Quality Control Inspector, Crew Leader and Retrofit Installer/Technician training both classroom and field training.

•**Project 1.1.3:** Ensure that each worker in the WAP attends training at one of the two training centers.

(Milestone: Revised grant agreements to add T&TA funds to cover cost of training Date: Q2 FY 2012)

•**Project 1.1.4:** Develop a Training Tracker to inventory and analyze training needs of all current weatherization employees.

(Milestone: Training Tracker developed and published in 2012. The Training Tracker serves as a status document showing what training each WAP Sub grantee staff has received; based on analysis, the document will include a list of training that is needed for certification. Date: Q4 FY12)

•**Project 2.1: Tier 2 Training**: Single issue, short-term, training to address acute deficiencies in the field including dense packing, crawlspace, ASHRAE, etc. Conference trainings are included in this category.

Milestone: Single issue training will be held during the Annual Weatherization Training Conference October 29-31, 2014 Date: Q4 FY 2014)

The AEO combines comprehensive field monitoring with an extensive training and technical assistance program to identify areas weakness to improve work quality and delivery of program services and to correct sub grantee administrative and management problems. Field monitoring also provides an opportunity for on-site training and technical assistance and the identification of areas where more extensive training is needed.

Sub grantee Monitoring⁴

⁴ See V.8.6 for WAP Monitoring Strategy

Two Program Monitors and a Budget Specialist are responsible for monitoring and evaluating the operation of the WAP program at the sub grantee level as outlined in the State Plan.

Technical Assistance

Each weatherization sub grantee is assigned a WAP Program Monitor on a rotating basis that is responsible for completion of the inspection and technical assistance activities that are part of the Program Monitoring and Compliance Strategy. Technical assistance provided may include but is not limited to: staff training, policy interpretation, state plan clarification, working with sub grantees to address deficiencies and training sub grantees on new weatherization techniques.

AEO Staff Training

Training is essential for staff development and is provided on an ongoing basis to upgrade the quality of service delivered by the WAP Program Monitors. Each monitor will be required to complete the QCI training and become a Certified Home Energy Professional. Monitors are also expected to research and attend training opportunities offered through the Arkansas WAP Training Centers, which will enable them to gain additional knowledge and skills in: weatherization technology, furnace technology and diagnostic equipment.

Lead Safe Weatherization Training

Lead safe weatherization training will be offered through the Arkansas WAP Training Centers during the 2014 Program Year. AEO will continue to ensure that WAP Network contractors and crew receive training and ongoing technical assistance regarding the RRP and Lead-Safe Weatherization Work Practices through the WAP Training Centers and through monthly site visits to observe Lead Safe Weatherization Practices of crews and contractors.

State Technical Working Group

The Weatherization Director from each sub grantee will attend meetings with the AEO WAP staff to discuss technical issues, specific problems, innovative solutions, and program direction. The Weatherization Training Centers, WAP Directors and Program Monitors will make up the State Technical Working Group which will meet during the 2014 Program Year Annual Grant Guidance and during the Annual WAP Training Conference to discuss training needs, updates on Weatherization Installation Measures and Standards, including Health & Safety.

Arkansas's WAP Training Centers

The accredited training component of the DOE Guidelines for Home Energy Professionals project guarantees the existence and availability of high quality standardized training programs within the home energy upgrade industry. To ensure that Arkansas is in compliance with these guidelines, the AEO has contracted with two community colleges to establish a training network strategy that assures training availability throughout the State using the U.S. DOE curriculum and is supplemented with a series of in-depth topical trainings that are identified during the 2014 Program Year.

Both site-based Weatherization Training Centers in North Little Rock and Bentonville are accredited by the Interstate Renewable Energy Council (IREC). The accredited training programs ensure that individuals receive the proper training to become certified Home Energy Professionals and to do the quality work that is defined in the standard work specifications

Both training centers have provided weatherization training classes including Installer Fundamentals, Installer Intermediate, Crew Chief, Energy Auditor, Mobile Home Weatherization, Home Energy Auditing, CAZ, Lead-safe Weatherization, and Renovate Right Protocol (RRP).

Ongoing training and direct technical assistance will be provided on subjects such as combustion area zone (CAZ) testing, air sealing techniques, implementation of ASHRAE 62.2, identification of health and safety conditions such as mold and moisture, the OSHA 10 and 30 hours trainings are among those that will be provided at least once to each sub grantee in the 2014 Program Year.

First priority to attend the trainings is reserved for the Arkansas WAP sub-grantee staff and contractors. Training is delivered through a site-based center in North Little Rock and Bentonville, Arkansas and two mobile training centers that serve other community college sites across the state. The schedule through June 30, 2015 is not finalized but will include testing for the Home Energy Professional Quality Control Inspector Certification Testing. The delivery of training will also be dependent on the amount of funds allocated for training and technical assistance activities from the USDOE.

Sub grantee Training and Technical Assistance

Each sub grantee will receive an allocation of funds to help offset the cost of their inspector and crew workers while attending training or to provide training for their weatherization staff and/or contractors.

Consumer Education and Outreach

The educational component has been designed to enhance program participants' understanding of home energy efficiency improvements, to increase energy savings, and to contribute to the ongoing effectiveness of installed weatherization measures. Educational materials have been prepared by the AEO (a calendar with tips to save energy) and training has been provided to our sub grantees. The AEO will continue to require WAP sub grantees to provide client education to each WAP client. Sub grantees will be required to provide (at a minimum) educational materials in verbal format to the client along with the calendar as a leave behind.

V.9 Energy Crisis and Disaster Plan

Arkansas will not use any grant funds for energy crisis relief during the 2014 Program Year.