

# Texas Department of Housing and Community Affairs

## Weatherization Program

### General Q&As

(Updated October 2024)

The Texas Department of Housing and Community Affairs (The Department) has created the following document to assist its Weatherization funded Subrecipients to answer applicable program questions. The document contains answers to the questions the Department has received that are relevant to the network. In addition to this document, Subrecipients are encouraged to take the following steps to respond to their questions:

- Review your applicable DOE and LIHEAP WAP Contracts
- Reference applicable TAC Rules
- Reference other applicable program rules/guidelines (OMBs, CFRs, TXGMS, WPNs, WAP Memos, etc.)
- Review WAP guidance provided on the TDHCA Website

If after reading and referencing these materials, you still have questions, please contact the training by submitting a program question by completing this form

- <https://tdhca.wufoo.com/forms/request-for-ca-program-assistance/>

**You may click on the hyperlinks below to move to the most appropriate category that applies to your question.**

## Contents

GENERAL PROGRAM .....	2
TRAINING & TECHNICAL ASSISTANCE .....	4
BONDING .....	7

## Department Q&As available:

- For information regarding income guidelines, please refer to the Department's *Income Guidelines Q&A*.
- For information regarding Health & Safety topics (CAZ, ASHRAE, LSW, K&T, etc.), please refer to the Department's *H&S Q&A*.
- For information regarding General WAP topics (T&TA, Bonding, etc.), please refer to the Department's *General Q&A*.
- For information regarding WAP documentation (client files, Assessments, Final Inspections, Multifamily), please refer to the Department's *Documentation Q&A*.
- For information regarding energy audit processes, please refer to the Department's *Energy Audit Q&A*.
- For information regarding WAP Work topics (Priority List, Major/Mandatory/Secondary/Optional measures, etc.), please refer to the Department's *WAP Work Scope Q&A*.

## Best Practice(s) available upon request:

- Client Denials & Referrals
- WAP Client File Checklist
- Whole House Assessment
- Isolating the CAZ
- Mobile Home Work Scope
- Principles of CFM Reduction
- Window & Door Replacement
- Using ASHRAE 62.2-2016 Calculator
- Evaporative Coolers
- Unit Replacement
- Manual J/S
- SEER, EER, HSPF, and AFUE Degradation
- Water Heater
- Final Inspection Process
- Multifamily Weatherization

## GENERAL PROGRAM

### 1. Where can we find the standards for weatherization work?

Weatherization standard criteria can be located within the DOE/LIHEAP contracts and are as follows:

- [NREL – Standard Work Specifications](#)
- [SWS – TX Field Guide](#)
- State of Texas adopted International Residential Code (IRC), or later versions adopted by Authority Having Jurisdiction (AHJ)

### 2. What are our options for dealing with excess WX inventory? Example: unused/left over equipment like vehicles, blower doors, monoxors, etc.

Subrecipient' should follow the guidance provided within [WPN 24-6](#) and their local Subrecipient inventory management policies. Department staff also have a flowchart we can share with Subrecipients, upon request. With disposal of any inventory, the Subrecipient will need to submit a revised inventory form to the Department reflecting the change in inventory at the appropriate time. Additional WX inventory management references are:

- DOE/LIHEAP Contract Section "Management of Equipment and Inventory"
- [10 CFR 600.134\(g\)](#)
- [2 CFR 200.313\(e\)](#)

### 3. How does the Department define the "work start" date within the BWR?

The instruction tab states, "The date the actual weatherization work started at the unit." This does not necessarily mean the "assessment date." The start date can be the day you issue the work order to the contractor to begin ordering materials. If you use this definition, you must ensure that the contractor takes action on that day. The Subrecipient needs to ensure that the work start date & the work end date are within 12 months of each other. The bigger issue is that some subcontractors take a long time (6-23 months from assessment to completion) to process a WAP house. The intent for units that take a long time to finish is to ensure that the household remains income-eligible for services, that the work order is still applicable to the house (assuming no major changes), and that the measures to be installed are still cost-justified. Please note that if the work is completed (income verification, assessment, work, and final inspection) within the 12-month window, nothing changes—simply collect the necessary data and continue with production as usual.

### 4. Can we work on units after the contract end date?

No, all weatherization work, final inspection, and follow-up activities must be completed within the contract terms of the grant. The only exception is minimal administrative cost incurred to the grant for closeout and final reporting.

### 5. Is there a way for Subrecipients to amend existing contracts with their WAP contractors to increase prices? Or do Subrecipients have to do an entire procurement to potentially allow for that price increase?

A new procurement to justify new pricing is always the best, most transparent, option. However, it could be an option to amend your contracts to allow for price changes/increases if the RFP and the contract have included provisions that cover/allow for "reasonable" price changes/increases (10% or less). Ensuring that the provision(s) are established during the initial procurement and on the front end of the process allows for free and open competition and justifies the potential price changes/amendments. Construction industry contracts typically have provisions that allow for price variances for multiple reasons, like market increases, supply shortages, change orders, etc. If the desired proposed price changes are outside the defined "reasonable" range, as established in the contract, new procurement must be done to potentially justify the new prices.

### 6. When leveraging DOE & LIHEAP funds, what do we use to justify the measures installed?

Subrecipients must follow the current approved policies/procedures and utilize either the energy audit or applicable priority list (PL) to justify installed measures. Utilizing a combination of a priority list and energy audit is not allowed unless specified within an applicable PL. When a unit meets the housing characteristics & the client is below the 150% FPGL's leveraging both the applicable DOE PL & LH PL is highly encouraged to maximize household benefits.

**7. Is there a process Subrecipients can utilize to request permission to exceed the individual unit cost per unit (CPU) cap on a case-by-case basis?**

Yes, case-by-case permission must be requested prior to starting the unit by submitting a waiver request through the WUFOO portal. Each waiver request must contain the following information:

- Address for the particular unit requesting to exceed the CPU limit;
- A brief description explaining the reason to exceed the CPU;
- A breakdown of the estimated total of: Material/Labor and Health & Safety cost;
- A checklist showing the proposed measures from the Energy Audit or Priority List specifying which measures will be installed;
- Subrecipient's current internal tracked CPU \$\$ amount (to include the estimated cost per unit of units that are in progress at the time of the request);
- Subrecipient staff assurance that by the end of the contract period, the CPU will be at or below the acceptable limit.

Department staff will approve or deny the request based on the Subrecipients historical performance of staying within the CPU limits. Please note it will be the Subrecipient's responsibility to ensure the average cost per unit (ACPU) will be at or below the allowable ACPU cap by the end of the contract terms; any overages may be subject to disallowed cost. The Department does have a checklist available to assist meeting the requirements above upon request.

**8. Can Subrecipients utilize outside (non-federal, ex: utility) funds to install DOE or LIHEAP measures that either did not rank for replacement or funding limitations did not allow for installation?**

Potentially, guidance to determine allowability can be located within [WPN 22-9](#).

**9. What do Subrecipients do when clients will not allow measures to be installed or try to pick/choose which measures they want from the work scope?**

Dependent of the declined measure(s), Subrecipients would need to utilize the guidance below and make a determination on whether to provide services:

- ***Declined measure(s) prohibits program compliance*** - Subrecipient must document the details of why the denied measure would prohibit program compliance, efforts to provide solutions, provided client education on the declined measure(s), & defer accordingly.
- ***Declined key energy savings measure(s) would drastically impact unit energy-savings from the whole house WAP approach*** - requires a judgement call is to determine if the unit is a deferral. Keep in mind the intent of the WAP program is to reduce the energy consumption for low-income households. If declined measure(s) are key energy saving item(s) that by refusing installation, could go against the program intent, negatively affect other installed measure(s), & create potential liabilities the Subrecipient should document the details of how the household does not fit into the program intent, efforts to provide solutions, provided client education on the declined measure(s), & defer accordingly.
- ***Declined measure has limited effect on unit energy-savings from the whole house WAP approach*** – WAP staff should document efforts to provide solutions, provided client education on the declined measure(s) & proceed with other eligible measures.
- ***Measure Skipping Clarification***

With the text above in mind, measure skipping of a cost-justified "major measure" is not permitted at any time. Client education is important to inform a client of the planned measures and material use. Resistance from a client to install cost-effective measures ultimately goes against the program intent. If the auditor cannot access background/source documents that justifies the client's decision or refusal to accept a major measure, then the situation must be fully documented in the client file and its probably best the job is deferred due to client refusal.

**10. Is TDHCA going by IRC 2015?**

Currently yes, however it is strongly recommended to review the [State Energy Conservation Office \(SECO\)](#) website and periodically verify. Please note the State of Texas adopted version is the minimum standard that must be utilized, however the authority having jurisdiction (AHJ) within in your service area can require compliance with later versions.

### **11. Do Subrecipients still have to submit houses to the historical commission?**

Yes, the Texas Historical Commission also has an online system that may be utilized for submissions called [eTRAC](#). Additional updated guidance can be found on the Department Website.

### **12. In an effort to save money, can Subrecipients use electronic files? Including electronic signatures? Including WAP assessments?**

This is a potentially great idea that the Department supports. According to the program contracts for CEAP, CSBG, and WAP, the requirement is that all the outlined information is collected and kept, but it does not specifically say it has to be in paper form; the important thing is that all the appropriate information is gathered and retained. Additionally, [2 CFR 200.334-.338](#) addresses record keeping requirements. Specifically, 200.336 outlines the option of original documents being generated electronically and there being no need to create and retain paper copies. Further guidance can be located in the [Implementation of the Government Paperwork Elimination Act](#) (GPEA), so please refer to all of these references for additional guidance.

- Electronic signatures need to be from the appropriate person. If the Subrecipient has the ability to collect the signatures electronically in the appropriate locations on the appropriate forms, this is acceptable. The definition and criteria for “electronic signature” is identified in GPEA Part II, Section 2.
- WAP assessments/inspections can be performed electronically. The signatures required must follow the guidance above. The Department is aware that there are already multiple agencies around the state that are doing assessments electronically, so peer-to-peer information sharing/networking is encouraged and could possibly be the most efficient way to make this transition if your agency wants to move that direction. Remember all program requirements are still applicable.

There are policies, procedures, and the implementation of those identified in GPEA Part I that Subrecipients should review prior to any implementation. GPEA Part II, Sections 3-9 also provide additional information on the analysis of the potential switch. The Department reminds the network that electronic files would require some things that need to be in place prior to making this transition:

- Applicable documents created as originals and un-editable after-the-fact;
- System must be secure to protect information and mitigate the risk of hacking, etc.
- There must be a good backup process in place to prevent potential for system crashing and potentially losing information (applicable record retention remains a program requirement).
- Any other applicable safeguard for the files.

## **TRAINING & TECHNICAL ASSISTANCE**

### **1. What are the main differences between Comprehensive Training vs Specific Training?**

Comprehensive, known as Tier 1 training, is planned training on a regular basis such as EA, QCI, RIT, CL that is aligned with an approved Job Task Analysis (JTA’s) or targeting training and delivered by an IREC accredited training provider. Specific training, known as Tier 2 training, is typically unplanned or remedial training to resolve an immediate need this training can be offered by an IREC accredited training provider but doesn’t have to be. Common question to think about while planning training is, “what is driving the training?” The Quality work plan states that home energy professionals shall receive comprehensive training on a regular basis to ensure all training needs are met.

### **2. What is the purpose of T&TA activities?**

T&TA activities are intended to maintain or increase the efficiency, quality, and effectiveness of the Weatherization program at all levels. By participating in T&TA activities on a regular basis, the Subrecipient should, in theory, perform more efficiently as it relates to production, program management, crew and contractor quality of work, and reduce the potential for fraud, waste, abuse, and mismanagement. Generally speaking, historical data shows that agencies who frequently plan & attend trainings typically result in a higher quality of work and better overall performance vs agencies who don’t regular participate in training activities.

**3. Can Subrecipients use T&TA dollars to pay for staff salary for the time the staff are attending approved and applicable trainings for the WAP program?**

Yes, Subrecipients can use T&TA funds to pay for applicable staff salaries for the time the staff is attending WAP program related training(s) invoiced to the T&TA budget category.

**4. Can Subrecipients utilize T&TA dollars to pay contractors to attend approved and applicable trainings for the WAP programs?**

T&TA funds may be utilized to train contractors at the Subgrantee level participating in the Program; however, funds are limited to T&TA that supports the four (4) Home Energy Professionals occupations (i.e., Retrofit Installer Technician, Crew Leader, Energy Auditor, and QCI). Key requirements and considerations are as follows:

- Subrecipients are required to secure a retention agreement with the contractor(s) in exchange for the training requiring them to work in the Program for a specific amount of time that equates to the value provided T&TA costs.
  - Sample retention form can be located at the following link:
    - [General Template for Training and Technical Assistance Retention Agreement \(Example\)](#)
  - T&TA dollars for contractors are generally limited to tuition/conference fees, hotel accommodations, airfare & per diem at rates allowed within the Subrecipient approved travel policies.
    - From the best practice perspective, it is not encouraged or often allowed to reimburse the contractor(s) for lost wages or salary to attend trainings.

**5. With substantially more T&TA funding available in the DOE contract, can we charge the majority of training activities to the DOE contracts?**

Potentially. How T&TA costs are allocated between grants is generally determined by the allocation methodology. If Subrecipients can determine reasonable allocation methodologies to justify why certain programs/grants carry higher percentages of costs, then that can help allocate the T&TA costs as the Subrecipients desire. Communication between Subrecipient Fiscal & Program staff will be necessary to determine if the incurred training cost can be direct charged to a specific program or the cost would need to be allocated across all benefitting programs. Below are several questions and examples to aid your determination:

Questions:

- Determine if this training is required by a specific program.
- Determine if this training is to obtain needed CEUs for a required certification from a specific program.
- Determine if this training is a general training that would apply to all programs.

Examples:

- **LIHEAP Priority List training**-would be specific to the LIHEAP program & all costs from the training could be charged to the LIHEAP contract.
- **TACAA Conference providing BPI CEUs**
- WAP staff **with required certifications by DOE** (Energy Auditor, QCI, Retrofit installer, Crew Leader, etc.) would be eligible to direct charge conference associated expenses straight to the DOE T&TA due to obtaining necessary CEUs to keep their required certifications
- WAP staff **without certifications** would need to allocate between all benefitting programs due to CEUs not being a requirement for a specific program.

- **DOE required BPI Certifications**-would be a specific program requirement for the DOE program & all costs related to the certification would be eligible for DOE T&TA.
- **DOE required energy audit training (WaWeb)** - would be a specific program requirement for the DOE program & all costs related to the certification would be eligible for DOE T&TA.

The easiest way for Subrecipients to find ways to charge most of their T&TA expense to DOE is to get BPI certified staff. Remember, there are easier BPI certifications to obtain for staff than just Energy Auditor/QCI. Once staff have applicable BPI certifications, that require ongoing CEUs, and help improve the application in pursuit of EA/QCI certifications, and those easier certifications require re-certifications, it becomes much easier to direct charge T&TA costs to DOE and/or DOE-BIL.

**6. If we fully expend our LIHEAP T&TA funds, can we charge the remainder of our T&TA to DOE?**

Subrecipients must utilize the guidance above to determine if the T&TA activity will be direct charged or allocated across all benefitting programs.

- T&TA activity is determined to be direct charged to a specific program.
- T&TA cost can only be invoiced to the benefitting program.
- T&TA activity benefits multiple program and cost are being allocated across all benefitting programs.
- T&TA cost would need to be allocated across on benefitting programs. In the event all T&TA funding from a benefitting program, LIHEAP, has been exhausted, Subrecipients would need to fund the LIHEAP portion of the allocated costs with local/discretionary funds.

Federal regulations clearly state that costs that benefit multiple programs must be shared reasonably between those benefitting programs. Charging DOE or DOE-BIL for indirect LIHEAP costs is not an option.

**7. When evaluating training costs from potential training providers, do we include travel costs to obtain the training in our evaluation?**

Yes and/or no; that is up to the Subrecipient's discretion. Make sure you define this in their procurement specifications and evaluate it consistently.

**8. What training formats are most effective for your workers?**

The choice typically depends on the individual along with the availability of the training provider. Common options include formal classroom training, on-site training, hands-on training, certification programs with virtual training or a blend of hands-on and virtual methods. By considering these factors, individuals can choose the learning style that best fits their preferences, needs, and circumstances. Identifying these factors early on helps streamline the search for suitable training providers during the evaluation process.

**9. How are certifications tracked within the program & what are some conclusion(s) that can be drawn from the certification tracking form?**

Each Subrecipient will be required to maintain training records for its employees and contractors participating in the program. The WX Professional Certification tracking form shall be maintained during the program year to list any certifications they possess and date of expiration of those certifications. This information must be updated on an annual basis and submitted to TDCHA once the DOE program year ends. TDCHA will review the form to ensure staff members have the required certifications at a minimum and/or actively working to obtain certifications as required within WPN 22-4. TDHCA compliance monitoring staff will test to ensure Subrecipients credentials during monitoring reviews.

## BONDING

### 1. Where can the WAP bonding requirement information be found?

WX Bonding requirements and thresholds are located within Bonding and Insurance Requirements sections of each contract. There are also bonding requirements identified in [TAC §1.405 and §1.406](#). This bonding requirement is not new.

### 2. What are payment, performance, and fidelity bonds?

- **Payment Bond** – bond executed in connection with a contract to assure payment as required by statute of all persons supplying labor and material in the execution of the work provided for in the contract.
- **Performance Bond** – bond executed in connection with a contract, to secure fulfillment of all obligations under such contract.
- **Fidelity Bond** – bond indemnifying the Subrecipient against losses resulting from the fraud or lack of integrity, honesty or fidelity of one or more of its employees, officers, or other persons holding a position of trust.

### 3. Please define the following contract language "a third-party" and "prime contractor."

While the definition could slightly vary, hinged on the scenario, a general definition would be as follows:

- **Prime Contractor** – individual or entity under contract who responsible for ensuring the work is completed as defined within the contract; this is typical for the network.
  - EX: The Subrecipient procures and signs a contract with a contractor, Contractor A = prime contractor.
- **Third-party** – individual or entity who is performing work or providing services who is not a party to the contract or transaction; this is also pretty typical for the network.
  - EX: The procured contractor, Contractor A, brings in an additional contractor, Contractor B, (HVAC/plumbing/electrical) to do work, but the Subrecipient does not have a contract with Contractor B. Contractor B = third-party.

### 4. Are there any other factors that trigger additional bonding requirements?

Yes, several additional factors that might need to be taken into consideration as follows:

- Bonding Requirements Apply per Contract
  - Bonding insurance applies per contract entered into by job for both Political Subdivisions (PS) and Non-Profit (NP) entities. This means each contract is assessed individually against these thresholds. If an entity bids multiple jobs together, they could trigger the threshold.
- Public Works
  - A special rule applies when Political Subdivisions (PS) entities provide weatherization services to public works (shelter, public housing, etc.) which requires bonding anytime the project dollar amount exceed \$100,000 by the prime contractor. This applies even if there are several contracts, if the total dollar amount to a prime contractor per public work project is over \$100,000.
- Davis-Bacon – Bonding
  - A special rule applies for funds subject to Davis-Bacon (DB), which does not allow an entity to break up a project into several contracts to avoid Davis-Bacon wages or bonding requirements.

### 5. If our current subcontractor contract(s) do not have "bonding" provision listed within them, are the contracts valid or will Subrecipients have to re-procure to include this?

Local contract guidance should be obtained from the Subrecipient legal counsel. Please note the bonding requirement are part of each Subrecipient's contractual agreement and the requirements are not new.

### 6. How do Subrecipients factor in the cost of the bond?

The actual cost associated with bonding would be an allowable program support cost and be reimbursable to the contractor. A best practice method could be to reimburse the actual contractor invoice from the bonding entity. Please keep in mind the cost associated with bonding would be paid out of the Program Support budget category and therefore be a factor in the Cost per Unit calculation. Allocating the costs across applicable programs is required, if applicable.

7. **Subrecipients generally do not procure for individual jobs but procure for a contractor(s) with a master price list for all potential measures, and then apply the applicable measure pricing to each job for the duration of the contractor contract. In this situation, the associated contract does not have a predetermined dollar amount guaranteed to their contractor(s). How could Subrecipients calculate a contract dollar amount to determine if bonding requirements apply?**

It would be the Subrecipients responsibility to develop and implement a process to determine a contract amount and document compliance with the bonding requirements.

EX: PY24 LIHEAP WAP M/L/PS & H/S = \$800k + PY24 DOE WAP M/L/PS & H/S = \$400k.

*Option A:* The easiest option would be that the Subrecipient would require the contractor to get either: (1) two bonds, one to cover each contract amount (LIHEAP \$800k & DOE \$400k) OR (2) get one collective bond to cover the cumulative amount for both contracts, ~\$1.2M; allocating costs would apply in this situation.

*Option B:* Subtract the projected internal program support from the Material/Labor/Program Support and H&S budgeted totals to identify a projected contract amount and get a bond to cover the remainder. In this example, the Subrecipient has an accurate internal tracking process in place so they know they will spend 20% on internal program support expenses (salaries, equipment, supplies, etc.). Subrecipient would then require the contractor to get either: (1) two bonds, one to cover each contract amount (LIHEAP \$640k & DOE \$320k) OR (2) get one collective bond to cover the cumulative amount for both contracts, ~\$960k; allocating costs would apply in this situation.

*Option C:* something else that meets the requirements but works best for the Subrecipient and the contractor(s).