CONTRACT DECLARATIONS & EXECUTION

Title of Contract:	RFP Number:	Contract Number:
Weatherization Assistance Program – Utility Funds	None	MEC-15-XX

This Contract is entered into by the following parties:

Agency of State (hereafter "Agency"):	Contractor (hereafter "Contractor"):	
Iowa Department of Human Rights Division of Community Action Agencies	XXXX	
Agency Principal Address (Notice Address):	**Contractor Principal Address (Notice Address):**	
Lucas State Office Building – 2nd Floor 321 East 12th Street Des Moines, Iowa 50319-0090	XXXX	
	CFDA Number:	None
	Vendor/Tax ID Number:	XXXX
	Organized Under the Laws of:	State of Iowa

Contract Information:	Start Date:	End Date:	No. of Yearly Extensions	Billing Frequency:
Period (six year max.)	January 1, 2015	December 30, 2015	N/A	☐Weekly ☒Monthly ☐Quarterly ☐Other

Maximum Value of Contract and Extensions:	**$XXXX**		
Fidelity Bond Amount (if any):	**$ N/A**		
Performance Bond Amount (if any):	**$ N/A**		
Amount of Insurance Coverage(s) Required:	**$** Refer to Section 26.00 of the Special Terms and Conditions		
Federal Funds Involved:	**No**	**Contract Available to:**	☐State Agencies ☐Political Subdivisions ☒ CBO
Special Contract Attachments:	**None**		

This Contract consists of the above information, the attached Special Terms and Conditions, General Terms, and all Special Contract Attachments (hereafter "Contract"). To the extent of any inconsistency between the Special Terms and Conditions or the General Terms, and any specifications or other conditions which are made a part of this Contract, by reference or otherwise, the Special Terms and Conditions and the General Terms shall control. To the extent of any inconsistency between the Special Terms and Conditions and the General Terms, the Special Terms and Conditions shall control.

In consideration of the mutual covenants in this Contract and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into this Contract and have caused their duly authorized representatives to execute this Contract.

Agency, by:		Contractor, by:	
Signature:		Signature:	
Printed Name: William Brand		Printed Name:	
Title: **Administrator**	Date:	Title:	Date:
		Contractor, by:	
		Signature:	
		Printed Name:	
		Title: **Board President/Chairperson**	Date:

SPECIAL TERMS AND CONDITIONS

--Table of Contents--

Page

SECTION 1.0 CONTRACT BUDGET 1
SECTION 2.0 AREA COVERED: 1
SECTION 3.0 SIGNATORIES 1
3.1 Initial Contract 1
3.2 Contract Amendments 1
3.3 Monthly Funding Requests and Expenditure Reports 1
SECTION 4.0 AMENDMENTS TO GENERAL TERMS 1
SECTION 5.0 DEFINITIONS 2
SECTION 6.0 STATEMENT OF PURPOSE AND IDENTIFICATION OF PARTIES 2
SECTION 7.0 STATEMENT OF WORK AND SERVICES 3
SECTION 8.0 COMPLIANCE WITH FEDERAL AND STATE LAWS, RULES, REGULATIONS, AND REQUIREMENTS 4
SECTION 9.0 RESOLUTION OF DISAGREEMENT 4
SECTION 10.0 INTEREST OF THE AGENCY AND CONTRACTOR OFFICIALS 4
10.1 Grantee Officials 4
10.2 Sub-grantee Officials 5
SECTION 11.0 CONFLICT OF INTEREST 5
SECTION 12.0 PERSONNEL 5
SECTION 13.0 CLIENT CONFIDENTIALITY 5
SECTION 14.0 FINANCIAL ACCOUNTS AND RECORDS 5
14.1 Accounts 5
14.2 Audit and Inspection 5
14.3 Retention of Records 5
14.4 Refunds Returned to Grant 6
SECTION 15.0 PROGRAM DOCUMENTATION AND RECORDS 6
15.1 Documentation/Records 6
15.2 Retention of Records 6
SECTION 16.0 AUDITS 6
16.1 Audit Requirement 6
16.2 Audit Procurement 6
16.3 Audit Report Due Dates 6
16.4 Questioned Costs 6
16.5 Line Item Cost Category Breakout 6
16.6 Other Audits or Reviews 6
SECTION 17.0 REVIEW OF WORK 7
SECTION 18.0 ALLOWABLE COSTS 7
18.1 General 7
18.2 Cost Allocation Plan 7
18.3 Direct Costs 7
SECTION 19.0 EXPENDITURE LIMITS AND OTHER EXPENDITURE REQUIREMENTS 8
19.1 Maximum Expenditure Limits 8
19.2 Average Expenditure per Unit Limit 9
19.3 Contract Priority 9
19.4 Contract Budget 9
19.5 Blended Funds 9
19.6 Completed Work 9
19.7 Re-Weatherization 9
19.8 Non-Weatherization Expenditures 9
19.9 Low-Cost/No-Cost Weatherization 9
19.10 Disallowed Expenditures 10
SECTION 20.0 CONDITIONS OF PAYMENT 10
20.1 Availability of Funds 10
20.2 Maximum Payments 10

20.3 Advance Payments 10
20.4 Reimbursement for Work in Process 10
20.5 Thirty (30) Day Projected Expenses 10
20.6 Cash on Hand 10
20.7 Withholding Payments 10
SECTION 21.0 RECEIPT OF FUNDS 10
SECTION 22.0 COSTS THAT ARE NOT ALLOWABLE 11
SECTION 23.0 REBATES AND DISCOUNTS 11
23.1 Rebates 11
23.2 Cash Discounts 11
SECTION 24.0 INTEREST EARNED 11
24.1 Interest Bearing Accounts 11
24.2 Nongovernmental Recipients 11
24.3 Governmental Recipients other than States 11
24.4 Reporting Interest Earned 11
24.5 Disbursement of Funds 11
SECTION 25.0 PURCHASE/LEASE/RENT AND DISPOSITION REQUIREMENTS 12
25.1 General Procurement Requirements 12
25.2 Special Procurement Requirements 12
SECTION 26.0 INSURANCE 12
26.1 Commercial General Liability 12
26.2 Auto Insurance 13
26.3 Worker's Compensation Insurance 13
SECTION 27.0 REPORTING 13
27.1 Weatherization Automated Management System (WAMS) 13
27.2 Monthly Fiscal Reports 13
27.3 Monthly Completion File 13
27.4 Closeout Reports 13
SECTION 28.0 CONTRACTING 13
SECTION 29.0 FINAL INSPECTION OF WEATHERIZATION WORK 13
SECTION 30.0 TRAINING 14
SECTION 31.0 ELIGIBLE DWELLING UNIT AND PRIORITY 14
31.1 Eligibility 14
31.2 Owner-Occupied Dwellings 14
31.3 Rental Dwellings 14
31.4 Vacant Dwellings and Shelters 15
31.5 Client Priority 15
SECTION 32.0 MONITORING 15
SECTION 33.0 APPEAL AND HEARING PROCEDURE 16
33.1 Client Appeal 16
33.2 Private Sub-Grantee Contractor Appeal 16

SPECIAL TERMS AND CONDITIONS

SECTION 1.0 CONTRACT BUDGET

Line Item	Budget
Administration	
Support	
Labor	
Materials	
Total	

Funds may be transferred from Administration and Support to Labor and Materials and between Labor and Materials without prior approval.

Administration/Support cost may not exceed 15% of the total expenditure for when final program expenditures are compiled and submitted to the AGENCY.

SECTION 2.0 AREA COVERED:

The Contractor shall perform all the work and services required under this Contract in connection with and respecting the following area(s): XXXX

SECTION 3.0 SIGNATORIES

3.1 Initial Contract

Grantee

The Administrator of the DCAA is the official authorized to execute the administrative terms and conditions specified in this Contract for the Grantee.

Sub-grantee

The Chairperson of the Board of Directors and the Executive Director are the officials authorized to execute the administrative terms and conditions specified in this Contract. The Contract must be signed by both the Chairperson and the Executive Director.

3.2 Contract Amendments

Grantee

The Administrator of the DCAA is the official authorized to execute any amendments related to this Contract for the Grantee.

Sub-grantee

The Chairperson of the Board of Directors is the official authorized to execute any amendments related to this Contract. Upon board action, the Chairperson of the Board of Directors may designate the Executive Director or other Grantee official to execute amendments on behalf of the Chairperson. Any approved designees must be designated in writing and submitted to the Grantee by the Chairperson of the Board of Directors.

3.3 Monthly Funding Requests and Expenditure Reports

The Executive Director is the official authorized to certify the Sub-grantee's Monthly Funding Requests and Expenditure Reports. The Executive Director may designate another Sub-grantee official to certify the Sub-grantee's Monthly Funding Requests and Expenditure Reports on behalf of the Executive Director. Any approved designees must be designated in writing and submitted to the Grantee by the Executive Director.

SECTION 4.0 AMENDMENTS TO GENERAL TERMS

The General Terms are hereby amended as follows:

Section E. 1. (Access to Confidential Information): The 3rd and 5th sentences are deleted in their entirety.
Section G. 1. (Insurance Requirements): The words "at the Sub-grantee's expense" are deleted from the 1st

sentence.

Section G. 3. Certificates of Coverage:

- Delete from the second sentence “submit” and add “maintain”
- Delete from the second sentence “to the Grantee upon execution of this Contract”
- The third and fifth sentence are deleted in their entirety

Section H. (Program Management and Reporting): The entire section is deleted in its entirety.

Section L. 11. (Use of Third Parties): The 2nd sentence is deleted in its entirety.

Section L. 26. (Records Retention and Access): The words “and for a period of at least five (5) years following the date of final payment or completion of any required audit (whichever is later) are deleted from the 1st sentence. The second sentence is deleted. Subsection v. is deleted.

Section P. (Certification Regarding Lobbying): The section is replaced with:

By accepting funds under this award, the Sub-grantee agrees that none of the funds obligated on the award shall be expended, directly or indirectly, to influence congressional action on any legislation or appropriation matters pending before Congress, other than to communicate to Members of Congress as described in 18 U.S.C. 1913. This restriction is in addition to those prescribed elsewhere in statute and regulation.

SECTION 5.0 DEFINITIONS

"Grantee" means the Division of Community Action Agencies (DCAA), a division in the Department of Human Rights (DHR). This definition applies only to the Special Terms and Conditions.

“Completed Home” means a home where all the requirements contained in Section 5.60 of the *Iowa Weatherization Policy and Procedures Manual* have been met.

“DOE” means the U.S. Department of Energy.

“DOE Contracts” and “DOE Funds” means regular DOE contract/funds.

"HEAP" means funds received from the state's Low Income Home Energy Assistance Program (LIHEAP) allocation. These funds are used for the Weatherization Program.

“Incomplete Home” means a home that has been traveled to by the Sub-grantee to do weatherization work but where the work cannot start or be completed due to one or more of the factors described in Sections 3.30 of the *Iowa Weatherization Policy and Procedures Manual*.
“Sub-grantee” means local administering agency of the Weatherization Program. This definition applies only to the Special Terms and Conditions.

“Sub-grantee Contractor” means any private contractor performing energy audits, inspections, or weatherization work for the Sub-grantee. This definition applies only to the Special Terms and Conditions.

“Weatherization Program” means the Iowa Low-Income Weatherization Assistance Program, administered by the DCAA.

SECTION 6.0 STATEMENT OF PURPOSE AND IDENTIFICATION OF PARTIES

WHEREAS, the Department of Human Rights/Division of Community Action Agencies, has been designated by the Governor to administer the Weatherization Assistance Program for Low-Income Persons under Public Law 94-385 (Energy Conservation and Production Act -- Title IV), and as amended by Public Law 95-619 (Human Services Reauthorization Bill -- part 2);

WHEREAS, these program funds shall be allocated to community action agencies or other public or non-profit entities that have successfully operated weatherization programs under the Department of Energy (DOE) rules

and regulations;

WHEREAS, the Sub-grantee has satisfactorily administered a weatherization program and has the necessary expertise to develop and operate such a program;

THEREFORE, the parties hereto agree as follows:

SECTION 7.0 STATEMENT OF WORK AND SERVICES

The Sub-grantee will perform in a satisfactory manner, as determined by the Grantee, the activities and services authorized by this agreement in accordance with this Contract, the Iowa Weatherization Program's Policies and Procedures Manual and Work Standards, Weatherization Program Notices, Grantee directives, and federal, state, and local laws and regulations.

Allowable measures under this contract include:

Measure[1]	Minimum Efficiency Level and Performance Criteria (if Applicable)	Reimbursement Limit
Low-Flow Showerheads	2.0 GPM - max 2 per house	$10 each
Faucet Aerators	1.5 GPM Brass with Chrome Finish - max 3 per house	$5 each
Pipe Insulation	Rigid 0.5" foam with 0.75" diameter – max 2 6-foot sections per house – 6' on each side (cold & hot)	$10 each
Compact Fluorescent Light Bulbs	5 to 30 Watts ENERGY STAR®-labeled	$7 each
3-way Compact Fluorescent Light Bulbs	5 to 30 Watts ENERGY STAR®-labeled – max 2 per house	$15 each
Programmable Thermostat	Must be a 7-day, 5 + 2 day or 5-1-1 day program	$100
High-Efficiency Furnace	92+% AFUE or 90%+ for mobile homes– max 1 per house	$3,500
Natural Gas Water Heater	Through March 31, 2014 (0.62 EF – max 1 per house) Effective April 1, 2014 (0.67 EF - max 1 per house)	$1,300 for 0.62 $1,500 for 0.67
Electric Water Heater	Where no gas service or it is infeasible to install gas water heater 0.89 EF – max 1 per house	$1,000
Venting for Furnaces or Water Heaters		$250 each
Refrigerator	Replacement is indicated based on Baseload Appliance Rating Tool (BART) test – Replacement must be Energy Star Rated - max 1 per house	$850
Freezer	Replacement is indicated based on (BART) test – Replacement must be Energy Star Rated - max 1 per house	650
Clean and Tune Natural Gas Furnace	May be performed on 1 existing natural gas furnace per house, regardless of efficiency level.	$125
Infiltration Measures	Caulking and sealing of whole house as indicated by initial audit including attic bypass sealing.	$500
Duct Sealing	Only applicable to ducts in unconditioned space.	$350
Insulation Measures	Includes wall, attic, floor or foundation, duct, underbelly and bandjoist insulation or a combination thereof[2]	$4,000
General Repairs	In support of successful application of efficiency measures	$400

[1]Company must directly provide the energy (either natural gas or electricity) used by the weatherization measure being installed and the customer must be on a residential rate.
[2] CAAs may request a waiver from the utility when the size of the home requires additional insulation to achieve the required goal.

SECTION 8.0 COMPLIANCE WITH FEDERAL AND STATE LAWS, RULES, REGULATIONS, AND REQUIREMENTS

The Sub-grantee shall obtain any required permits and comply with all applicable federal and state laws, rules, regulations and requirements, including, but not limited, to the following:

- Federal rules and regulations governing the Weatherization Assistance Program.
- Sub-grantee Contractors must obtain any required permits and licenses and comply with applicable federal, state, and local laws, rules, regulations, and requirements.
- Pertinent Occupational Safety and Health Administration (OSHA) regulations and requirements.
- The Immigration and Nationality Act, Sections 245A and 210A, as amended.
- Environmental Protection Grantee (EPA) rule, 40 CFR Part 745, titled: Lead; Requirements for Hazard Education Before Renovation of Target Housing and Chapter 69 of the Iowa Administrative Code (IAC) that require persons who perform work on target housing to provide lead paint information pamphlets to the occupants of the homes prior to commencing work on the homes.
- Iowa Administrative Code, Section 427-5.4(216A).
- Requirements described in the Weatherization Assistance Program Contract, the *Iowa Weatherization Policy and Procedures Manual*, the *Iowa Weatherization Work Standards*, and Iowa Weatherization Program Notices and other directives.
- As per 10 CFR Section 600.235 of the Federal Regulations, the "Sub-grantee and Sub-grantee Contractors must not make any award or permit any award (sub-grant or contract) at any tier to any party which is debarred or suspended or is otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549, "Debarment and Suspension."

The Sub-grantee or Sub-grantee Contractor shall make the records required under this clause available for inspection, copying, or transcription by the Grantee, a DOE representative, or the Department of Labor. The Sub-grantee or Sub-grantee Contractor shall permit Grantee, DOE representative, or the Department of Labor to interview employees during working hours on the job. If the Sub-grantee or Sub-grantee Contractor fails to submit the required records or to make them available, Grantee may, after written notice to the Sub-grantee take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

Non-Compliance

Upon discovery of any case of non-compliance, the Grantee will send a written notice of non-compliance to the Sub-grantee. The notice will describe what corrective action the Sub-grantee must follow to correct the issue. In some instances, the Grantee will require the Sub-grantee to develop a plan and timeline for corrective action. The Grantee will monitor the Sub-grantee to assure compliance with the stated corrective action. If compliance is not achieved by the established timeline, the Sub-grantee's funds may be held in abeyance until the situation is resolved. Any egregious case of non-compliance may result in termination of the Contract.

The Sub-grantee may appeal the notice of non-compliance to the Grantee Administrator within seven (7) calendar days of receiving the notice. The Grantee Administrator will rule on the validity of the appeal.

The Grantee may, at its discretion, hold Sub-grantee funds in abeyance, if the same findings are identified in consecutive years.

SECTION 9.0 RESOLUTION OF DISAGREEMENT

In the event of any disagreement between the Grantee and the Sub-grantee relating to the competence of the work and services being performed and its conformity to the requirements of this Contract, the decisions of Grantee shall prevail.

SECTION 10.0 INTEREST OF THE AGENCY AND CONTRACTOR OFFICIALS

10.1 Grantee Officials

No employee of the Grantee shall participate in any decision relating to this Contract which affects his or her personal interest or the interest of any corporation, partnership, or association in which he or she is

directly or indirectly interested; or have any interest, direct or indirect, in this Contract or the proceeds thereof.

10.2 Sub-grantee Officials

The Sub-grantee promises that no official, employee or agent of the Sub-grantee has any personal or financial interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required to be performed under this Contract. The Sub-grantee further promises that in the performance of this Contract no person having such interest will be employed.

SECTION 11.0 CONFLICT OF INTEREST

The Sub-grantee or Sub-grantee Contractors shall not permit any conflicts of interest involving staff, board, or council members and shall avoid any appearance of conflicts of interest in all transactions awarding of financial assistance or procurement of services or property using Contract funds. No member of any council, board, or staff associated with this Contract shall cast a vote on the provision of service by that member (or any organization directly represented by that member) or vote on any matter, which would provide direct financial benefit to that member. Detailed information about any conflict of interest situations, along with information on how they were resolved, shall promptly be reported to the Sub-grantee and to the Grantee.

SECTION 12.0 PERSONNEL

The Sub-grantee represents that it has, or will, secure all personnel required to perform the work and services under this Contract. The Sub-grantee also agrees that it is its responsibility to ensure all personnel engaged in the work and services under this Contract shall be fully qualified.

The Sub-grantee will notify the Grantee regarding a change in the weatherization coordinator position.

SECTION 13.0 CLIENT CONFIDENTIALITY

The Sub-grantee shall comply with the Iowa Department of Human Rights' policy on confidentiality of individual client records as stated in Iowa Code, 216A.6.

SECTION 14.0 FINANCIAL ACCOUNTS AND RECORDS

14.1 Accounts

The Sub-grantee shall maintain books, records, documents, and other evidence pertaining to all costs and expenses incurred and revenues acquired under this Contract to the extent and in such detail as will properly reflect all costs, direct and indirect, or labor, materials, equipment, supplies, services, and other costs and expenses of whatever nature, for which payment is claimed under this Contract. The Sub-grantee shall be prepared to support charges for salaries and wages by time, attendance, and payroll records.

14.2 Audit and Inspection

At any time during normal business hours and as frequently as is deemed necessary the Sub-grantee shall make available to the Grantee, the State Auditor, the Comptroller General of the United States, the federal Grantee providing funds, or any of their duly appointed representatives, for their examination, all of its records pertaining to all matters covered by this Contract and permit these agencies to audit, examine, make excerpts or transcripts from such records, contracts, invoices, payrolls, personnel records, conditions of employment, and all other matters covered by this Contract.

14.3 Retention of Records

All records in the possession of the Sub-grantee pertaining to this Contract shall be retained by the Sub-grantee for a minimum of three (3) years after the date the DOE grant period, to which the records are related, is closed out. (DOE grant periods usually run for multiple years.) In all other aspects, records retention procedures shall conform to OMB Circular A-110. The Sub-grantee must request and receive prior approval from the Grantee before any records pertaining to this Contract may be destroyed.

14.4 Refunds Returned to Grant

The Sub-grantee, in maintaining Contract expenditure accounts and records and reports, shall make any necessary adjustments to reflect refunds, credits, underpayments or overpayments, as well as any adjustments resulting from any administrative reviews and audits by the United States or by the State of Iowa or by the Sub-grantee. Such adjustments shall be set forth in the financial reports filed with Grantee.

SECTION 15.0 PROGRAM DOCUMENTATION AND RECORDS

15.1 Documentation/Records

The Sub-grantee must maintain client, Sub-grantee Contractor, and procurement files containing documentation deemed necessary and appropriate by the Grantee. At a minimum, the files must include the documentation listed in the *Iowa Weatherization Policy and Procedures Manual*, Section 6.00.

15.2 Retention of Records

All records in the possession of the Sub-grantee pertaining to this Contract shall be retained by the Sub-grantee for a minimum of three (3) years after the date the DOE grant period, to which the records are related, is closed out. (DOE grant periods usually run for multiple years.) In all other aspects, records retention procedures shall conform to the OMB Circular A-110. The Sub-grantee must request prior approval from the Grantee before any records pertaining to this Contract may be destroyed.

SECTION 16.0 AUDITS

16.1 Audit Requirement

Each Sub-grantee shall cause all funds expended under this Contract to be audited annually. The audit shall be arranged by and paid for by the Sub-grantee. Audits shall be performed in accordance with generally accepted auditing standards, including the standards published by the General Accounting Office, "Standards for Audit of Governmental Organizations, Programs, Activities and Functions." The audit report shall conform to the audit format established for Community Action Agencies by the State Auditor. Audit procedures shall conform to OMB Circular A-133, "Audits of Institutions of Higher Education and other Nonprofit Institutions." In addition, the Grantee may request more frequent audits or examinations of financial records of the recipient in order to insure adequate financial controls are in place and operating.

16.2 Audit Procurement

Procurement of audit services shall be conducted under the standards of procurement applicable to the Sub-grantee in accordance with uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments of OMB Circular A-110. The bid procedure shall be conducted at least once every three years.

16.3 Audit Report Due Dates

Annual audit reports are due no later than 120 days following the close of the Sub-grantee's fiscal year. Written approval by Grantee is required for any variation from this time requirement.

16.4 Questioned Costs

All questioned costs are payable to the Grantee thirty days after Sub-grantee's receipt of the Grantee request for repayment unless written exception is granted during the thirty day period. Questioned costs may not be paid with federal funds. Where additional examination is required to resolve questioned costs, an extension of the deadline for repayment of questioned costs may be granted by the Grantee.

16.5 Line Item Cost Category Breakout

Audit reports shall be required to breakout budget line item cost data, by Contract, in accordance with the approved Contract budget.

16.6 Other Audits or Reviews

Sub-grantees shall inform the Grantee of any program or financial audits or reviews performed by or on behalf of any federal, state, local, or other governmental unit that concern or involve Grantee programs or staff providing services under any Grantee program, and shall provide copies of the findings or results of such audits or reviews to the Grantee within 30 days of receiving such findings or results. Sub-grantees shall provide the Grantee with copies of any plans or documents that they create to address any findings or

issues identified in such audits or reviews within 10 days of submitting such plans or documents.

SECTION 17.0 REVIEW OF WORK

The Grantee shall have the right to review and observe, at any time, completed work or work in progress on this Contract.

SECTION 18.0 ALLOWABLE COSTS

18.1 General

Allowable costs are defined below. Allowable costs are subject to audit under the principles defined in the following Office of Management and Budget (OMB) circulars as they pertain to the Sub-grantee:

- A-87, "Principles for Determining Costs Applicable to Grants and Contracts with State, Local, and Federally recognized Indian Tribal Governments"
- A-122, "Cost Principles for Non-Profit Organizations"

18.2 Cost Allocation Plan

The Sub-grantee shall possess and use a cost allocation plan that results in the fair distribution of costs to benefiting programs. The Sub-grantee shall have available for inspection, by the Grantee, a copy of the cost allocation plan in use during the term of this Contract. The Grantee may review and approve portions of the cost allocation plan not reviewed and approved by the federal cognizant agency.

18.3 Direct Costs

Weatherization Program-related costs may be directly charged to the following cost categories: administration, support, labor, materials.

18.3.1 Administration/Support

The amount of administration/support the Sub-grantee allowed under the Utility Contracts is fifteen (15) percent of the total expenditures when final program expenditures are compiled and submitted to the DCAA.

Allowable Administration costs include: salaries and fringe benefits of Sub-grantee administrative staff (executive director, HR, IT, fiscal, etc.), office support staff (receptionist, etc.), office space and utilities, telephone, publicity and outreach, travel and per diem, audit costs, rental, purchase, and/or lease of equipment, supplies, photocopies, printing and postage and indirect costs. Sub-grantees may charge clothing for energy auditors, inspectors, or crew members to either Administration or Support. Clothing may not be charged for office staff. All persons for whom clothing is purchased must have direct contact with clients. Prior approval by the Grantee for the purchase, rental, or lease of equipment is required in order to be an allowable cost.

Indirect costs shall be allowed at a specified rate approved by the Sub-grantee's federal cognizant agency and in the amount included in the approved budget presented in this Contract. Indirect cost rates, if applicable, shall be determined according to the principles defined in the following Office of Management and Budget (OMB) Circulars:

- A-87, "Principles for Determining Costs Applicable to Grants and Contracts with State, Local, and Federally recognized Indian Tribal Governments"
- A-122, "Cost Principles for Non-Profit Organizations"

Allowable support costs include:

a. Salaries and fringe benefits of evaluators, final inspectors, and weatherization supervisory personnel.
b. Salaries and fringe benefits of weatherization office staff.
c. Office space, utilities, telephone, office supplies, office equipment, printing, photocopying, and postage related to the weatherization program.
d. Insurance related to weatherization staff.
e. Cost of transporting weatherization materials, tools, equipment, work crews, evaluators/ inspectors and other weatherization staff to a weatherization work site or a storage site.

f. Travel cost (mileage and per diem) to attend Agency-sponsored weatherization training sessions and weatherization meetings.
g. Purchase or lease, maintenance, operation, and insurance of vehicles used to transport weatherization materials or personnel. (Vehicle insurance coverage is required.)
h. Purchase or lease and maintenance of tools and equipment.
i. The purchase of building permits, when required.
j. Purchase of health and safety supplies for use in a weatherization vehicle or on-site. This would include safety goggles, gloves, protective clothing, first aid kits, flares, fire extinguishers, HEPA vacuums, personal protective gear and clothing, signage, etc.
k. Storage of weatherization materials, tools, and equipment. Costs must be pro-rated equally among weatherization programs operated by the Agency and based on percent of materials charged to each program. Inventory maintenance costs, including personnel to secure and complete inventory control, may be charged as a support cost with documentation such as employment records and time sheets.
l. Payments to Sub-grantee contractors for conducting evaluations and inspections of homes for the agency.
m. Costs associated with pulmonary testing, pulmonary readings for the testing, and respirator fitting expenses for individuals required to wear protective gear in association with the Weatherization Program.

18.3.2 Health and Safety

Health and Safety costs are not allowed under utility contracts.

18.3.3 Labor

Only actual expenditures for labor may be charged as Labor cost to this contract.
Allowable labor costs include the following:

a. Salaries and fringe benefits of crew staff involved in the installation of weatherization measures/materials, including health and safety, energy efficiency, and incidental repair work. This includes crew staff time spent traveling to and from a work site.
b. Payments to Sub-grantee contractors for the installation of weatherization measures/materials including health and safety, energy efficiency, and incidental repair work.
c. Salaries and fringe benefits of evaluators only when installing weatherization measures/materials.

18.3.4 Materials

Only actual expenditures for materials may be charged as a Material cost to this contract.

Allowable material costs include:
The purchase and delivery of all weatherization, health and safety, and repair materials needed to complete the weatherization work on an eligible dwelling based upon the current Iowa Weatherization Program's requirements and work standards. All weatherization materials shall meet the specifications described in Appendix A of the most current Code of Federal Register, 10 CFR Part 440.

18.3.5 Equipment/Training

Equipment/Training costs are not allowed under utility contracts.

SECTION 19.0 EXPENDITURE LIMITS AND OTHER EXPENDITURE REQUIREMENTS

19.1 Maximum Expenditure Limits

The Iowa Weatherization Program has maximum spending limits for certain measures such as heating system and water heater repair and replacement. Sub-grantee expenditures charged to this Contract shall not exceed those limits, unless approval is obtained from the Grantee. The maximum spending limits are described in the Cost Limits and Allowances section of the *Iowa Weatherization General Appendix*.
The Sub-grantee must obtain prior approval from the Grantee before weatherizing homes when the estimated cost of the work on a home, including health and safety, energy efficiency, and repair work support using DOE, HEAP, ECIP and or utility funds, is greater than the maximum limit specified in the *Iowa Weatherization General Appendix*.

19.2 Average Expenditure per Unit Limit

19.2.1 DOE Contract

The total amount charged to the DOE Contract for the total support, labor, and material cost may not exceed an average cost per dwelling unit as established annually by DOE, for all dwelling units charged to the contract. Costs in excess of the average expenditure per unit limit may be charged to the HEAP Contract. The average expenditure per unit limit does not apply to the HEAP Contract.

19.2.2 HEAP Contract

The HEAP Contract does not have an average expenditure per unit limit. Total expenditures for Support, Labor, and Materials charged to the HEAP Contract are not subject to an average expenditure per unit limit.

19.3 Contract Priority

When the DOE Contract is in effect, all expenditures must first be charged to that contract until all DOE funds have been spent. The only exceptions to this are:

- When HEAP funds are used for expenses that exceed DOE's average cost per home limit and health and safety expenditure limit.
- When HEAP funds are used to charge measures not covered by DOE or to do additional work on a home that has been closed complete (i.e. go-backs/reworks).
- When HEAP funds are used to augment Utility funds, when DOE funds are not available.
- When expenditures may be charged to a Utility Contract.

Once DOE funds have been spent, expenditures on homes may be charged to the HEAP Contract.

19.4 Contract Budget

Sub-grantee expenditures charged to this Contract may not exceed the total amount listed under "Contract Budget" in Section 1.0 of this Contract.

19.5 Blended Funds

HEAP funds may be used to augment DOE Support, Health and Safety, Labor and Materials costs. HEAP funds may also be used to blend with DOE funds to pay for items not covered by the DOE grant (freezers, etc).

19.6 Completed Work

Weatherization work on homes, including final inspections, must be completed by the last day of this Contract in order that the homes may be charged to this Contract. Only the payment of expenses incurred during this Contract may take place after the last day of this Contract.

Expenditures on a home that was started under this contract and ended after the end of this contract must be charged to the weatherization contract that is in effect at the time the home is completed.

19.7 Re-Weatherization

Under certain conditions, program funds may be used to re-weatherize dwellings that were previously weatherized by the program. A dwelling may only be reweatherized if it was previously weatherized between September 30, 1975 and September 30, 1994 and the area surrounding the dwelling has been declared a disaster area by federal or state authorities and the repair of the damage to weatherization materials is not covered by insurance. The re-weatherization of homes must be in accordance with current allowable expenditure limits and must be reported as re-weatherization on the monthly fiscal reports. Re-weatherized homes may only be considered as completed homes for purposes of computing the average cost per completed dwelling.

19.8 Non-Weatherization Expenditures

Reimbursement will not be allowed for any cost attributable to a program other than the Weatherization Assistance Program administered by the Grantee.

19.9 Low-Cost/No-Cost Weatherization

Funds may not be used to install low-cost/no-cost weatherization, without prior written permission from the

Grantee.

19.10 Disallowed Expenditures

Any expenditure exceeding the amount of this Contract and all disallowed expenses noted on audit reports shall be the responsibility of the Sub-grantee.

SECTION 20.0 CONDITIONS OF PAYMENT

20.1 Availability of Funds

Funding for the Weatherization Assistance Program is subject to the continued availability of funds. If funding is discontinued, this Contract may be terminated, in whole or in part, by the Grantee. The Sub-grantee will be notified immediately if this situation or its possibility arises. Additional Contract expenditures beyond the Contract termination date will be disallowed costs.

20.2 Maximum Payments

It is expressly understood and agreed that the Grantee shall reimburse to the Sub-grantee actual program costs, not in excess of Contract totals, as described under "Contract Budget" in Section 1.0.

20.3 Advance Payments

Upon execution of this Contract, the Sub-grantee may request an advance payment up to one-sixth (1/6th) of the contract amount for the initial sixty (60) days of the contract period. An advance payment request showing projected cash needs should be submitted with the signed Contract.

Upon receipt of the Sub-grantee's monthly fiscal reports, the Grantee will advance additional funds for actual expenses, work in process, and thirty (30) day projected expenses for the subsequent month, less unspent Contract funds on-hand. Total advances shall not exceed the Contract total. A list of weatherization file numbers and dollar amounts that support the work in process requests and the thirty (30) day projected expenses requests must be submitted with the monthly reports.

The Grantee may adjust cash advances to the Sub-grantee at any time during the Contract period. The Sub-grantee may, at any time, submit supplemental requests for funds, as needed.

20.4 Reimbursement for Work in Process

Reimbursement is allowed for actual expenses paid by the Sub-grantee for work that is done on a home before all work on the home is completed. This is defined as work in process. Reimbursement requests for work in process must be based on actual expenses paid by the Sub-grantee. These expenses may include payments to Sub-grantees, payment of salaries to crew workers and energy auditors, and payment for materials.

20.5 Thirty (30) Day Projected Expenses

The Sub-grantee may request 30 days projected support, labor, and materials expenses.

20.6 Cash on Hand

If it is determined that the cash on hand exceeds actual expenses, work in process, and thirty (30) day projected expenses, less payments not yet received; future payments will be withheld, until cash on hand has been reduced.

20.7 Withholding Payments

The Grantee may withhold payments to the Sub-grantee in instances of noncompliance with the Contract, federal or state rules and regulations, and program requirements.

SECTION 21.0 RECEIPT OF FUNDS

All payments shall be subject to the receipt of grant funds by the Grantee. The termination, reduction, or delay of grant funds to the Grantee shall, at the option of the Grantee, be reflected in a corresponding modification to grants already made.

SECTION 22.0 COSTS THAT ARE NOT ALLOWABLE

Program funds cannot be used for costs that are not allowable. Non-allowable costs are defined in the Office of Management and Budget Circular (OMB) - 87, Cost Principles for State and Local Governments and in Office of Management and Budget Circular (OMB) - 122, Cost Principles for Non-Profit Agencies.

SECTION 23.0 REBATES AND DISCOUNTS

23.1 Rebates

Rebates are to be taken when offered, except as noted below. When a rebate is used, the Sub-grantee shall reduce the line item expenditure of the contract to which it was charged. Rebates offered by utilities for installing energy efficient equipment/materials should only be used when program funds (HEAP or DOE) are used to pay for the cost of the equipment/materials. Rebates should not be used if the costs will be charged to utility funds.

23.2 Cash Discounts

Cash discounts are to be taken when offered by vendors or suppliers.

SECTION 24.0 INTEREST EARNED

24.1 Interest Bearing Accounts

In accordance with Section 22 of OMB Circular A-110 and 45 CFR 74.22, the Sub-grantee shall maintain advances of federal funds in interest bearing accounts, unless one of the following applies:

1. The Sub-grantee receives less than $120,000 in federal awards per year.
2. The best reasonably available interest bearing account would not be expected to earn interest in excess of $250 per year of federal cash balances.
3. The depository would require an average or minimum balance so high that it would not be feasible within the expected federal and non-federal cash resources.

Sub-grantees not maintaining advances of federal funds in interest bearing accounts because of one or more of the conditions listed above, shall have available for Grantee inspection, documentation supporting the Sub-grantee's decision to not maintain advances of federal funds in interest bearing accounts.

24.2 Nongovernmental Recipients

In accordance with Section 22 of OMB Circular A-110, any interest earned on advances of federal funds must be remitted annually to the U.S. Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to $250 per year, based on the Contractor's fiscal year, may be retained by the Contractor for administrative expenses. Contractors with electronic fund transfer (EFT) capabilities should use the electronic medium to remit interest.

24.3 Governmental Recipients other than States

In accordance with Section 22 of OMB Circular A-110, any interest earned on advances of federal funds must be remitted annually to the U.S. Department of Health and Human Services, Payment Management System, Rockville, MD 20852. Interest amounts up to $250 per year, based on the Sub-grantee's fiscal year, may be retained by the Sub-grantee for administrative expenses. Sub-grantees with electronic fund transfer (EFT) capabilities should use the electronic medium to remit interest.

24.4 Reporting Interest Earned

The Sub-grantee will report to the Grantee, in writing, the total amount of annual remittance made to the U.S. Department of Health and Human Services (HHS). Sub-grantees not required to make a remittance should report to the Grantee that no remittance was made. The report should include, if applicable, the total amount remitted and the date of the remittance. The Sub-grantee must submit this annual report to the Grantee no later than 30 days following the remittance to HHS.

24.5 Disbursement of Funds

The Sub-grantee shall maintain and follow written procedures that minimize the time elapsing between the transfer of Contract funds from the Grantee and the disbursement of those funds by the Sub-grantee.

SECTION 25.0 PURCHASE/LEASE/RENT AND DISPOSITION REQUIREMENTS

25.1 General Procurement Requirements

Refer to the General Terms, Section U, Equipment, Supplies, and Inventory of Property, for purchasing, disposal, and rent/lease information.

25.2 Special Procurement Requirements

It is the sense of the Congress that, to the greatest extent practicable, all equipment and products purchased with funds made available under this award should be American-made.

Priority will be given to suppliers of insulation materials that are supplied as recycled materials in accordance with DOE guidelines, as published in the Federal Register 40 CFR Part 248.

A vehicle must have a minimum mileage reading of 100,000 or be at least 10 years old before it can be traded in. The DCAA may waive this requirement under special circumstances.

If a Sub-grantee wishes to use equipment or vehicles that were purchased with program funds, for non-weatherization activities it must set up a procedure whereby the Weatherization Program is fairly compensated for the use of the equipment and vehicles. The Sub-grantee must describe how the “fair compensation” was determined. The procedure for compensation and the compensation amount must be prior approved by the Grantee. Funds received, as a result of the compensation, must be used to reimburse the Weatherization Program for the use of the equipment.

Sub-grantee Contractors cannot use equipment purchased with program funds unless the Sub-grantees compensate the Weatherization Program fairly for the use of the equipment. If a Sub-grantee wishes to rent equipment that was purchased with program funds, to Sub-grantee Contractors, it must do the following:

Ensure all potential bidders are aware of the “rental” option and are allowed to rent the equipment if they are awarded the bid.

Set up a procedure by which the Sub-grantee Contractors would provide fair compensation to the Weatherization Program for the use of the equipment. The Sub-grantee must describe how the “fair compensation” amount was determined. The procedure for compensation and the compensation amount must be prior approved by Grantee.

Proceeds received, as a result of the compensation, must be credited back to the Weatherization Program.

SECTION 26.0 INSURANCE

26.1 Commercial General Liability

The Sub-grantee must carry commercial general liability insurance coverage for the weatherization activities. The coverage must be for a minimum limit of $500,000 per occurrence and $1,000,000 annual aggregate. The Bureau of Weatherization will reimburse the Sub-grantee only for the portion of the general liability insurance that pertains to their operation of the weatherization program. A Sub-grantee wishing to be reimbursed for the weatherization program portion of the general liability insurance by the Bureau of Weatherization must send documentation to the Grantee that includes a copy of the policy or a summary of the policy coverage and a copy of the insurance company invoice. The billing must be itemized in a way that identifies the cost that pertains only to the operation of the weatherization program. Reimbursement will be made through the DOE or HEAP Contract.

Sub-grantee Contractors performing weatherization and furnace work for the Sub-grantee must carry commercial general liability insurance coverage for the activities, including any damages at the worksite and the actual work done. The coverage must be for a minimum limit of $500,000 per occurrence and $1,000,000 annual aggregate.

Sub-grantees Contractors who deliver/remove refrigeration appliances for the Sub-grantee must carry commercial general liability insurance in an amount deemed sufficient by the Sub-grantee.

26.2 Auto Insurance

The Sub-grantee must carry sufficient auto insurance on all weatherization vehicles. Insurance on vehicles is reimbursed as a Support cost.

The Sub-grantee must ensure the Sub-grantee Contractors it contracts with to perform energy audits, inspections, or weatherization work have auto insurance in an amount deemed sufficient by the Sub-grantee.

26.3 Worker's Compensation Insurance

Sub-grantee Contractors performing weatherization and furnace work for the Sub-grantee must carry worker's compensation coverage on their employees in the minimum limits required by Iowa law, unless exempt from the law. If the Sub-grantee Contractor is waived from carrying Worker's Compensation Insurance, a statement of waiver needs to be signed by the Sub-grantee Contractor and placed in the file.

SECTION 27.0 REPORTING

27.1 Weatherization Automated Management System (WAMS)

The Sub-grantee must use the Iowa Weatherization Automated Management System (WAMS) for data and financial reporting to the Grantee.

27.2 Monthly Fiscal Reports

The Sub-grantee must provide the Grantee with two (2) copies of the monthly fiscal report (Forms 101, 101N, 101H, 102H, 101U, and 102U) detailing program and administration expenditures and other data, as required by the Grantee.

The monthly reports must be received by the Grantee no later than eight (8) calendar days following the last day of the month covered by the report and will be filed for each month covered by this Contract.

Monthly reports will be filed with the Grantee for the months following the expiration of this Contract until the time the closeout report is submitted if fiscal activity relating to this Contract has occurred during the month following expiration.

27.3 Monthly Completion File

The Sub-grantee must submit the Monthly Completion Files (house data and material list information) in the required format on diskettes or via e-mail with the monthly 101, 102N, 103N, 101H, 102H, and 101U reports. The support, labor, and materials expenditures reported on the Monthly Completion File and the 101, 102N, 101H, 102H, 103H, 101U, and 102U reports must reconcile.

27.4 Closeout Reports

The Sub-grantee must submit to the Grantee a closeout report documenting the final expenses charged to this contract. The closeout report forms will be provided by the Grantee. The closeout report shall be submitted within forty-five (45) days of the Contract termination. Any unexpended funds must be returned to the Grantee with the final closeout report. If the funds are not returned, subsequent advances will be withheld until the prior year's unexpended funds are received by the Grantee.

SECTION 28.0 CONTRACTING

The Sub-grantee is required to obtain documentation from Sub-grantee Contractors who perform weatherization and furnace work showing the Sub-grantee Contractors are currently registered with the Iowa Division of Labor, within Chapter 91C of the Sub-grantee Registration, and have the appropriate Iowa Electrical Specialty License and Iowa Plumbing & Mechanical License (as applicable).

SECTION 29.0 FINAL INSPECTION OF WEATHERIZATION WORK

A home cannot be considered complete or reported to the Grantee as complete until the Sub-grantee has verified the satisfactory completion of all work done on the home by completing a final inspection of the work. The final inspection must not be done until all work on the home has been completed. A final inspection form must be completed for all homes inspected. The inspection form must be signed and dated by the person who

conducted the final inspection as well as the client. The inspection form must not be signed until the final inspection has been conducted.

Every effort must be made to fully inspect all homes that receive weatherization. Repeated efforts to inspect a home must be made. If a client or landlord refuses to allow the final inspector in the home to conduct the inspection, the Sub-grantee must document the efforts made to conduct the inspection. This documentation must be filed in the client file.

SECTION 30.0 TRAINING

Sub-grantee weatherization staff must attend all training required by the Grantee. The Sub-grantee may use HEAP Equipment/Training funds to attend required training. The HEAP Equipment/Training funds may only be used to train Sub-grantee Contractors if required by Grantee.

Sub-grantee Contractors must meet all training requirements set forth by DOE and Grantee. Training costs are the Sub-grantee Contractor's responsibility unless specifically identified as an allowable training cost by Grantee.

SECTION 31.0 ELIGIBLE DWELLING UNIT AND PRIORITY

31.1 Eligibility

No dwelling unit may be weatherized without documentation that the dwelling unit is an eligible dwelling unit, as provided in 10 CFR 440.22. A household is eligible for assistance under the Iowa Weatherization Assistance Program if:

- The household is receiving Supplemental Security Income (SSI) or Family Investment Program (FIP) Assistance, regardless of income or,
- The household's annual income is at, or below, 200 percent of the poverty level, as established by the Office of Management and Budget and the American Recovery and Reinvestment Act.
- The household is eligible for the Low-Income Home Energy Assistance Program (LIHEAP).

The definition of household income and methods used to determine annual income is the same that is used by the LIHEAP Program and described in the LIHEAP Program Procedures Manual. Income information used to determine program eligibility is only valid for twelve (12) months from the date the eligibility was determined. Weatherization work on a client's house cannot begin if 12 months has elapsed since the client's eligibility determination took place. Program eligibility must be re-determined based on more recent income information if the application is beyond that 12 month period. If the 12 months elapsed and eligibility was re-determined, a copy of the newer application must be placed in file as proof that proper procedure was followed.

Clients may apply for weatherization assistance without applying for LIHEAP assistance.

31.2 Owner-Occupied Dwellings

Prior approval must be obtained from the owner of a dwelling before the dwelling is weatherized.

31.3 Rental Dwellings

Prior approval must be obtained from the landlord of a rental dwelling before the dwelling is weatherized. Landlords, or their authorized agent, must sign a Landlord Agreement providing written prior approval. The Landlord Agreement will state the following:

- The rental property is not presently for sale.
- The rent will not be raised, due to weatherization, for a period of 12 months from the date the work is completed.
- The tenant will not be evicted without just cause.
- If the rental unit is vacant, it will be rented to a low-income household within 180 days after the weatherization work is completed.
- The materials and equipment installed in the dwelling, using weatherization program funds, will remain in the dwelling.

- If the dwelling is sold as a habitable dwelling, the materials and equipment installed, using weatherization program funds will remain in the dwelling.
- If the heating system or water heater is found to be unsafe, it will be repaired or replaced by the landlord.

In the event of a dispute between a tenant and a landlord regarding the previous issues, an attempt will be made by the Sub-grantee to resolve the dispute. If that fails, the Sub-grantee shall refer the tenant to legal aid.

If rental units will become eligible dwelling units within 180 days under a federal program for rehabilitating the units, the units may be weatherized, with prior approval from the Grantee.

Multiple-Unit Dwellings

In the case of multiple unit dwellings consisting of fewer than five (5) units, only those units that are income-eligible may be weatherized unless 50% or more of the residing households are income-eligible in which case, all units and common areas may be weatherized. The cost of work in common areas must be pro-rated among the units. The average expenditure per unit limit must not be exceeded for any of the units weatherized.

In the case of multiple unit dwellings consisting of five (5) or more units, only those units that are income-eligible may be served unless 66% or more of the households residing in the complex are income-eligible, in which case all units and common areas may be weatherized. The cost of work in common areas must be pro-rated among the units. The average expenditure per unit limit must not be exceeded for any of the units weatherized. DCAA and DOE approval is required before any work may be completed on dwellings consisting of five (5) or more dwellings.

31.4 Vacant Dwellings and Shelters

A vacant dwelling may be weatherized if there are assurances that an eligible household will inhabit the dwelling within 180 days of the date the weatherization service is completed.

Shelters, such as homeless shelters and domestic abuse shelters, may be weatherized. Agencies must get state approval to weatherize any shelter that cannot be insulated, has a heating system that would be expensive to replace, or is unusual in its size, structure, or configuration. For the purpose of determining how many dwelling units exist in a shelter, Sub-grantee's may count each 800 square feet of the shelter as a dwelling unit or they may count each floor of the shelter as a dwelling unit.

31.5 Client Priority

Client priority for service is based on a priority point method that is based on household fuel consumption with additional priority if the household contains young children or elderly or disabled persons. Local Agencies must use the client priority program in WAMS to assign priority points to clients and must follow the client priority policies and procedures described in the *Iowa Weatherization Policy and Procedures Manual*.

The Sub-grantee must obtain primary data from municipal utilities, rural electric cooperatives (RECs), and deliverable fuel vendors for the clients who are customers of those fuel providers and must use this data to calculate priority numbers for those clients. Secondary fuel consumption should also be collected in order to calculate a more accurate priority number.

If fuel consumption cannot be obtained, Sub-grantees may use dwelling square footage to calculate priority points for clients. Square footage should be obtained from the county assessor.

SECTION 32.0 MONITORING

The Sub-grantee shall cooperate with monitoring visits by the Grantee and other state personnel and federal personnel. Grantee monitoring includes, but is not limited to:

Inspection of weatherized homes, including review of the following:

- Compliance with work completion requirements and standards
- Work quality

- Quality of final inspections

Review of program operations, including review of the following:
- Compliance with program requirements, rules and regulations
- Bid procedures and process
- General management and administrative practices

Review of financial operations, including review of the following:
- Internal financial control procedures
- Indirect cost pools
- Reconciliation between financial reports and journals

The Grantee will send a written report on the outcome of the monitoring to the Sub-grantee within 30 work days of the review. The report will include any findings, recommendations, or corrective action that needs to be taken by the Sub-grantee. If the report requires a response, the Sub-grantee must respond, in writing, within 45 work days of receiving the report.

If the housing inspection report requires corrective work be done by the Sub-grantee, the corrective work shall be completed within 45 work days of receiving the report. The Sub-grantee shall send a written response to the Grantee documenting that the corrective work was completed or reasons why it could not be completed.

Failure by the Sub-grantee to provide a written response to a fiscal, house inspection, or program monitoring report or to complete required corrective work on a house within designated timelines is considered a case of non-compliance.

SECTION 33.0 APPEAL AND HEARING PROCEDURE

33.1 Client Appeal

The Sub-grantee must have an appeal and hearing procedure concerning Weatherization Program client complaints that is in accordance with the appeal and hearing procedures described in Iowa Administrative Code, Section 427-5.4(216A).

33.2 Private Sub-Grantee Contractor Appeal

The Sub-grantee must have an appeal and hearing procedure concerning Sub-grantee Contractor complaints as they relate to bid/contract issues.