

Arkansas

Weatherization Assistance Program

State Plan

Program Year (PY)

July 1, 2020 – June 30, 2021

April 17, 2020

REVISED

Arkansas Energy Office
5301 Northshore Drive
North Little Rock, Arkansas 72118-5317
www.adeq.state.ar.us/weatherization

Mission Statement

The mission of the Arkansas Energy Office (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.

The State Goals

The policies contained in this plan will enable Arkansas and its subgrantee network to weatherize homes of low-income Arkansans effectively, based on:

- Following priorities from the U.S. Department of Energy to serve elderly and disabled persons, households with children, and households experiencing a burden from high energy bills as well as households using a high amount of energy;
- Ensuring that only the most cost effective measures are installed on houses;
- Including client education about energy conservation; and
- Addressing health and safety issues affected by weatherization work on the house.

Executive Summary

The Arkansas Weatherization Assistance Program (WAP) State Plan for Program Year (PY) 2020 (July 1, 2020 – June 30, 2021) is derived from the state’s application to the U.S. Department of Energy (U.S. DOE) for Weatherization Assistance Program (WAP) funding. These funds will provide assistance to approximately 258 households across the State.

The purpose of WAP is to install energy conservation measures in the homes of income-eligible persons (up to 200% of federal poverty level). Funds are directed toward the most cost-effective energy efficiency measures, as determined by an on-site, highly technical energy audit of the eligible building. The program helps to:

- Reduce energy consumption in Arkansas,
- Reduce the cost of energy for low-income families, and
- Address health and safety issues in the home affected by weatherization work.

Currently, subgrantees provide Weatherization services in all 75 counties. The subgrantees are either a Community Action Agency or other non-profit organization. These entities provide energy efficiency weatherization services by subcontracting work to qualified contractors or by using their own trained weatherization crews. Energy efficiency measures funded through the program include air sealing, duct sealing, insulation, heating systems evaluation, and repairs or replacement. The program assists all types of housing: single family homes, a category which includes duplexes, triplexes and quadplexes; manufactured housing (mobile homes); and multifamily housing, consisting of small, garden-style apartments, group homes and emergency shelters.

The state will spend DOE funds for PY 2020 in accordance with this plan.

Disclaimer

NOTE: The Department of Energy (DOE), after reviewing Arkansas's application to approve PY 2020 funding, may require changes be made to the information contained in this state plan.

Acronyms

ADEQ	Arkansas Division of Environmental Quality
ADMIN	Administrative
AEO	Arkansas Energy Office
AWAP	Arkansas Weatherization Assistance Program
BCD	Better Community Development, Inc.
BPI	Building Performance Institute
BRAD	Black River Area Development Corporation
CAA	Community Action Agency
CADC	Central Arkansas Development Council
CAPCA	Community Action Program for Central Arkansas, Inc.
CEUs	Continuing Education Units
CFR	Code of Federal Regulations
CRDC	Crowley's Ridge Development Council
CSCDC	Crawford-Sebastian Community Development Council, Inc.
DHHS	U.S. Department of Health and Human Services
DOE	U.S. Department of Energy
ECOS	Energy Conservation Online System
H&S	Health & Safety
HEP	Home Energy Performance
HUD	Department of Housing & Urban Development
HVAC	Heating, Ventilation & Air Conditioning
IREC	Interstate Renewable Energy Council
JTA	Job Task Analysis
KSA	Knowledge, Skills & Abilities
LIHEAP	Low Income Home Energy Assistance Program
NASCSP	National Association for State Community Services Programs
Network	Community Action Agencies/Other Non-profits around the state providing Weatherization services
NHPA	National Historic Preservation Act
NREL	National Renewable Energy Laboratory
PAC	Policy Advisory Council

Acronyms, Continued

PO	Project Officer
PY	Program Year
QA	Quality Assurance
QCI	Quality Control Inspector
SEP	State Energy Program
SIR	Savings-to-Investment Ratio
SWS	Standard Work Specifications
T&TA	Training and Technical Assistance
TBD	To be Determined
USDHHS	Department of Health and Human Services
USDA	United States Department of Agriculture
WAP	Weatherization Program-Weatherization Assistance Program for Low-Income Persons
WPN	Weatherization Program Notice

Budget Information

Arkansas DOE Allocation for Program Year 2020 (July 1, 2020 – June 30, 2021)	Budgeted Amounts
Subgrantees	\$2,296,000
AEO	\$433,832
Total	\$2,729,832

Subgrantees	Number of Units	Budgeted Amounts
Better Community Development, Inc. (BCD)	18	\$ 141,844
Black River Area Development Corporation (BRAD)	31	\$ 224,241
Central Arkansas Development Council (CADC)	72	\$ 669,904
Community Action Program for Central Arkansas (CAPCA)	14	\$ 141,677
Crawford-Sebastian Community Development Council (CSCDC)	63	\$ 561,814
Crowley's Ridge Development Council (CRDC)	35	\$ 316,772
TBD (Little Rock)	25	\$ 239,748
Sub Total	258	\$2,296,000

AEO	Budgeted Amounts
AEO Administration	\$80,544
AEO Training and Technical Assistance (includes statewide training for network)	\$353,288
Sub Total	\$433,832

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 state on a range of issues relating to the WAP. The PAC is broadly representative of organizations that provide services to low-income persons in Arkansas.

- At Large – Katie Niebaum, Executive Director, Arkansas Advanced Energy Association
- Electric Cooperatives – Mitch Ross
- Executive Director – Community Action Agency – Tony Thomas
- Federal Housing – HUD – David Blick
- Health Department - Quinyatta Mumford
- Housing - USDA Rural Development – Cheryl Ivy
- Local Government – Victor Turner
- Low Income Home Energy Assistance Program – Lorie Williams
- Other Member – TBD
- Public Service Commission – Wally Nixon
- Public Utility – CenterPoint Energy – Kirk Pierce
- Public Utility – Entergy Arkansas – Denice Jeter
- Weatherization Director – Community Action Agency – Beverly Palmer
- Ex Officio – Mitchell Simpson

Eligibility

Approach to Determining Client Eligibility

AEO understands that every dwelling weatherized must meet both the client eligibility and the building eligibility requirements.

As defined in 10 CFR 440.22(a), low-income means that:

1. income in relation to household size 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, and published in WPN 203, or
 2. the household contains a member who has received cash assistance payments at any time during the preceding twelve months under Titles IV or XVI of the Social Security Act, or applicable state or local law, or
 3. the household is eligible for assistance based on energy assistance payments that have been paid under the Low Income Home Energy Assistance Act of 1981 (LIHEAP).
- AEO acknowledges that all subgrantees must have on file proof of income eligibility for each client served and each client waiting for services and must re-certify eligibility every twelve (12) months after initial determination of eligibility until selected for weatherization.

Basis for household eligibility is WPN 20-3 containing current poverty income guidelines and definition of income. Arkansas will use 200% of poverty levels and categorical eligibility as described in the preceding section. LIHEAP eligibility can also be used because the maximum income allowable for LIHEAP utility assistance is sixty percent (60%) of Arkansas median income which is less than 200% of federal poverty level.

Describe the process for ensuring qualified aliens are eligible for weatherization benefits:

U.S. DOE directs grantees to guidance provided by the Department of Health and Human Services (DHHS) at <http://aspe.hhs.gov/hps/immigration/restrictions-sum.shtml>. Subgrantees must follow this guidance and verify qualified alien status of Weatherization Program applicants. The verification documentation is required as part of the Subgrantee Client Files.

Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation:

AEO acknowledges that all subgrantees must have on file proof of income eligibility for each client served and each client waiting for services and must re-certify eligibility every twelve (12) months after initial determination of eligibility until selected for weatherization.

Documentation will include: all sources of income, such as payroll stubs, social security administration award letter, and income tax forms. Subgrantees are required to keep documentation in each client file for review during Program Compliance and Onsite Program monitoring visits by state or federal WAP staff.

All dwelling units certified as eligible for services shall be occupied by an income-eligible household or will become occupied by an income-eligible household within 180 days. Income eligibility was described in the previous section.

Describe Reweathering compliance:

The following is Arkansas's plan to ensure that houses are not reweatherized if weatherization occurred after September 30, 1994:

1. Develop access to the database for non-WAP agencies, if possible.
2. Require that agencies search by address as well as client name.
3. Understand that data prior to circa 2004 is not available in the database, therefore the following steps must be taken:
 - Survey agencies for the existence of paper records of houses weatherized.
 - Require, if newly assigned to serve counties since 2013, to contact the agency which previously served that county for information on a house prior to approving application.
 - Prior to doing the energy audit, require visual inspection at the house for new windows and doors, new HVAC, extensive interior caulking, presence of insulation (check date on attic insulation tag).
4. The least reliable avenue is asking the applicant; this question is asked at the top of the weatherization application and must be discussed further with the client at the time of application.

Homes weatherized on or before September 30, 1994 are eligible to be reweatherized. No more than ten percent (10%) of a subgrantee's DOE completed units may be reweatherized without prior approval from AEO. Priority wait list criteria will be followed in addressing reweatherized units. Arkansas does not expect to have reweatherized units in PY 2020.

Describe what structures are eligible for weatherization:

Building Eligibility – Housing Types

Eligible housing types include owner and renter-occupied single-family site built and manufactured (mobile) homes. Single-family homes include duplexes, triplexes, and quadplexes.

Eligible multi-family buildings are defined as garden-style, single or two story buildings, with fewer than five (5) individually heated/cooled units in each building, which make up a multifamily complex and for multifamily complexes comprised solely of duplexes, triplexes, and quadplexes with individually heated/cooled units. Larger multi-family buildings are also eligible for WAP, but Arkansas does not anticipate weatherizing larger multifamily buildings in PY 2020 due to the extreme expenses associated with retrofitting larger multi-family housing.

Non-traditional dwelling units, such as apartments over businesses or camping trailers, require AEO approval prior to weatherization. AEO will ensure that program regulations for eligibility are met prior to granting approval.

To establish eligibility of non-stationary campers and trailers that are considered the primary residence; the household member(s) must meet the following criteria:

- Axles have been removed.
- Residential electric and water utility service has been established.
- Mail service has been established using street address. (PO Box does not qualify.)
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Eligibility Based on Owner Documentation

As a part of the application process, applicants must identify if they are an owner or renter on the application (WAP 04) form.

If an owner, owners are required to submit proof of ownership by submitting at least one of the following items: deed, quick claim, will, or papers from the county accessor's office showing ownership. The Weatherization provider may document ownership through online search of the county accessor's office.

If a tenant, the Weatherization provide must obtain written permission from the owner or agent of the rental unit at the time of tenant's application. Such written permission shall be permanently maintained in the file of the client whose unit is weatherized.

State Historic Preservation Compliance (SHPO)

Arkansas Historic Preservation Program and AEO are in the process of developing a Programmatic Agreement (PA) which is expected to be finalized by June 30, 2020. In the absence of a PA and prior to the expenditure of federal funds to alter any structure or site, AEO's Subgrantees will comply with Section 106 of the National Historic Preservation Act (NHPA). Section 106 applies to historic properties or sites that are listed on or eligible for listing on the National Register of Historic Places. In order to fulfill the requirements of Section 106, the Subgrantee must contact the Historic Preservation Office to coordinate the Section 106 review as set forth in 36 CFR Part 800 and consistent with DOE's 2009 Letter of Delegation of Authority.

Subgrantees are required to determine the year a home was built (typically records are located in the county assessor's office; records may be available online as well). Prior to weatherizing a home that is 50 years old or older, the subgrantee must follow this protocol:

- Take a picture of the front and rear of the home;
- Draft a letter that:
 - states the address of the home,
 - includes an energy audit printout, work order, and the pictures as enclosures, and
 - requests approval to complete weatherization measures.
- Mail letters and pictures to: Arkansas Historic Preservation Program, Attention Section 106, 1100 North Street, Little Rock, AR 72201 or
- Email letters and pictures to section106@arkansas.gov.

The SHPO will notify the subgrantee within thirty (30) days whether or not permission is granted to proceed with weatherization.

Rental property:

Rental Units/Single-family

Arkansas's rental plan, as follows, protects renters' rights as specified in 10 CFR 440.22 (b)(3) and (c)(e).

- The Weatherization provider obtains written permission from the owner or agent of the rental unit at the time of tenant's application. 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 due to actualized energy conservation post retrofitting.
- No undue or excessive enhancement shall occur to the value of the dwelling units. Each energy audit of a rental unit will be reviewed by the Weatherization Director of the weatherizing agency to ensure that all measures authorized by the energy audit software, Energy Community Online System (ECOS), and all Health & Safety measures are provided in compliance with DOE requirements. Any questions in this regard should be asked of AEO prior to the start of weatherization.
- Not less than 66 percent (50 percent for duplexes and four-unit buildings) of the households in a building must be income-eligible for weatherization services.
- The subgrantee 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.

- Subgrantees will provide copies of the signed Landlord Agreements to the tenants to ensure their understanding and provide an avenue for tenant complaints.
- Other Considerations:
 - In the event of a dispute between the tenant and property owner regarding the issues listed above, the subgrantee will attempt to resolve the dispute; if that fails, the tenant will be referred to legal aid by the subgrantee.
 - Units being weatherized must be occupied by a qualified household; the only exception to this requirement is that an applicant household may temporarily move out while work is being performed on the house, if the temporary nature of the move is documented and re-occupation of the house is expected once work is completed.
 - The Arkansas Weatherization Assistance Program does not seek property owner agreements for placement of liens nor does it use other contractual restrictions.
 - Subgrantees do not accept financial participation of the owner in Weatherization costs.

Rental Units/Multifamily Units

Energy Audit

During the selection process for a multifamily project, the energy auditor will complete a walk-through of the property and note the potential for energy savings.

Arkansas uses its approved single-family energy audit software, ECOS, for multifamily complexes comprised solely of duplexes, triplexes, and quadplexes. Garden style complexes whose building types are made up of duplexes, triplexes and quadplexes will use ECOS as its auditing tool. A third-party auditing/engineering firm that uses a DOE-approved auditing tool will be procured to audit larger multi-family complexes that have buildings with five (5) or more units.

Subgrantees do not accept financial participation of the owner of multifamily complexes in Weatherization costs. However, owners are encouraged to utilize available maintenance funds to buy down measures that do not receive an SIR of 1.0 or greater. In addition, the owners are requested to provide other improvements in the complex when utilities are included in the rent so that energy savings are passed on to the tenants. AEO does not approve the weatherization of multi-family complexes where the tenants do not pay utilities directly.

Multifamily weatherization has always represented less than twenty percent (20%) of total weatherization production in Arkansas. AEO will submit to DOE all multifamily energy audits for approval for buildings with five (5) or more units that are centrally heated/cooled, prior to beginning weatherization work.

Multifamily Units Receiving Cost-effective Measures

Better Community Development, Inc. is the provider of multifamily weatherization services throughout the state.

AEO is confident that the number of multifamily complexes weatherized during PY 2020 will be less than twenty percent (20%) of Arkansas' total building stock weatherized. Currently, about six percent (6%) of units weatherized are multifamily.

Approach for Multifamily Service Delivery

Better Community Development, Inc. will work with each multifamily property to utilize its available maintenance resources to share in the energy efficiency costs. In the past, complexes have utilized HUD funds as well as other maintenance resources. A partnership was developed with USDA Rural Development with a goal of weatherizing multifamily complexes throughout Arkansas. Whenever available, the AEO will utilize USDA Rural Development funds for a blended service approach.

Deferral Process

There are conditions and situations under which a subgrantee must not or may choose not to weatherize an otherwise eligible dwelling unit. Information for making this determination may become evident during the application process, during the initial inspection process, during the energy audit, or after weatherization work has begun.

The Arkansas WAP Deferral policy is part of the Health & Safety plan which is attached.

In addition, the Deferral form (WAP 35) ensures that deferral reasons are discussed with the client and provided in writing with both parties' signatures.

Definition of Children

Definition of children (below age): under age 19

Approach to Tribal Organizations

Arkansas has no identified Native American tribes with tribal lands, low-income Native Americans will receive the same weatherization services provided to other low-income persons in Arkansas.

Selection of Areas to Be Served

All seventy-five (75) counties will be served during the PY 2020. Arkansas uses a funding allocation formula for each county based on methodology similar to that used by DOE to allocate funding.

The factors used in the formula are:

- Population below poverty level, given a weight of 80 percent
- Annual average heating and cooling degree days, given a weight of 10 percent
- Percentage of houses built prior to 1990, given a weight of 10 percent.

Priorities

Subgrantees maintain a priority list for each county in their service area with points assigned to each applicant based on DOE priorities for service. Priority points are awarded to eligible households based on:

1. At least one member of the household is elderly (age 60 or older). (1 point)
2. At least one member of the household is disabled. A disabled person must be a recipient of Rehabilitation Services, Social Security disability, Veterans disability or services under the Developmental Disabilities Act. Disability from a private employer must be in addition to or as a settlement with Federal or state disability. (1 point)
3. At least one member of the household is a child (under the age of 19). (1 point)
4. The household experiences a high energy burden. (1 point)
5. The household is a high energy user. (1 point)

A household whose electricity bill is 10¢ or more per square foot is defined as a high energy user. (from Entergy Solutions brochure “You have the power to lower your Entergy bill.)

AEO has approved the use of separate priority lists by county to give subgrantees flexibility when scheduling work crews and assigning contractors. Each county list should contain notes (e.g., attempts to contact clients and other information pertinent to selection of clients).

Allowing subgrantees to have separate priority lists by county minimizes travel distances and maximizes available work hours and worker efficiency. However, a subgrantee serving two (2) or more counties may not work exclusively in one county for more than one (1) month. The Subgrantee’s goal should be to serve each county in proportion to the number of units planned for that county and to prioritize counties based on the number of priority points assigned to top applicants on each county list. The selection of a county in which to provide weatherization work exclusively for a coming month should be based on where the client with the highest number of points among all counties resides.

All applicants are required to re-verify for the program annually and thus the applications are no older than one (1) year. A copy of each county priority list must be printed monthly and kept on file.

Type of Weatherization Work to be Done

Technical Guides and Materials

Arkansas uses the following: (1) 'Retrofitting Arkansas 2018 Single Family Standard Work Specifications (ASFSWS), (2) Arkansas Manufactured Housing Standard Work Specifications (AMHSWS) and (3) Subgrantee Operations Manual. The Subgrantee Operations Manual is a living document and as DOE guidance is released, updates are made to the manual with the appropriate effective dates.

All three (3) guidance documents are maintained on the AEO webpage.

Electronic Link <https://www.adeg.state.ar.us/energy/incentives/wap.aspx>
Scroll to bottom of page and click on “WAP Forms & Documents”

AEO’s Statement of Assurances

AEO ensures that all subgrantee agreements and subgrantee contracts contain language which clearly specifies that all work performed will be of a quality outlined in WPN 15-4, Section 2.

The language clearly requires and documents the following:

- (1) Subgrantees understand that work quality standards must align with the SWS,
- (2) Subgrantee’s direct hire is aware of these standards, and
- (3) They all must sign off that they have received a copy of both SWSs.

AEO ensures that all work will be performed in accordance with our DOE-approved Energy Audit procedures and all materials will be approved materials specified in 10 CFR 440, Appendix A.

Describe Mechanism Used

The mechanism AEO uses to verify that subgrantees understand and agree to expectations of weatherization work is the subgrantee’s signature on the grant agreement. In addition, third party QCI inspections review weatherization work vis-à-vis the SWS.

Field Guides/Standard Work Specifications (SWS)

Field Guide Types Approval Dates:

Single-Family: 7/30/2018

Manufactured Housing: 6/10/2019

Multi-Family:N/A

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family

Audit Name: ECOS

Approval Date: 12/18/2014

Audit Procedure: Manufactured Housing

Audit Name: ECOS

Approval Date: 12/18/2014

AEO's Final Inspection & Assurance Statement

AEO requires that every unit reported as a “completed unit” undergo a final inspection by a certified QCI, ensuring that all work meets the minimum specifications outlined in the Standard Work Specifications developed by DOE/NREL.

In accordance with WPN 15-4:

- Every client file will have a WAP 08 form that certifies that the unit had a final inspection and that all work met the required standards. The form will be signed by a certified QCI. Signatures will be accepted to demonstrate compliance. If a unit, inspected by the subgrantee QCI, is also inspected by the state, two (2) certification forms will be available in the client file - one for each inspection.
- Final inspection information is entered in ECOS and reviewed as part of desk monitoring.
- The Quality Control Inspection includes an assessment of the original audit to confirm that the measures called for on the work order are appropriate and compliant with the state audit procedures and protocols approved by DOE and that there are no “missed measures” which should have been considered.

The Use of Quality Control Inspectors

AEO will monitor at least five percent (5%) of all units reported as complete in PY 2020 unless AEO verifies that a subgrantee does not have a completely independent QCI process from its energy auditing function or that the agency is on probation or at-risk. In these cases, AEO will monitor at least ten percent (10%) of all units reported as complete.

Policy & Procedures for Inadequate Inspection Practices

- Subgrantee QCI accompanies state/third party QCI to learn first-hand of any deficiencies in the agency inspection and audit.
- State/third party QCI provides feedback during the inspection.
- QCI addresses incomplete and poor workmanship as well as missed opportunities on site and in reports. Any specific and/or comprehensive training identified as needed for subgrantee staff will be delivered in the field by the state/third-party QCI at the time of the inspection or arranged later.
- State/third-party QCI identifies call backs and missed opportunities and identifies required corrective actions at agency's expense.

Improvements are expected or AEO will meet with agency administration to review expectations, discuss additional training and oversight, and discuss disciplinary actions.

Inspection and Monitoring of Work Using Guidelines and Standards

For PY 2020 Arkansas will continue to ensure that Quality Control Inspector (QCI) competency is demonstrated by mandating certification as a BPI Home Energy Professional (HEP) QCI. AEO requires that each subgrantee employ or contract with a HEP QCI. Subgrantees must submit to AEO the credentials of all staff employed as a QCI and of any third parties engaged to conduct quality control inspections. AEO will continue to use SEAL Incorporated as its third party QCI contractor.

Weatherization Analysis of Effectiveness

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

- **On-site Inspections of Weatherized Units:** State/Third Party QCI will inspect a minimum of five percent (5%) of completed units for each subgrantee, unless AEO verifies that the subgrantee has not completely separated the audit and inspection functions in which case a minimum of ten percent (10%) of completed units will be inspected. (See previous Final Inspection section.)
- **Monitoring:** In PY 2019, AEO conducted a risk assessment of each agency. Monitoring will be scheduled more frequently with agencies at increased risk. Monitoring of higher risk subgrantees will be monthly or quarterly. Monitoring of lower risk subgrantees will be semi-annually or annually. Visits will focus on technical, fiscal and administrative compliance with all applicable federal and state WAP rules and regulations. Findings will be tracked with corrective action responses. Any consistent patterns will be noted and addressed.
- **Single Agency Audits:** Each subgrantee must submit a financial audit within nine (9) months of the conclusion of the fiscal year. Audits will be reviewed and be used in the financial risk assessment in PY 2020.
- **Productivity:** AEO will track expenditures and average cost per unit to monitor utilization of grants funds.
- **Analyses using ECOS:** In PY 2020, these capabilities include:
 1. Information dashboard: findings by subgrantee, measure, contractor reworks and disallowances; training needs (including Comprehensive and Specific) based on findings, results and priorities.
 2. Comparison charts that show productivity levels, spending and energy savings between subgrantees.
- **Self-assessments:** AEO implemented self-assessments by subgrantee staff based on Knowledge, Skills, and Abilities (KSAs) required by the WAP position in which he/she is employed. Weatherization directors use these self-assessments, and other information specific to staff, to develop a training plan.

AEO utilized its Risk Assessment reports to document effectiveness measures for each subgrantee which will be used to assess each subgrantee and compare among subgrantees. The Risk Assessment tool records administrative/programmatic, technical and fiscal effectiveness. Improvements will be tracked by programmatic monitoring, comparing state/third party QCI findings with findings from the previous QCI report, and fiscal reviews.

Health and Safety

Arkansas's approved Health and Safety Plan is attached.

Program Management

Overview and Organization

The Arkansas Energy Office (AEO) is a part of the Arkansas Department of Energy and Environment. Each program has its own program manager and staff monitors. All of AEO programs are serviced by the same administrative and fiscal staff. The organizational chart shows WAP is a unit under the Senior Programs Manager of AEO. Location in the Energy Office allows an exchange of ideas and skill sets beneficial to WAP.

The Arkansas Weatherization Assistance Program is governed by the Weatherization Subgrantee Operations Manual, 10 CFR 440, 2 CFR 200, Retrofitting Arkansas - 2018 Single Family Standard Work Specifications and the AR Manufactured Housing Work Specifications aka "Deck of Cards" field guides.

AEO is in the process of issuing a Request for Qualification (RFQ) to select a new subgrantee for the 14 counties in southeast Arkansas previously served by Pine Bluff Jefferson County EOC. This competitive process will proceed as quickly as possible to identify the new subgrantee.

Monitoring Activities

1) Staff who Monitor in Arkansas

Candy Roman, technical monitor, has been employed by Arkansas Weatherization state office since 1994 as a technical and administrative monitor. She serves WAP on a part time basis.

Wendy Ryan, technical monitor, began employment as a WAP technical monitor on December 30, 2019. Wendy has her QCI credentials and has worked at the subgrantee level as both an Energy Auditor and a Quality Control Inspector since 2012.

Technical monitors complete technical desktop reviews in ECOS of completed jobs being billed, consult on technical questions, approve waivers, accompany the state third-party QCI on field inspections, and inspect in-progress jobs.

AEO WAP has recently advertised the vacant position of administrative monitor. This position will be filled in August 2020 after the current state hiring freeze. This position will conduct monthly compliance desktop reviews and on-site program monitoring.

Wanda Harris-Jordan serves as the fiscal monitor. This position is responsible for reviewing administrative and training and technical assistance (T&TA) costs for accuracy and approving invoices for payment. Wanda is under the direct supervision of Tim Scott, AEO's Senior Operations Manager (SOM).

2) Salaries

Monitor salaries are charged 50% to DOE and 50% to LIHEAP. Of the 50% of the monitor's salaries charged to DOE: ninety percent (90%) is billed under T&TA and ten (10%) is billed under Admin.

3) Grantee assurance that final inspections and technical monitoring are conducted by certified QCIs”

AEO assures DOE that all subgrantee final inspections are performed by certified QCIs. Each subgrantee has had at least one (1) certified QCI since July 1, 2015. AEO has two (2) certified QCI on staff. In addition, AEO currently procures certified QCI services from a third-party for technical monitoring. Subgrantees are encouraged to certify more than one of its employees as QCI. In the event that a subgrantee has only one QCI and loses him/her they may elicit the assistance of one of the other subgrantee’s QCI until such time that they have filled that role.

The state’s QCI, Candy Roman, performs in-progress inspections on an as-needed basis while Wendy Ryan conducts technical monitoring inspections along with the third-party QCI on a monthly basis for the entire state.

4) All weatherization activities, including but not limited to: energy audits; energy conservation measures; incidental repair measures; and health and safety measures, are performed by properly trained Retrofit Installer/Technicians, Crew Leaders, and Energy Auditors. Specific training is provided to all subgrantees during the annual AWAP conference and subgrantees are also encouraged to utilize their T&TA funds to attend national conferences i.e. Energy OutWest and Home Performance conference in an effort to continue to improve their capacities. Subgrantees may also utilize a portion of its T&TA funds to train its contractors and new hires.

Every year, subgrantees are encouraged to assess the needs of staff, conduct self-assessments, and review past monitoring reports to determine what training is needed for each WAP employee. Individual training is determined for each employee that aligns with DOE’s JTA for their perspective role.

5) PY 2020 monitoring schedule:

a) Administrative Monitoring: Annually, in the first quarter of the program year, each subgrantee will be visited by an administrative monitor. The fiscal monitor conducts monthly desk top reviews and will also conduct an annual on-site monitoring visit.

The following potential schedule for visits to existing subgrantees is subject to change (specifically the listed dates and subgrantee order), but this first round of visits will be completed by the second week of October 2020 assuming the current public health emergency allows:

Week of July 6 – 10: BCD/Pine Bluff (southeast area)

Week of July 20 – 24: BRAD, Pocahontas

Week of August 3 – 7: CSCDC, Ft. Smith

Week of August 17 – 21: CAPCA, Conway (central Arkansas area)

Week of September 7 – 11: CRDC, Jonesboro

Week of September 14 – 18: BCD, Little Rock (central Arkansas area)

Content of Monitoring

Administrative Review:

- Review status based on performance during previous year;
- Client files – sample files from most recent quarter (minimum 10% with increased numbers reviewed if deficiencies are found) with review of eligibility, rental agreement, energy audit, work orders/SWS, health & safety, final inspection by QCI, separation of audit and final inspection (different staff, certified QCI); required forms present, complete, signed and dated;
- ECOS management – fuel prices updated, prices in ECOS match current rates; state WAP staff will review subgrantees entry of information in ECOS;
- Procurement - process and documentation;
- Contractors - agreements signed, including citing SWS standards and work required to these standards; plan for evaluating contractor work/providing training and dismissing contractors for poor performance;
- Training - training plan being followed for persons employed by weatherization and contractors, including training necessary to maintain staff certifications; developing plans for additional staff certifications;
- Priority lists – how clients are pulled from list; how priorities are entered in ECOS, are all five (5) priorities being calculated, is subgrantee re-determining client eligibility every twelve (12) months;
- Inventory – equipment and materials;
- Management system relating to production;
- Policies and procedures, including records retention.

Fiscal Review:

- Review status based on performance during previous year, including follow-up on any findings from last single agency audit;
- Sample month of general ledger compared to invoices, client files, and weatherization payroll;
- Review personnel and other expenses charged to weatherization administration;
- Review policies and procedures for financial management and separation of duties.
- Subgrantee Monthly Billing Groups/Invoices are compared to submitted support documents (per line item category); this monthly procedure will also inform the on-site fiscal review.

Exit conference will include discussion of findings with executive director, financial director, and weatherization director, as available. AEO will send subgrantee a written report within thirty (30) calendar days of the monitoring visit. A combined report for the program, including Administrative and Fiscal reviews, will be provided when the Administrative monitor and Fiscal monitor conduct their site visits. Each report will require a response from the subgrantee with a corrective action plan which AEO will accept or reject, in whole or in part, in a written response.

b) **Technical monitoring:**

The frequency of technical monitoring is as follows:

At the end of each quarter, AEO will provide the number of units to be inspected for each subgrantee. For example, the required number of inspections for weatherization work reported complete during July – September, 2020 will be given to the QCI by October 10, 2020. The QCI inspections must start the next week and continue during successive weeks until completed, with a maximum of one (1) week spent inspecting each subgrantee’s weatherization work. Final reports for each subgrantee must be submitted to AEO prior to beginning inspections for another subgrantee.

The third-party inspection includes a file review and in-home inspection. The third-party QCI will be accompanied by a state QCI monitor and the subgrantee QCI and/or other staff. Expectations for the process are:

- 1 hour - review client file (energy audit, work orders, and agency QCI inspection report);
- 1 hour - follow-up discussion of findings with agency and state staff (may be in the field after the inspection or back at the subgrantee office);
- 2 hours - complete required written report; and
- 1 hour - review and discuss documentation of corrective actions, if any; approve or deny.
- 2 hour field inspection (review work order to ensure approved measures were installed; evaluate quality of installation, and look for missed opportunities).

The resolution strategy starts with AEO sending a letter to the subgrantee containing the findings and corrective actions required by the third-party QCI and conveying the original QCI reports to be filed in the client files. This letter requests that the subgrantee submit corrective actions taken and photographic documentation of such to AEO within fifteen (15) working days of the receipt of the letter. The letter also states that corrective work must be completed with nonfederal funds. Corrective action documentation will be sent to QCI for approval.

In-progress inspections will be included for subgrantees who have repeated major deficiencies from one technical monitoring visit to the next. On an as needed basis, Candy Roman and/or Wendy Ryan will conduct in-progress inspections following recommended assessments as outlined in WPN 204.

Every month, monitors conduct desk audits. Typically, desk audits are performed during the billing review. Desk audit details will be sent to each subgrantee. In addition, monitors may conduct desk audits while the auditor/inspector is still in the audit/job. The objective is to look at audits and jobs in progress in ECOS before the billing group is approved for payment; in this way compliance issues or better ways to evaluate/analyze a unit can be discussed before the job is completed, thus minimizing noncompliance and disallowances. Auditors/inspectors can see the state monitor's notes on each page of the audit as well as in the job analysis; this feedback enables subgrantee staff to consider alternative procedures in what might be complex weatherization situations before conducting final calculations, the goal being to prevent compliance issues after job completion.

Significant deficiencies are defined as: health & safety violations, poor quality installation of materials, and major measures missed. If any of these same deficiencies are repeated in the next QCI monitoring of completed units, the following steps will be taken:

- Monitoring of the subgrantee will increase so that an additional visit will be made prior to the next regularly scheduled visit;
- A percentage of the units completed since the last regularly scheduled monitoring visit will be inspected; the number of additional units inspected will be two (2) or 100% if less than two (2);
- One (1) in-progress unit will be inspected during this extra visit;
- AEO, the third-party QCI, and subgrantee will discuss: 1) contractor deficiencies, 2) quality of auditor assessments, and 3) subgrantee QCI giving a pass to substandard work and missed opportunities;
- Training needs relative to findings will be discussed and provided to agency staff and its contractors.

Subgrantee noncompliance or repeated unresolved findings (based on a minimum of two [2] monitoring visits to a subgrantee without improvement) will be reported promptly to the DOE project officer.

AEO will submit a T&TA, Monitoring, and Leveraging Report thirty (30) days after the end of the reporting period. This report will include subgrantees monitored; major findings and resolutions; trends with respect to findings, concerns or other issues; needed T&TA (programmatic/administrative, technical, financial); subgrantees considered high risk for other programs or program management; and outcome activities involving T&TA and monitoring training.

c) Process for discipline and/or removal of a subgrantee from the program.

The terms of probation will begin with a program improvement plan and monthly on-site monitoring to review problematic areas of the program with a frequency designed to assess training and improvements or non-improvement. Probation will be initiated for six (6) months with the option to extend for another six (6) months if sufficient progress is not deemed to have occurred but some improvement has been shown. Areas of required improvement will be specified in a written probation document and be under continual review during monthly monitoring visits. At the end of the probation period, AEO will either 1) release the subgrantee from probation; 2) take steps to bring the program into compliance by reducing the workload to a more manageable level; in this regard, AEO may reallocate part of the unobligated WAP funds and part of the subgrantee's service territory to a suitable replacement subgrantee on a temporary basis; or 3) terminate the subgrantee grant agreement.

Resolution strategy:

Monitors will follow-up to ensure that corrective actions are carried out by each subgrantee according to the approved plan. Based on required corrective actions and the risk assessments from the previous year, each subgrantee will be placed on a monthly, quarterly, semiannual, or annual schedule of on-site monitoring visits. These scheduled monitoring visits will include a review of areas cited for corrective actions and any changes that have taken place with the subgrantee. Progress with production, staff training, and contractor performance will be reviewed. Any subgrantee placed on a monthly monitoring schedule will be deemed to be on probation.

Training and Technical Assistance Approach and Activities

During PY 2020, AEO will take the same approach used in PY 2019 to train network staff. The approach consisted of developing a training agenda based on: (1) aggregating statewide findings/concerns; (2) incorporating self-assessment results; (3) including the DOE findings and concerns, and (4) identified needs by the network. In addition, AEO will allow Subgrantee contractors to be trained with T&TA funds with their signature on a retention agreement. Contractors sometimes participate in annual conference training. Specific training offered throughout the program year is also open to contractors when topics are relevant to their work.

All Specific training will be provided by an IREC-accredited training center. AEO will actively seek training for both Comprehensive and Specific training which qualifies as CEUs. Whenever possible, training will qualify toward CEU certification in one of the BPI certifications required (QCI) or encouraged (Energy Auditor, Crew Leader, Weatherization Worker) by DOE. The Building Analyst and Manufactured Housing credentials will be included in the allowable Comprehensive training.

AEO requires that each Subgrantee has at least one (1) certified QCI on staff. This requirement has been met since July 1, 2015. Currently, there are eleven (11) certified QCI employed by the weatherization network. In addition:

All individuals who renew or pursue a new QCI certification will be required to hold a current EA certification; currently nine (9) QCIs are also certified Energy Auditors.

In preparation for the up- coming changes in QCI certification AEO recommends that staff identified by a Subgrantee as a potential QCI first pursue certification as an Energy Auditor.

AEO recommends that new staff hired by Subgrantees pursue the Building Analyst and Manufactured Housing credentials to establish a solid foundation for going on to certification as an Energy Auditor and QCI.

AEO requires that weatherization directors and field staff (auditors and inspectors) as well as contractors have active certification in lead- safe practices through the Environmental Protection Agency's Renovation, Repair, and Painting program.

Feedback from various sources that determines training content: AEO considers all sources of information about subgrantees when planning the annual Weatherization Conference that is held for two and a half (2 1/2) days. The conference will be in Little Rock in October. Due to the COVID-19 crisis, if it is determined that an in-person conference is not feasible, a virtual conference may be held. In addition to the Arkansas WAP annual conference, subgrantees have been provided a T&TA budget and a list of acceptable trainings/conferences supported and/or sponsored by DOE. Subgrantees are asked to determine relevant training using a methodical approach. Subgrantee must utilize their training plans (based on employee self-assessments of how well skills align with KSAs of Job Task Analysis (JTA) for position held and Weatherization Director evaluation), DOE and AEO monitoring visits, QA review visits and subgrantee single agency financial audit reports. If the needed training areas exceed the time available during the conference, additional Comprehensive and/or Specific training will be scheduled in Arkansas around specific topics.

Attendance at training: Training provided by AEO in Arkansas is considered mandatory. Subgrantees have consistently attended available training, and, therefore, AEO has not needed to establish ramifications for non-compliance. In the case of non-attendance at training, AEO would consider requiring absent subgrantee staff to find and attend equivalent Specific training elsewhere.

Statement regarding training staff: AEO requires that weatherization field staff new to the job are supervised by trained and certified staff until such time that skills are demonstrated satisfactorily and any required certifications are completed (see AEO requirements and recommendations for certifications above). During this time period, staff labor can be charged to T&TA.

Planning for industry- wide initiatives and future program requirements: AEO attends NASCSP conference each year and through this and other means strives to keep abreast of industry standards and to cover these areas in Arkansas trainings and requirements. For instance, AEO now encourages certification for Energy Auditors.

Healthy Homes and Mobile Home Retrofitting was covered during the conference training in PY 2018. In addition, Energy Modeling was provided as a stand-alone training separate from the conference in PY 2018.

Partnering with statewide home performance industry on training issues: AEO is linked to the home performance industry. During the planning for the 2020 conference, AEO will reach out to home industry trainers as needs are identified.

Use of effectiveness and energy savings evaluations to develop training: AEO has the capacity to create reports from data in ECOS that show the energy savings achieved from each job and aggregates the savings by different variables. AEO will look at this data annually compared to the measures installed on each job. Aggregated reports will be created quarterly for share with each subgrantee. AEO will seek consultation on using this report to guide development of Specific and Comprehensive training. A T&TA calendar and activities schedule will be executed according to program need and priorities.

AEO intends to use as measures of effectiveness (1) job analysis and auditor's judgment/justifications, (2) the timeliness of completion rates for houses audited (3) an analysis of reasons for deferral and (4) measure effectiveness and energy savings.

Grantee effectiveness: AEO uses the resources of NASCSP for training and information relevant to implementing and administering the grant. AEO budgets for attendance at these and other conferences. AEO will provide T&TA funds to subgrantees to certify QCIs and Energy Auditor in PY 2020 based on the subgrantee's approved training plans.

Client Education: Client education is built into auditing and inspecting and is considered an important part of the weatherization process. There are specific forms to document the information given to and discussions with the client in the home.

AEO encourages subgrantees to budget for materials that each agency considers useful in educating clients. In addition, AEO has free materials on energy efficiency provided through Energy Efficiency Arkansas (EEA) which subgrantees may order and receive at the annual WAP Arkansas conference. For the past four (4) years at the conference, AEO has provided a Specific training session on Communications which is designed for weatherization staff in the office and in client homes to learn to communicate more effectively with clients. Subgrantees are encouraged to respond to outreach requests and most participate in the Assurance 16 program, a LIHEAP program, which teaches client households management skills, including energy efficiency practices.

Each subgrantee will prepare a training plan for weatherization staff to be included in the DOE subgrant for PY 2020. These training plans will substantiate the allocation of T&TA funds to each subgrantee and will guide the selection of training topics for the annual conference and other trainings offered in Arkansas.

Grants Guidance administrative specific training will be planned in the fall and spring for weatherization directors to learn more about grant implementation and administration, including review of the PY 2020 State Plan.

AEO will provide T&TA funding for subgrantees to include Building Analyst certification for inexperienced, uncredentialed staff in their training plans. AEO will encourage and provide T&TA funding for subgrantees staff to attend the National Home Performance Coalition training conference.

AEO staff plans to attend the fall and spring NASCSP conferences, Energy Outwest and the Home Performance Coalition national conference. AEO staff plans to attend one (1) additional conference if identified as specifically applicable to weatherization and job duties.

Percent of Overall Trainings:

Comprehensive Trainings: 70.0
Specific Trainings: 30.0

Breakdown of T&TA Training Budget:

Percent of budget allocated to Auditor/QCI trainings: 80.0
Percent of budget allocated to Crew/Installer trainings: 5.0 percent of
Budget allocated to Management/Financial trainings: 15.0

Energy Crisis and Disaster Plan

Arkansas will not use any grant funds for energy crisis relief during the 2020 Program year.