

**BUDGET INFORMATION - Non-Construction Programs**

1. Program/Project Identification No. NT43133		2. Program/Project Title The Weatherization Assistance Program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. During the last 32 years, the U.S. Department of Energy's (DOE) Weatherization Assistance Program has provided weatherization services to more than 6.2 million low-income families.	
3. Name and Address Kentucky Housing Corporation 1231 Louisville Road Frankfort KY 40601		4. Program/Project Start Date 07/01/2012	5. Completion Date 06/30/2013

**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Federal - \$2,259,800 est. of roll-over from PY11	81.042	\$ 2,259,800.00		\$ 3,170,588.00		\$ 5,430,388.00
2. STATE			\$ 0.00		\$ 0.00	\$ 0.00
3.						
4.						
5. TOTAL		\$ 2,259,800.00	\$ 0.00	\$ 3,170,588.00	\$ 0.00	\$ 5,430,388.00

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRATION	(2) SUBGRANTEE ADMINISTRATION	(3) GRANTEE T&TA	(4) SUBGRANTEE T&TA	
a. Personnel	\$ 112,538.31	\$ 0.00	\$ 167,900.00	\$ 0.00	\$ 280,438.31
b. Benefits	\$ 48,391.48	\$ 0.00	\$ 72,197.00	\$ 0.00	\$ 120,588.48
c. Travel	\$ 3,500.00	\$ 0.00	\$ 47,000.00	\$ 0.00	\$ 50,500.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 400.00	\$ 0.00	\$ 2,400.00	\$ 0.00	\$ 2,800.00
f. Contract	\$ 28,500.00	\$ 258,529.00	\$ 19,600.00	\$ 430,399.00	\$ 4,923,498.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 11,628.21	\$ 0.00	\$ 40,935.00	\$ 0.00	\$ 52,563.21
i. Total Direct Charges	\$ 204,958.00	\$ 258,529.00	\$ 350,032.00	\$ 430,399.00	\$ 5,430,388.00
j. Indirect	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 204,958.00	\$ 258,529.00	\$ 350,032.00	\$ 430,399.00	\$ 5,430,388.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

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SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 2,259,800.00	\$ 0.00	\$ 3,170,588.00	\$ 0.00	\$ 5,430,388.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) PROGRAM OPERATION S	(2) HEALTH AND SAFETY	(3) VEHICLES AND EQUIPMENT	(4) LIABILITY INSURANCE	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 280,438.31
b. Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 120,588.48
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 50,500.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 2,800.00
f. Contract	\$ 3,142,320.00	\$ 754,150.00	\$ 10,000.00	\$ 190,000.00	\$ 4,923,498.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 52,563.21
i. Total Direct Charges	\$ 3,142,320.00	\$ 754,150.00	\$ 10,000.00	\$ 190,000.00	\$ 5,430,388.00
j. Indirect	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 3,142,320.00	\$ 754,150.00	\$ 10,000.00	\$ 190,000.00	\$ 5,430,388.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

**BUDGET INFORMATION - Non-Construction Programs**

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**SECTION A - BUDGET SUMMARY**

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 2,259,800.00	\$ 0.00	\$ 3,170,588.00	\$ 0.00	\$ 5,430,388.00

**SECTION B - BUDGET CATEGORIES**

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) FINANCIAL AUDITS	(2)	(3)	(4)	
a. Personnel	\$ 0.00				\$ 280,438.31
b. Benefits	\$ 0.00				\$ 120,588.48
c. Travel	\$ 0.00				\$ 50,500.00
d. Equipment	\$ 0.00				\$ 0.00
e. Supplies	\$ 0.00				\$ 2,800.00
f. Contract	\$ 90,000.00				\$ 4,923,498.00
g. Construction	\$ 0.00				\$ 0.00
h. Other	\$ 0.00				\$ 52,563.21
i. Total Direct Charges	\$ 90,000.00				\$ 5,430,388.00
j. Indirect	\$ 0.00				\$ 0.00
k. Totals	\$ 90,000.00				\$ 5,430,388.00
7. Program Income	\$ 0.00				\$ 0.00

**BUDGET INFORMATION - Non-Construction Programs**

1. Program/Project Identification No. NT43133		2. Program/Project Title The Weatherization Assistance Program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. During the last 32 years, the U.S. Department of Energy's (DOE) Weatherization Assistance Program has provided weatherization services to more than 6.2 million low-income families.	
3. Name and Address Kentucky Housing Corporation 1231 Louisville Road Frankfort KY 40601		4. Program/Project Start Date 07/01/2012	5. Completion Date 06/30/2013

**Comments:**

The budget was increased to include \$ 2,259,800 of funds estimated to be remaining from PY11 that will roll forward into PY12. Since DOE is permitting the roll-over of administration and training and technical assistance funds to those same categories for PY12, the maximum caps for PY12 for admin and T and TA have been exceeded. It is anticipated that KHC will adjust the budget again in August 2012 to reflect an accurate roll-over amount. At that time, it is also anticipated that all Grantee Admin, Grantee T and TA and Subrecipient T and TA that is not needed for those categories will be transferred into program operations to produce more units. The roll-over estimate includes the following:

**BUDGET CATEGORIES****GRANTEE ADMIN****SUB GRANTEE ADMIN****GRANTEE T&TA****SUBGRANTEE T&TA****PROGRAM OPS / V/E****H & S****Total****Roll-Over Estimates**

\$	46,429.00
\$	100,000.00
\$	163,372.00
\$	299,999.00
\$	1,330,650.00
\$	319,350.00
\$	2,259,800.00

**U.S. DEPARTMENT OF ENERGY  
GOLDEN FIELD OFFICE**



**BUDGET EXPLANATION FOR FORMULA GRANTS**

Applicant: Kentucky Housing Corporation  
Award number: NT43133

Budget period: 07/01/2012 - 06/30/2013

**1. PERSONNEL** - Prime Applicant only (all other participant costs are listed in 6 below and form DOE F 4600.4, Section B. Line 6.f. Contracts and Sub-Grants).

Positions to be supported under the proposed award and brief description of the duties of professionals:

<b>Position</b>	<b>Description of Duties of Professionals</b>
1 Director, Homeownership Production Management (HPM) (15%)	Responsible for general oversight and management of the weatherization program and HPM weatherization program staff. Provides technical assistance to all service providers and assist in the preparation of necessary reports needed to administer the weatherization program.
Homeownership Production Representative (15%)	Reviews and reconciles internal administrative costs associated with weatherization program. Prepares monthly administrative billing statements. Assist in the reconciliation of DOE monthly and quarterly reports.
Program Analyst/Environmental Specialist (15%)	Responsible for reviewing and reconciling monthly invoice documentation from service providers, review section 106 forms and track monthly expenditures and production goals. Review and approve training requests
1 Special Programs Specialist (47%)	Responsible for reviewing and reconciling monthly invoice documentation from service providers, review section 106 forms and track monthly expenditures and production goals. Review and approve training requests
1 Director, Design and Construction Review (35%)	Performs personnel functions: verifying time sheets, approving travel, completing annual evaluations. and so forth. Oversees programmatic activities such as submission of grant application, federal reports, regulation revisions, contract reviews and compliance, correspondences and other communications pertinent to the program. Insures timely submission of plans and reports to funding sources and other related offices.
1 Senior Director of Programs Administration (22.50%)	Oversees programmatic activities such as submission of grant application, federal reports, regulation revisions, contract reviews and compliance, correspondences and other communications pertinent to the program. Insures timely submission of plans and reports to funding sources and other related offices.
2 Weatherization Trainers/Monitors (100%)	Performs monitoring of agencies which includes an on-site inspection of a representative sample of completed dwellings as well as file review of the dwellings inspected; researches and conducts related weatherization training either in a classroom setting or at individual agencies; provides technical assistance to agencies; represents the State on Demand Side Management (DSM) collaborative; researches new initiatives; performs reviews of agency plans and budgets; performs monthly review of agency expenditures, contractual compliance. Weatherization and Health and Safety averages; assists in the development of program forms; reviews and revises Weatherization Manual.
1 Compliance Officer (100%)	Perform overall financial and contractual monitoring for CAK as well as each of the 23 CAA. This function will occur at least once a year or more if determined necessary.

1 Weatherization Senior Monitor (100%)

Performs monitoring of agencies which includes an on-site inspection of a representative sample of completed dwellings as well as file review of the dwellings inspected; researches and conducts related weatherization training either in a classroom setting or at individual agencies; provides technical assistance to agencies; represents the State on Demand Side Management (DSM) collaborative; researches new initiatives; performs reviews of agency plans and budgets; performs monthly review of agency expenditures, contractual compliance. Weatherization and Health and Safety averages; assists in the development of program forms; reviews and revises Weatherization Manual.

Direct Personnel Compensation:

<u>Position</u>	<u>Salary/Rate</u>	<u>Time</u>	<u>Direct Pay</u>
1 Director, Homeownership Production Management (HPM) (15%)		15.0000 % FT	
Homeownership Production Representative (15%)		15.0000 % FT	
Program Analyst/Environmental Specialist (15%)		15.0000 % FT	
1 Special Programs Specialist (47%)		47.0000 % FT	
1 Director, Design and Construction Review (35%)		35.0000 % FT	
1 Senior Director of Programs Administration (22.50%)		22.5000 % FT	
2 Weatherization Trainers/Monitors (100%)		100.0000 % FT	
1 Compliance Officer (100%)		100.0000 % FT	
1 Weatherization Senior Monitor (100%)		100.0000 % FT	
		Direct Pay Total	\$280,438.31

**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.
  
- b. If a 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.

Fringe Benefits Calculations

<u>Position</u>	<u>Direct Pay</u>	<u>Rate</u>	<u>Benefits</u>
1 Director, Homeownership Production Management (HPM) (15%)		43.0000 %	
Homeownership Production Representative (15%)		43.0000 %	
Program Analyst/Environmental Specialist (15%)		43.0000 %	
1 Special Programs Specialist (47%)		43.0000 %	
1 Director, Design and Construction Review (35%)		43.0000 %	
1 Senior Director of Programs Administration (22.50%)		43.0000 %	
2 Weatherization Trainers/Monitors (100%)		43.0000 %	
1 Compliance Officer (100%)		43.0000 %	
1 Weatherization Senior Monitor (100%)		43.0000 %	
		Fringe Benefits Total	\$120,588.48

3. **TRAVEL** - Identify total foreign and domestic travel as separate items.

a. Proposed travel:

<b>Purpose of Trip</b>	<b>Number of Trips</b>	<b>Cost Per Trip</b>	<b>Total</b>
In state travel budget of \$1,500 for program and administrative staff oversight activities provided to the weatherization network.	15	\$100.00	\$1,500.00
Travel budget of \$43,000.00 for in-state trips to monitor, provide on-site technical assistance, regional training to the service providers.	200	\$215.00	\$43,000.00
Travel budget of \$2,000 for training and technical assistance activities provided to four weatherization staff.	10	\$200.00	\$2,000.00
DSM collaborative meetings and to attend related trainings. Travel budget of \$4,000 for out-of-state travel to attend National and Regional Weatherization Training Conference or meetings, such as National Association for State Community Services Programs, Affordable Comfort Training Conference, Weatherization Plus, Next Generation and Department of Energy conferences or meetings.	2	\$2,000.00	\$4,000.00
		<b>Travel Total</b>	<b>\$50,500.00</b>

b. Basis for computation of travel expenses (e.g., current airline quotes, past trips, federal or organization travel policy, etc.):

All cost are based on KHC travel policies and past trips of similar nature.

4. **EQUIPMENT** - As defined in 10 CFR 660.202. Definitions are at [http://www.access.gpo.gov/nara/cfr/waisidx\\_00/10cf](http://www.access.gpo.gov/nara/cfr/waisidx_00/10cf)

a. Basis of cost estimates (e.g., vendor quotes, prior purchases of similar or like items, etc.):

b. Equipment to be purchased and justification of need:

<b>Equipment</b>	<b>Unit Cost</b>	<b>Number</b>	<b>Total Cost</b>	<b>Justification of Need</b>
Equipment and Vehicles	\$0.00	0	\$0.00	
			<b>\$0.00</b>	

5. **MATERIALS AND SUPPLIES** - As defined in 10 CFR 660.202.

a. Basis cost estimates (e.g., vendor quotes, prior purchases of like items, etc.):

Cost for the listed supplies are based on vendor web prices and on prior purchases.

b. Supplies to be purchased and justification of need:

<b>General Category</b>	<b>Cost</b>	<b>Justification of Need</b>
General Office Supplies	\$1,600.00	General office supplies and other needed supplies, small equipment, such as cameras, fax, cell phones, etc. Also, materials, cleaning supplies, tissue, paper towels, etc. are needed at the training center when training classes are held and to keep the center adequately maintained.
Tools and Equipment	\$0.00	Tools needed to provide weatherization monitoring and technical assistance.
Annual cost to service three (3) Combustion analyzers	\$1,200.00	Annual maintenance of Combustion Analyzers is essential since sensors have a useful life of one (1) year.
<b>Materials and Supplies Total</b>	<b>\$2,800.00</b>	

**6. CONTRACTS AND SUBGRANTS** - All other participant costs including subcontractor sub-grants, and consultants For ongoing subcontractors and sub recipients described elsewhere in the application, document and item numbe is listed.

<u>Name of Proposed Sub</u>	<u>Total Cost</u>	<u>Basis of Cost*</u>
Sub-Grantee Insurances	\$190,000.00	Insurances for Sub-Grantees (Liability and Pollution) - Liability Insurance and Pollution Insurance preimums
Community Action of Kentucky, Inc. (CAK) - Administration	\$28,500.00	KHC will contract with CAK which shall sub-contract with the 23 community action agencies to assist in the operation of the weatherization program. KHC will retain all administrative oversight for the program, but CAK will assist KHC staff in program administration and technical assistance when necessary. Performance activities as approved or directed by KHC will be outlined in the administrative agreement. An estimated amount of \$18,500 of roll-over from PY11 was added
Sub-Grantee Administration	\$258,529.00	Admin for Sub-grantees. An estimated 100,000 of roll-over funds from PY 11 was added
Sub-Grantee Health and Safety	\$754,150.00	Health and Safety for Sub-Grantees. Wx funds to provide health and safety measures on eligible housing units. An estimated amount of \$ 319, 350 of roll-over from PY11 was added.
Sub-Grantee Program Operation	\$3,142,320.00	Benefits and program operations for Sub-grantees. An estimated amount of \$1,330,650 of roll-over from PY11 was added.
Community Action of Kentucky, Inc. (CAK) T/TA	\$19,600.00	Provide technical assistance to the sub-grantee network when requested by KHC and assist subgrantees in utilizing the CastiNet system for data input. An estimated amount of \$9,600 of roll-over from PY11 was added.
Financial Audits	\$90,000.00	Financial Audits for Sub-Grantees.
Vehicles/Equipment	\$10,000.00	To be reserved for subgrantee or grantee unanticipated replacement of equipment or vehicles/repairs as required. The grantee will have administrative oversight and reimbursement approval of vehicles and equipment over \$5,000 to the sub-grantees.
Information can be found on the Sub-grantee Information Form, DOE F540.5 pages 22-31		
Sub-Grantee T&TA	\$430,399.00	T&TA for Sub-grantees. An estimated amount of \$299,999 of roll-over from PY11 was added.
<b>Contracts and Subgrants Total</b>	<b>\$4,923,498.00</b>	

\*For example, Competitive, Historical, Quote, Catalog

**7. OTHER DIRECT COSTS** - All direct costs not included in above categories

a. Basis for cost estimates (e.g., vendor quotes, prior purchase of similar items, etc.):

Based on prior incurred expenses and prior experience.

b. Other direct costs and justification of need:

<u>General Description</u>	<u>Cost</u>	<u>Justification of Need</u>
Fiscal Audit for Weatherization Program	\$5,000.00	Estimated cost for an annual external fiscal audit/review required by KHC

Rent for Training and Technical Assistance Training Center	\$8,062.00	Utilities, rent, and telecommunications costs associated with an off-site Weatherization Training Center.
Membership dues, subscriptions for energy related publications, software, and other miscellaneous co	\$12,977.00	Dues for membership in advacy organizations, such as, National Association of State Community Services Programs (NASCSPP). Cost for posting legal ads in newspapers for notice of a public hearing. Obtain or maintain subscriptions for energy related publications and to purchase updated software. Other misc. cost associated with admin of program: postage, internet, etc.
Certifications, Recertifications, Licensures, CE Courses, as needed	\$3,647.21	Other training costs for the Weatherization Assistance Program staff to attend new and innovative training as it relates to weatherization, mold, lead and other health and safety approaches. To obtain certifications in speciality areas. To maintain current certifications or licenses in weatheriation speciality areas. BPI Certification for monitoring staff.
Training Outreach	\$22,877.00	Funding to be used for enhancements of Technical Assistance and Training Outreach.
Other Direct Costs Total	\$52,563.21	

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 and provide a copy of the rate agreement.
  
- b. If the 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 separately.  
 KHC is in the process of determining the need for an indirect cost plan and may include this information in future submissions.

The name and phone number of the individual responsible for negotiating the State's indirect cost rates.

Name:

Phone Number:

## U.S. Department of Energy

## WEATHERIZATION ANNUAL FILE WORKSHEET

Identification: NT43133

State: KY

Program year: 2012

Budget period: 07/01/2012 - 06/30/2013

## II.3 Subgrantees

Grantee (city)	Tentative	
	Funding	Units
Audubon Area Community Services, Inc (Owensboro)	\$191,284.00	24
Bell-Whitley Community Action Agency, Inc. (Pineville)	\$199,750.00	25
Big Sandy Area Community Action Program, Inc. (Paintsville)	\$257,058.00	33
Blue Grass Community Action Agency, Inc. (Frankfort)	\$190,030.00	24
Central Kentucky Community Action Council, Inc. (Lebanon)	\$208,418.00	26
Community Action Lexington-Fayette/Bourbon/Harrison/Nicholas (Lexington)	\$218,393.00	28
Community Action of Southern Kentucky (Bowling Green)	\$246,640.00	31
Daniel Boone Development Council, Inc. (Manchester)	\$219,810.00	28
Gateway Community Services Organization, Inc. (West Liberty)	\$191,303.00	24
Harlan County Community Action Agency, Inc. (Harlan)	\$191,694.00	24
Kentucky Communities Economic Opportunity Council, Inc. (Barbourville)	\$175,866.00	22
Kentucky River Foothills Development Council, Inc. (Richmond)	\$191,793.00	24
Lake Cumberland Community Services Organization (Jamestown)	\$276,242.00	35
Leslie, Knott, Letcher, Perry Community Action Council (Hazard)	\$229,832.00	29
Licking Valley Community Action Program, Inc. (Flemingsburg)	\$191,561.00	24
Louisville/Jefferson County Metro Government (Louisville)	\$376,016.00	50
Middle Kentucky River Area Development Council, Inc. (Jackson)	\$186,038.00	23
Multi-Purpose Community Action Agency, Inc. (Shelbyville)	\$134,652.00	16
Northeast Kentucky Area Development Council, Inc. (Olive Hill)	\$216,341.00	27
Northern Kentucky Community Action Commission, Inc. (Covington)	\$237,701.00	30
Pennyrile Allied Community Services, Inc. (Hopkinsville)	\$213,388.00	27
Tri-County Community Action Agency, Inc. (LaGrange)	\$135,924.00	17
West Kentucky Allied Services, Inc. (Mayfield)	\$195,664.00	25
<b>TOTALS</b>	<b>\$4,875,398.00</b>	<b>616</b>

## II.4 WAP Production Schedule

Total Units (excluding reweatherized)	616
Rewatherized Units	0

## U.S. Department of Energy

## WEATHERIZATION ANNUAL FILE WORKSHEET (cont)

Identification: NT43133

State: KY

Program year: 2012

Budget period: 07/01/2012 - 06/30/2013

Average Unit Costs, including Reweathering, Subject to DOE Program Rules		
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$10,000.00
B	Total Units Weatherized	616
C	Total Units Reweatherized	0
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	616
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$16.23
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	\$3,142,320.00
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	616
H	Average Program Operations Costs per Unit (F divided by G)	\$5,101.17
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$16.23
J	Total Average Cost per Dwelling (H plus I)	\$5,117.40

## II.5 Energy Savings

Method used to calculate energy savings:

WAP algorithm

Other (describe below)

The current Metaevaluation results is considered a reasonable and conservation proxy or average energy savings from households of all types. Meta-evaluation is  $30.5 * 616 \text{ units} = 18,788$ .

Estimated energy savings: 18,788.00 (MBtu)

Estimated prior year savings:

Actual:

If variance is large, explain:

## II.6 Training, Technical Assistance, and Monitoring Activities

## U.S. Department of Energy

## WEATHERIZATION ANNUAL FILE WORKSHEET (cont)

Identification: NT43133

State: KY

Program year: 2012

Budget period: 07/01/2012 - 06/30/2013

Training:

Training is provided by Kentucky Housing Corporation (KHC), or by outside trainers as designated by KHC.

Anyone working in the Weatherization Program, including private contractors will be required to attend training sessions as they relate to their job duties.

While each service provider is allocated sufficient funds to attend training, as well as legitimate conferences such as Affordable Comfort. KHC will approve or deny attendance to training events in order to assure effective use of these limited dollars.

Training curriculum:

Kentucky's courses are on-going and are offered when there are new hires or when there are sufficient people to conduct a class. In addition, KHC will begin an intense training initiative to refresh all existing evaluators in the state. Training will include:

1. One two-day class for Heat Pump Evaluations and Duct Sizing
  2. Blower Door Diagnostics
  3. Base-load Measures
  4. Update for National Fuel Gas Code (NFPA) 54
  5. NEAT/MHEA6. Moisture and Mold training
  7. Program Policy and Procedures
  8. ASHREA
  9. Asbestos
  10. Dwelling Needs Evaluation for conventional single family dwellings & mobile homes
  11. Client Education
- Specialized training is offered by KHC staff at a leased, off site training center, to thoroughly cover heat systems evaluations and baseload measures. To offset retirement and resignations affecting the work force, service providers are required to have trained and certified staff, including back-up personnel, especially for evaluators. Attendance at training is a requirement. In order for service provider evaluator staff to perform the required weatherization activities, they are mandated to be qualified in the following areas:

Dwelling Needs Evaluators:

- WAP Policy/NEAT/MHEA, EA-Quip Audits; · Mold/Indoor Air Quality Issues;
- Heat Pump Evaluations,
- Heat Systems Evaluation including solid fuel, electric and natural gas/propane systems;
- Basic Blower Door,
- Lead Safe Weatherization Work Practices
- Certified Lead Renovator
- Southeast Weatherization Field Guide · CPR · 30 Hours of OSHA · Asbestos Awareness ·
- ASHREA · Field Shadowing - Completion of training requirements = Conditional Status - Successful shadowing after 3 month conditional period = Full Status Note: Evaluators in "Conditional Status" must complete of all of the above training and field shadowing before solo evaluation work can be done. An evaluator in conditional status should be monitored by the agency's "Full Status" evaluators and administrative staff to ensure quality. All crew leaders and installer staff must have completed the following training before working on the jobsite. Crew

Leader

8 Hours Lead Safe Weatherization Work Practices

Southeast Weatherization Field Guide

## U.S. Department of Energy

## WEATHERIZATION ANNUAL FILE WORKSHEET (cont)

Identification: NT43133

State: KY

Program year: 2012

Budget period: 07/01/2012 - 06/30/2013

Mold Awareness

CPR

Certified Lead Renovator (as applicable, see health and safety in Master File)

30 Hours of OSHA Construction Safety

Asbestos Awareness

ASHREA

Installer Staff

8 Hours Lead Safe Weatherization Work Practices

Mold Awareness

CPR

10 Hour OSHA Construction Safety

Asbestos Awareness

Installer staff must work under supervision of a crew leader unless they have completed all crew leader training requirements.

**Technicians:** All new technicians are required to be licensed in HVAC and electric. Technicians shall maintain their professional licenses in accordance with KRS 227A.010-150 for electric and KRS 198B.650-689 for HVAC, and meet all requirements regarding fees and continuing education.

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**Technical Assistance:**

KHC will retain funds to use for approximately 60% of T and TA funds for training, technical assistance and approximately 40% of T and TA funds for monitoring purposes. KHC will allocate funds to the service providers to attend required state training, regional and national conferences and other training opportunities that may be available or required.

Technical assistance is an on-going daily activity provided to ensure compliance with program requirements and to improve the quality of Kentucky's Weatherization program. On-going technical assistance visits to the field are scheduled and conducted as needed by KHC weatherization monitors/inspectors. In addition, technical assistance may be provided by CAK when deemed necessary by KHC.

**Monitoring:**

KHC will conduct two primary types of monitoring: (1) annual dwelling inspections and (2) annual on-site contractual monitoring.

(1) On -Site Monitoring:

KHC weatherization staff will perform program and on-site monitoring. The staff consists of two full-time employees that will review the quality of field work, materials installed, program performance, and compliance with policies and procedures. Each service provider will be monitored annually for program compliance, with subsequent monitoring scheduled as needed.

An on-site dwelling review will be conducted annually by the KHC weatherization monitoring staff on a representative sample of each service provider's completed dwellings in addition to in-progress monitoring during technical

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assistance to ensure that all work meets WAP standards. KHC has established a goal of 5%, of completed units to be visited each year based on the total funding for production.

A sample of completed dwellings will receive an on-site dwelling review including a Blower Door test to ensure that all work performed meets Kentucky's Weatherization Assistance Program standards for quality, workmanship, and that materials installed meet the Materials Specifications Standards.

During the visit, field work will be monitored for:

- Completeness of work;
- Compliance with NEAT/MHEA and EA-Quip audit priorities;
- Work quality;
- Dwelling averages; and
- Diagnostic procedures.

If a monitor identifies a problem while on a monitoring visit, technical assistance will be provided at the time with follow-up or more intensive technical assistance or training to be scheduled in the immediate future. Technical assistance related to the actual installation of weatherization measures, energy systems evaluations, and the National Energy Audit (NEAT) and Manufactured Home Energy Audit Tool (MHEA) will be provided as needed. In addition to the field work, a sampling of client files of the dwellings inspected will be reviewed to determine that all required forms with proper signatures are included and that the forms are accurate and complete. Monitoring findings will be evaluated and determined if corrections have been made by onsite visits or sufficient documentation.

Previous monitoring findings and recommendations will be reviewed to evaluate the success and appropriateness of all corrective actions implemented by the service provider. Upon completion of the on-site review, the monitor will hold an exit conference with the service provider's Executive Director, if available, the Weatherization Director and other appropriate staff to review all findings, conclusions, and recommendations. Upon completion of a written report, any actions warranted by the monitor's findings will be determined and a copy of all reports, with a cover letter, describing the findings and/or necessary actions to be taken will be sent to the service provider's Executive Director, with a response on any corrective actions due within 30 days. A copy of the report will be filed for future use in evaluating the program.

**Program Compliance Monitoring:**

KHC weatherization staff will monitor all service providers by reviewing the price they have paid for common weatherization materials. If a service provider in a geographical area is paying substantially more for materials than others, the agency may be required to identify other service providers that have less expensive materials and begin purchasing from those vendors.

KHC will evaluate the service provider's monthly reports and invoices to determine improvements in any of the areas where the service provider has deficiencies. If the service provider does not show satisfactory improvements, an on-site visit may be made to analyze the efficiency and operation of the program.

The areas to be reviewed are:

- Actual completions vs. planned;
- Average weatherization costs not exceeding the limitation of \$6,769;
- Average health and safety costs is limited to 24% of the actual average cost per unit, not exceeding a maximum of \$2,500 per unit, without written approval from KHC;

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Average overhead not greater than 40 percent;

- Monitoring reports for quality of work performed on completions which were inspected during the on-site monitoring visit; and
- Maintain a minimum annual average of 30 percent or greater of all DOE Weatherization Assistance Program expenditures for installed materials.
- Those service providers identified as having problems in one or more of the above areas will be sent a letter identifying the problem areas and instructing the service provider to submit plans to correct the problem. The service provider will have thirty (30) days in which to respond. KHC staff will review the corrective action plan and accept it, deny it, or ask for clarification within fifteen (15) days of receipt of the plan; and notify the service provider of the result.

If, the service provider fails to immediately implement the approved corrective plan and significant improvements have not been made, KHC will notify the service provider that it may be in jeopardy of losing all or a portion of its funding.

Clarification on averaging materials:

- Materials installed out of regular program funds are a straightforward average and are tracked monthly through the reporting process on the WX-702, Monthly Invoice.
- Materials purchased and installed through DSM projects are also tracked by the WX-702, Monthly Invoice, and shall be calculated into the percent of materials installed.
- Donated materials, for the purpose of averaging, shall be assigned the same value as if they had been purchased through the agency's normal acquisition process. For example, if Agency A pays \$3.00 for a tube of silicone caulk, then a value of \$3.00 shall be assigned to a donated tube of silicone caulk. Donated materials are also tracked by the WX-702, Monthly Invoice, and shall be calculated into the percent of materials installed.
- Percent of materials installed shall be calculated on Actual Operating Dollars only. Therefore, fixed costs: administration, vehicles and equipment over \$5,000.00, in-house agency audit, training dollars, and liability insurance, shall be excluded from the calculation of actual percent of materials installed.
- On partnering ventures such as rehab projects, only the cost of energy saving materials can be counted when calculating percent of materials installed, not the total cost of the rehab project.

## (2) Financial and Contract Monitoring

KHC is responsible for monitoring all personal service contracts and master agreements through which weatherization funds are allotted and program initiative implemented. The staff consists of one full-time compliance officer.

Responsibilities for monitoring contracts include:

Development and updates of KHC monitoring tools that will be used to ensure CAK and all sub-grantees (CAA) are meeting or exceeding programmatic, administrative and fiscal review expectations. Conduct annual on-site monitoring review of all sub-grantees for their adherence to weatherization contracts and agreements to ensure program objectives and goals are met.

Review and monitor plans of correction with the CAK, sub-grantee, or sub-contractors and provide guidance as necessary.

Conduct annual on-site monitoring review of CAK and of all subgrantees for their adherence to weatherization contracts and agreements to ensure program objectives and goals are met.

Select CAAs, utilizing the selection criteria below, for additional monitoring by KHC's Compliance staff

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## Selection Criteria:

- Agencies that are high-risk as determined by KHC's WX or Compliance staff. For example, they have high staff turnover or significant findings from previous reviews.
- Agencies that do not provide adequate supporting documentation for monthly invoices upon request by KHC.
- Agencies receiving large allocations of funds· Agencies expending funds at a faster rate than the projected completion rate average.
- Agencies expending funds at a slower rate than the projected completion rate, which could possibly flag underperformance.
- Agencies that have requested unusual or numerous budget category changes.
- Agencies whose single audits reflect areas of concern.

Annually, CAK and each service provider will be monitored for fiscal and contractual compliance.

For fiscal monitoring, the monitor will verify compliance with and documentation of these fiscal requirements:

- expenditures,
- source and application of funds for expenditures,
- access to and retention of fiscal records,
- procurement standards,
- previous contract audit,
- allowable and disallowable costs for reimbursement,
- other resources used for weatherization,
- invoicing,
- equipment, · property
- material inventory maintenance.

For contractual monitoring, the monitor will verify compliance with documentation of these contract requirements:

- reporting
- personnel policies,
- record confidentiality,
- conflict of interest policy and nepotism,
- client and dwelling eligibility,
- adherence with training requirements
- purchasing and bidding procedures,
- record retention
- maximum averages for weatherization, health and safety, and overhead,
- liability insurance, minimum coverage of \$1,000,000,
- vehicular insurance, minimum coverage of \$1,000,000,
- pollution occurrence insurance, minimum coverage of \$500,000,
- other areas as requested by KHC
- Adherence with insurance requirements

KHC will approve and monitor all vehicle purchases by service providers with DOE funds. The Agencies will be required to follow all KHC procurement processes as applicable. Unless otherwise directed by KHC, CAK and the

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Service Providers shall no longer be required to purchase from the state approved vendor list or KHC approved vendor list for items over one thousand dollars (\$1,000.00) and for an aggregate over five thousand dollars (\$5,000.00).

KHC will approve and monitor all vehicle purchases by service providers with DOE funds. The Agencies will be required to follow all KHC procurement processes as applicable. Unless otherwise directed by KHC, the Service Providers shall no longer be required to purchase from the state approved vendor list or KHC approved vendor list for items over one thousand dollars (\$1,000.00) and for an aggregate over five thousand dollars (\$5,000.00).

KHC will approve and monitor all vehicle purchases by service providers with DOE funds. The Agencies will be required to follow all KHC procurement processes as applicable. Unless otherwise directed by KHC, the Service Providers shall no longer be required to purchase from the state approved vendor list or KHC approved vendor list for items over one thousand dollars (\$1,000.00) and for an aggregate over five thousand dollars (\$5,000.00).

**II.7 DOE-Funded Leveraging Activities**

No DOE funds will be diverted to leveraging activities.

**II.8 Policy Advisory Council Members (names, groups, agencies)**

Department for Aging and Independent Living /	Bill Cooper
City of Louisville /	Adria Johnson
Housing Authority of Bowling Green /	Abrahams Williams
E. ON U.S. LLC /	Michael Hornung
Kentucky Rivers Foothills Development Council Inc /	Vicki Jozefowicz
H.O.M.E.S. Inc /	Seth Long
Daniel Boone Community Action Agency Inc /	Mike Buckles

**II.9 State Plan Hearings (send notes, minutes, or transcript to the DOE office)**

Hearing Date	Newspapers that publicized the hearings and the dates that the notice ran.
04/24/2012	Public hearing notices were placed in The Louisville Courier Journal and Lexington Herald-Leader on 4/11/12 . Copies of the Annual State Plan were made available on KHC's website and at the public hearing. The public hearing was held at the KY Housing Corp.

**II.10 Adjustments to On-File Information****II.11 Miscellaneous**

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The major changes to this plan included:

Elimination of BPI requirement for the building analyst because it was considered to be a duplication in training efforts.

New allocation formula for the distribution of wx funds to service providers.

The private contracting verbiage was revised so agencies no longer need to get approval from KHC to switch from in-house crews to a private contractor.

KHC is requesting that all service providers maintain an open contractor list so new contractors can be added at anytime.

The priority point system for single-elderly and single-disabled points were increased from 5 to 10 points

Refrigerator Replacement Section change the number of allowable replacement refrigerators from 2 to 1 and included enhanced language on proper EPA disposal requirements.

The Incidental Repair wording was changed to include the replacement of doors and windows if the repair exceeds 75 percent of the replacement cost.

Clarity language added to walk away provisions.

Maximum amount of weatherization assistance increase per regulations.

Minutes of the public hearing were recorded and transcribed. Two written comments were received in addition to comments at the public hearing. Both the minutes and the written comments are available upon request.

Minutes of WX PY12 Public Hearing on April 24, 2012

Kentucky Housing Corporation

Weatherization Program Public Hearing Reference FY 2012 DOE Plan

Attendees: 26 (including 6 KHC staff)

Richard Boggs, chief information officer of Kentucky Housing Corporation (KHC) opened the hearing. He reported the hearing was scheduled to specifically address comments to the FFY 2012 regular DOE Plan, which will take effect July 1, 2012. He noted some changes were made to the document after it was viewed by the agencies April 13 and voted on by the Board.

John Cora, director of KHC's Design and Construction Review Department discussed major changes: moving verbiage to more appropriate locations, additions, and deletions to the DOE Plan which included – One major change in training, the BPI requirement for BPI building analyst was dropped because it was duplication in training efforts.

Private contracting verbiage cleaned up, agencies no longer need to get approval from KHC to switch from in-house crews to private contractors. Mr. Cora stated it is KHC's intent is to keep an open approved contractor's list, and to advertise that list once a year; new applicants can be added at anytime.

More verbiage added that requires NEAT/MHEA generated documents, which include NEAT/MHEA work orders, bid forms and completion report forms all must be used.

Implemented CAK's suggestion to alter the priority point system adding points to disabled and elderly, and single-elderly and single-disabled; all points raised from 5 to 10.

Health and Safety, all moved together into the Health and Safety section of the Plan. Only change, now 24 percent rule instead of \$1,200 average; 24 percent of total program operation is the match that can be spent on Health and Safety. The maximum amount per unit rose to \$67.69.

Refrigerator Replacement Section allowed two refrigerators in a house; the Plan was changed limiting to one per unit. Stronger language was added in regard to disposal of old refrigerators. The old refrigerators must be removed and disposed of properly according to EPA refrigerant rules.

Incidental Repair, wording was changed to include the replacement of doors and windows if the repair exceeds 75 percent of their value, which if passes is a step toward having the opportunity to do extra measures.

Clarity added to Walk Away and when a dwelling needs evaluation (full blown evaluation) must be

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performed. Everybody is entitled to a unit walk through; upon passing the walk through, the next step is a full-blown evaluation. If at end of walk through, it is a walk away you are allowed to walk away and not spend any extra time.

Comments:

Beth Bates - Lake Cumberland Community Action

Ms. Bates stated regarding applications being increased three points as discussed, all applications on file would need to be pulled, re-done, and clients would need to come in and sign the applications, which would affect their priority points for the most part.

Mr. Cora stated would not have to re-prioritize according to this system. Annie Thompson, LKLP, asked if the applications could be pulled, points added to the application/s, and initialed instead of doing a re-application. Mr. Cora stated yes, and he will distribute it officially in writing.

Ms. Bates stated regarding the new walk away procedure discussed, are written notification, declines, still required and do they have to be given 30 days. She reported LKLP recommends services for them to correct their issues, but asked if still need 30-day window. Mr. Cora stated the finding reveals people were walking away from units and not performing a walk through. A unit must be walked through and if the walk through passes a full-blown evaluation must be performed. For rest of deferral nothing has changed; it is the same process.

Anna Whites - Lake Cumberland Community Action

Ms. Whites objected to the two minute speaking period. She reported with the very small crowd two minutes were not enough time for a meaningful comment. As reported each year, she objected to KHC's failure of providing public notice and when the public hearing was being held. She noted no members of the public were in attendance at the meeting. She was not able to find the public hearing notification on KHC's Web site nor did she see it in local media or hear it on the radio. She stated three working days ago, CAK notified the agencies of the hearing. She said it is impossible for the public, the people who receive the services, to know they have a right to come when they have not received the notice. She reported transparency is key to using state and federal funds. The state and feds both have rule-making procedures that emphasize the importance of fair notice and fair hearing, and that nobody in the State of Kentucky had been offered that. The agencies at today's hearing can represent their clients, but that is not the same as the individuals being able to represent their own interest. They are not weatherizing our homes; they are weatherizing the homes of people who cannot be here because they did not know about the hearing. Secondly, the formula for division of funds, we were told nationally would be a rationally and geographically improper formula that was abandoned and would be available on the Web site so changes of the data and the story of the formula of what KHC is relying on for each section could be viewed. Ms. Whites reported she spoke with Richard McQuady and was assured information would be provided prior to the hearing, and all that he was able to say was that his people say it is the Census. She said a lot of people from her office and agency offices looked at the Census and did not see percentage of households in poverty, which is one of your things. She stated we all admit that we do not know what the CHS formula was based on and it is one of the models being used. If there is no rational basis for the formula, it is inappropriate. She realizes that at the CAK meeting, and with short notice days before the hearing, days before agencies had opportunity to get the money, and recognizing it is a small pool, KHC said it is this or we do not have any alternative. The agencies voted to accept the allocation for this year. She reported she made it clear to Mr. McQuady and clear to everyone in the room, that does not mean the formula is reasonable, appropriate-based on any evidence that anybody has in the room unless there is evidence KHC has that those present do not have. Again, transparency is key, public oversight is key, it is taxpayer money and they deserve to know exactly how allocations are determined. This is not aimed at any agency, she advises her clients to grab every dollar they get and do not let it go. There is too much need and not enough money she blames no agency and if she got it all for Lake Cumberland they would hold on to it, that would be

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illegal and wrong. This is just KHC you have to have a rational formula and it is inappropriate and illegal without that.

Ms. Whites stated in her written comments, and when KHC tell when and where to file those, she will address various issues: KHC is apparently paying full-time staff for full year of service; we all know our staff have two to three months to serve, not sure what KHC staff will be doing for remaining 9 months, but funds should not be used for that unless there is a rational basis, again there may be but that has not been presented; taxpayers need to know that; it is a huge hole in transparency. That money could better be used to service homes – the agencies have been doing it for thirty plus years and are good at it, crews are well trained, know how to do the job and can be moved forward. She said any extra dollar not going to direct service provision should be refunded to the agencies so they can use it for that. She stated there is a large sum for pollution insurance, but no proof in the plan that it is what it costs. People assure her it is expensive, but there has to be a rational basis also for that. Every item of funding that is taken in the \_\_\_(sign) somewhere has to have a rational basis, have to know why and then basically without that we have nothing; in this plan we have nothing. Neither her or her office, nor the public can understand where the money is going and why and what the formula is based on, or how it is used. She concluded have to have transparency, it is taxpayer's money, and have to justify where it is going.

Mr. Boggs asked written comments by what time and where. Tiffany Marthaler reported by 2 p.m., Tuesday, April 24, 2012.

Mike Moynahan - Community Action Kentucky

Mr. Moynahan had quick comment on change made from original budget to the composite for daily grantee T and TA, is that a reflection of the money that will be allocated to CAK for trained technical assistance or has that changed? Ms. Marthaler stated no. We are still negotiating that, additional funds is a result of trying to move some of the training salaries to a different cost center to free up more money for CAAs to train their staff.

Mr. Moynahan stated there may not be any money still for CAK that would have to be put in the Plan. Mr. Boggs, yes, the Plan would have to be amended and the information put in the Plan. Ms. Marthaler reported that is still being negotiated.

Mr. Moynahan reported for the record, want to make case CAK provides a good service, have cast-net service that has been enhanced since ARRA began, and want to make sure that CAK continues to provide that service, provide the training, and technical assistance and feel we provide a role and want to be included in the budget at some point.

Mr. Boggs asked if any one else wanted to speak. The only other person left who signed to speak was Bruce Brown. Mr. Brown reported his questions had already been addressed.

As there was nothing further, the hearing was adjourned.