



West Virginia Weatherization Assistance Program

State of West Virginia
Development Office

PART I - ANNUAL FILE
PY 2019 - 2020



State of West Virginia Development Office

U.S. Department of Energy Program Year: 2019 - 2020 State Plan Annual File

IV.1 SUBRECIPIENTS

Subrecipients are listed with the following information provided for each:

- Name
- Organization type
- DUNS number
- Contact information including e-mail address
- Phone and Fax numbers
- Address including County and Congressional District
- Tentative dollar amount
- Tentative units
- County served
- Congressional District served

IV.2 SELECTION of SUBGRANTEES

Per 42 U.S.C. § 6864(b)(4) and 10 CHR 440.15, the West Virginia Weatherization Assistance Program (WV WAP) conducts a public hearing during the State Plan process. The public, Community Action Agencies, or other public or nonprofit entities can attend and state their interest in becoming a WV WAP provider. WVDO subrecipients are selected on the basis of public comment which is received during the public hearing. Also considered is the potential applicants' and/or current subrecipient's experience in assisting low-income persons, not only through weatherization, but through all low-income assistance programs offered throughout their service areas. WV WAP applicants/subrecipients must also demonstrate the capacity to operate a timely and effective weatherization program. Preference is given to Community Action Agencies that are currently administering an effective weatherization program under Title II of the Economic Opportunity Act of 1964. WV WAP has chosen its subrecipients from qualifying Community Action Agencies throughout the state. WV WAP considers the subrecipient's experience and performance in weatherization or housing renovation activities.

IV.2 WAP PRODUCTION SCHEDULE:

Average Unit Costs, including Reweathering – Subject to DOE Program Rules	
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)	
A. Total Vehicles & Equipment (\$5,000 or more) Budget	\$0
B. Total Units Weatherized	381
C. Total Units Reweatherized	0
D. Total Dwelling Units to be Weatherized and Reweatherized (B+C)	381
E. Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0
AVERAGE COST PER DWELLING UNIT (DOE RULES)	
F. Total Funds for Program Operations	\$2,481,412
G. Total Dwelling Units to be Weatherized and Reweatherized (from line D)	381
H. Average Program Operations Costs per Unit (F divided by G)	\$6,512.89
I. Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0
J. Total Average Cost per Dwelling (H plus I)	\$6,512.89

Total Units (excluding re-weatherized): **381**

Reweatherized Units: **0**

IV.3 ENERGY SAVINGS

The West Virginia Weatherization Assistance Program (WV WAP) will utilize the WAP algorithm to calculate projected energy savings for the purpose of this application. The estimated energy savings for PY 2019 – 2020 is 11,163 MBtu.

The West Virginia Development Office has implemented a system to estimate annual energy savings for all funding sources as per 440.14(c)(4). The process entails utilizing data from the “Weatherization Assistant Recommended Measures Output Report.” Since PY 2017 – 2018, the WV WAP has been able to collect data to compare/report energy savings data. WVDO will continue to pursue any additional development needed of the database management tool reporting capabilities to utilize the data effectively.

Energy Savings		
DOE Program	Amount	Line
Total DOE State Weatherization Allocation	\$3,587,126	(a)
Total Cost associated with Administration, T&TA, Financial Audits, and Insurance AND H&S (Separate Line)	\$1,105,714	(b)
Subtract the amount entered in line (b) from line (a), for a total Federal (DOE) funds available to weatherize homes	\$2,481,412	(c)
State Average Cost per Home	\$6,496	(d)
Divide the amount entered on line (c) by the amount entered on line (d), for Total Estimated Homes to be Weatherized	381	(e)
Multiply (e) by 29.3 MBTU for Total Annual Estimated Energy Savings resulting from DOE appropriated funds	11,163	(f)

The PY 2019 – 2020 energy saving calculations uses the most recent Metaevaluation of the National Weatherization Assistance Program (ORNL/CON-493).

IV.4 DOE-Funded Leveraging Activities:

WV WAP will continue to pursue non-Federal resources to supplement the Program through the development or continuation of leveraging projects and partnerships. The WV WAP expects at least a dollar return for every dollar invested in leveraging project activity. Weatherization leveraging activities in WV WAP since 2002 have consistently and successfully produced a greater number of dollars leveraged than expended every year on leveraging activities.

WVDO will have a staff member that will continue to participate in leveraging activities. For PY 2019 – 2020, WVDO plans to utilize **0.0552 percent (\$5,000)** of the annual formula DOE allocation for leveraging activities.

Planned activities may include the following objectives as needed to increase the scope of weatherization services to low-income West Virginia households:

- Increased facilitation in the development of utility/WAP projects and partnerships, including supporting representation activities in the West Virginia Public Service Commission if needed for new partnerships. WVDO staff will continue to be involved in technical assistance, planning, and rules development of any negotiated projects or partnerships. Expansion or altering of certain weatherization-utility partnership activity may be negotiated between the utility companies and the local weatherization providers, with WVDO made fully aware of any changes made in this manner, providing input as needed.

- Continued facilitation of the expansion of potential subrecipient leveraging activities by:
 - Assisting subrecipients and West Virginia Community Action Partnership (WVCAP) through the negotiation of partnerships, agreements, and other arrangements;
 - Presentation of arguments and associated activities before state or local agencies, as contained under Section 142 of the Energy Policy Act of 1992 (amended in 2005) and providing training and technical assistance support to WVCAP and subrecipients as part of their active participation in utility rate proceedings and process in West Virginia as applicable; and
 - Continued contact with both the utility industry and the private energy service company network to continuously improve programs.

- Continue to provide support and leadership to subrecipients and WVCAP offering tools and resources to assist in weatherization outreach, possibly including fall Energy Awareness activities. Such potential activities may involve:
 - Support in holding leveraging-related meetings;
 - Preparation of statewide weatherization statistical documents;
 - Preparation of public information/energy efficiency data; and
 - Technical assistance in the organization of weatherization site demonstrations at the local subrecipient level to illustrate program technology for policymakers and other partners.

It is anticipated that continued leveraging activities will enable the WV WAP to enhance and expand comprehensive low-income weatherization services and be viewed as a leader in energy conservation technology and a viable partner in conservation projects.

Listed below are the identified funding sources outside of DOE funding for the WV WAP at this time. However, it is a goal of the WV WAP to continue to pursue funding to support and build upon the weatherization program in the State of West Virginia. This pursuit may include but not be limited to grants, foundation funds, and other non-federal partnerships.

Current non-DOE Funding Supporting WV WAP

Low-Income Home Energy Assistance Program (LIHEAP): The WV WAP will continue to utilize Low-Income Home Energy Assistance Program (LIHEAP) funds in the operation of the weatherization program. WVDO has worked with the West Virginia Department of Health and Human Resources (DHHR), the LIHEAP Grantee, to identify allowable measures and costs that could be supported by LIHEAP funding outside of DOE regulations and requirements. As per LIHEAP IM 1999-11, Weatherization Grantees “may use some, all or none of the statutory and regulatory provisions that apply to the Department of Energy’s Low-Income Weatherization Assistance Program when spending LIHEAP funds on weatherization activities, provided the grantee administers both programs.” Therefore, WVDO works with DHHR to construct the LIHEAP agreement to provide more flexibility within the program and the ability to address issues that may not be able to be addressed with DOE funding due to certain restrictions.

Currently, the most notable exceptions of LIHEAP funding are the three (3) Supplemental Components: Electrical Upgrade, Weatherization Related Home Repair, and the Energy Crisis Intervention Program (ECIP) which historically have been approved measures of the Grant Agreement WVDO has with DHHR. DHHR has also approved additional funds for Health and Safety measures through LIHEAP funding. The WVDO monitors subrecipient Health and Safety spending monthly to keep the WV WAP Network from spending excessive funding on Health and Safety related issues.

The WV WAP is again seeking additional LIHEAP funding through DHHR for weatherization services. The WV WAP is proposing that these funds not include all DOE rules and regulations in order to address client issues that are outside the scope of DOE funds. This includes additional Home Repair flexibility in attempts to reduce the deferral rate of the WV WAP by being able to address larger scale repair issues of dwellings to make them eligible to receive weatherization services. Working with DHHR, the WVDO will continue to be diligent to include proper standards for these funds to ensure appropriate quality for measure installation.

Utility Programs

Through participation of rate-case energy advocacy intervention activity at the Public Service Commission of West Virginia, the WVCAP worked and advocated for utility-weatherization leveraging partnership initiatives administered by WVDO. These have been continuing partnerships that have not required additional rate case intervention. The current partnerships are as follows:

Dominion Hope Gas: The Dominion Hope Targeted Gas Energy Efficiency Program (TGEEP) is also managed in conjunction with the WAP. The intent of the program is to improve the overall efficiency and safety of the heating system by repair or replacement, thereby reducing the energy consumption of the customers served. Currently no other measures are approved as part of the program. The program typically receives \$100,000 per year from the utility company.

AEP dba Appalachian Power Company and Wheeling Power Company (APCO): The APCO low income weatherization program is a comprehensive utility funded residential energy efficiency program that encompasses all the major areas of the DOE WAP (insulation, air sealing, HVAC, baseload reduction, and limited health and safety measures). The program typically provides approximately \$500,000 per year, but the program received another significant increase for calendar year 2019 with an allocation of \$767,350. This program, as well as the other non-WAP energy efficiency programs Appalachian Power Co. operates in WV, is evaluated yearly by a third-party contracted by the utility company.

FirstEnergy Corporation dba Mon Power Company and Potomac Edison Company: As of February 25, 2011, Allegheny Energy and its subsidiaries, merged and became part of the FirstEnergy family of companies headquartered in Akron, Ohio. In West Virginia, FirstEnergy will continue to utilize Potomac Edison Company for the service area in the eastern panhandle, and

the Mon Power Company in the north-central service area of the state. The former Allegheny Power programs are now FirstEnergy programs.

- **FirstEnergy EEP:** First Energy Electric Efficiency Partnership: The FirstEnergy Electric Efficiency Partnership is a very basic utility program that was started over 10 years ago in WV. The program focuses on measures that will impact the consumption of electricity in the homes of WAP clients that are electric customers of First Energy Corporation in West Virginia. The program reimburses for costs of electric heating systems up to \$500, 50% of costs of electric water heaters, 50% of air sealing and insulation costs, and 100% of cost of various baseload measures. Typically, this partnership receives \$100,000 per year.
- **TrAILCo EEP+:** The Trans-Allegheny Interstate Line Company (TrAILCo) Electric Efficiency Partnership provide funds to the two West Virginia WAP Community Action Agency (CAA) subrecipients serving FirstEnergy customers in the six-county area through which the TRAILCo corridor passes. The program operates to supplement the DOE WAP funds to provide customers a more comprehensive and aggressive focus on baseload energy usage and energy efficiency measures than is defined and permitted by the DOE WAP. The TrAILCo program further invests in long range lowering of utility costs by allowing the installation of Energy Star appliances such as washing machines, air conditioners, water heaters and other appliances that have the potential to reduce energy costs for the household. The program also allows the replacement of high cost, low-efficiency heating systems with high-efficiency systems including Energy Star heat pumps. The TrAILCo program also allows for the installation of standard weatherization measures to better serve a greater number of clients more effectively and efficiently and stretch the federal weatherization dollars further. This program's original budget was \$500,000 per year for 5 years, split between the two CAAs. The program is no longer receiving funds from FirstEnergy, but is still in operation due to carry-over funds from previous years.

IV.5 Policy Advisory Council:

The Policy Advisory Council (PAC) historically meets at least once a year with periodic updates sent to members if major changes occur. A PAC meeting is scheduled during the WV WAP State Plan process to solicit input from the PAC Committee on the development of the program for PY 2019 – 2020.

Policy Advisory Council Members:

NAME	ORGANIZATION	CONTACT INFORMATION	REPRESENTING
Steve Gilman	PRIDE Community Services Inc.	steve.gilman@loganpride.com	WV WAP Network
Ann McDaniel	WV Statewide Independent Living Council	ann.meadows@wvsilc.org	Disabled West Virginians
Gaylene Miller	Senior State Director, AARP	gmiller@aarp.org	Elderly
Mary Chipps	Executive Director, WV Community Action Partnership	mchipps@suddenlinkmail.com	Community Action Agencies
Jacqueline Roberts	Public Service Commission; Consumer Advocate Division	jroberts@cad.state.wv.us	Consumers in West Virginia
Tammy Stafford	EE & Consumer Programs Manager, Appalachian Power	tcstafford@aep.com	Utility Sector

The WV WAP PAC has excellent representation in areas relevant to eligible applicants, energy efficiency/leveraging activities, and subgrantee execution of weatherization services. WVDO and the PAC are always open and considering if the addition of further representatives would be beneficial to the PAC.

The PAC works to advise state weatherization staff on issues, challenges, and future direction of the program. The council is composed of members of associations and organizations serving the citizens of West Virginia. PAC members, by their leadership roles in the larger community, bring added value from an outside perspective to the program. The committee can also be an advocate for the general public about the Weatherization Assistance Program, low-income energy needs, and energy efficiency. The PAC will advise WV WAP staff on policy based on their knowledge, perspective, and sensitivity to their particular constituency.

During the PAC meeting on April 15, 2019, members had a chance to provide input for the PY 2019 – 2020 State Plan as well as discuss challenges of the upcoming year. The Agenda, Sign-In Sheet, and Meeting Notes are submitted as an attachment to this plan.

IV.6 State Plan Hearings:

An announcement of the Public Hearing was posted for three (3) consecutive days, at least ten (10) days prior to the Public Hearing in eight (8) major newspapers throughout the state. The Public Hearing was announced April 1, 2019, and WVDO held the Public Hearing on April 18, 2019.

The following newspapers advertised the hearing:

- Bluefield Daily Telegraph
- Charleston Newspapers
- Dominion Post (Morgantown)
- The Herald Dispatch (Huntington)
- Parkersburg News and Sentinel
- Register-Herald (Beckley)
- The Journal (Martinsburg)
- Wheeling Newspaper, Inc.

The “Public Hearing Notice” that appeared in the newspapers is included as an attachment. WVDO also attached evidence that each newspaper published the announcement as back-up documentation.

A court reporter was retained to provide a transcript of the Public Hearing and WVDO will provide the written transcript upon receipt.

IV.7 Miscellaneous:

“Recipient Business Officer”

Name: Jennifer Ferrell – Interim Director, WV Community Advancement and Development

Email: Jennifer.L.Ferrell@wv.gov

Phone: 304 – 558 – 2234

“Recipient Principal Investigator”

Name: Mark Adams – Weatherization Manger

Email: Mark.A.Adams@wv.gov

Phone: 304 – 558 – 2234

DOE F 540.5
(08/05)

U.S. Department of Energy

OMB Control No: 1910-5127

**WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: WV Grant Number: EE0007958 Program Year: 2019

<p>Name: CHANGE, Incorporated</p> <p>Address: 3136 West Street Weirton, WV 26062-4637</p> <p>Counties served: MARSHALL County HANCOCK County OHIO County BROOKE County</p>	<p>Tentative allocation: \$ 181,648.00 Planned units: 22 Type of organization: Local agency Source of labor: Agency and Contractors</p>	<p>Contact: David Ruhl, Weatherization Coordinator DUNS: 131200057 Phone: (304) 797-7733 Fax: (304) 797-7740 Email: davidruhl@changeinc.org</p>	<p>Congressional districts served: <u>CD</u> WV-01</p>
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<p>Name: Coalfield CAP</p> <p>Address: P.O. Box 1406 Williamson, WV 25661-3215</p> <p>Counties served: KANAWHA County MINGO County CLAY County BOONE County</p>	<p>Tentative allocation: \$ 371,180.00 Planned units: 45 Type of organization: Local agency Source of labor: Agency</p>	<p>Contact: Jason Johnson, Weatherization Coordinator DUNS: 003845596 Phone: (304) 235-1701 Fax: (304) 235-1706 Email: jjohnson@coalfieldcap.org</p>	<p>Congressional districts served: <u>CD</u> WV-02 WV-03</p>
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<p>Name: Community Action of South Eastern West Virginia</p> <p>Address: 355 Bluefield Avenue Bluefield, WV 24701-3044</p> <p>Counties served: MONROE County MERCER County SUMMERS County RALEIGH County</p>	<p>Tentative allocation: \$ 307,793.00 Planned units: 37 Type of organization: Local agency Source of labor: Agency and Contractors</p>	<p>Contact: Kimberly Bourne, Weatherization Coordinator DUNS: 627389364 Phone: (304) 324-0450 Fax: (304) 372-8822 Email: kbourne@casewv.org</p>	<p>Congressional districts served: <u>CD</u> WV-03</p>
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<p>Name: Community Resources, Incorporated</p> <p>Address: 1037 Market Street Parkersburg, WV 26101-0000</p>	<p>Contact: Vicki Randolph, Weatherization Director DUNS: 784204240 Phone: (304) 485-9238 Fax: (304) 485-5526 Email: vrandolph@cricap.org</p>
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DOE F 540.5
(08/05)

U.S. Department of Energy

OMB Control No: 1910-5127

**WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: WV Grant Number: EE0007958 Program Year: 2019

Counties served: WOOD County RITCHIE County JACKSON County WIRT County PLEASANTS County ROANE County GILMER County DODDRIDGE County WETZEL County TYLER County CALHOUN County	Tentative allocation: \$ 395,148.00 Planned units: 48 Type of organization: Local agency	Congressional districts served: CD WV-02 WV-01
Source of labor: Agency		

Name: Eastern West Virginia Community Action Agency Address: 228 Clay Street Moorefield, WV 26836	Contact: Joe Adkins, Weatherization Coordinator DUNS: 804530087 Phone: (304) 538-7711 Fax: (304) 538-7478 Email: jdadkins@ewvcaa.org	Counties served: PENDLETON County HARDY County GRANT County HAMPSHIRE County JEFFERSON County MORGAN County BERKELEY County MINERAL County	Tentative allocation: \$ 326,084.00 Planned units: 39 Type of organization: Local agency	Congressional districts served: CD WV-02 WV-01
Source of labor: Agency and Contractors				

Name: Mountain CAP of West Virginia, Incorporated Address: 26 North Kanawha Street Buckhannon, WV 26201-2714	Contact: Lance Cragle, Weatherization Coordinator DUNS: 014529630 Phone: (304) 472-1500 Fax: (304) 472-9064 Email: lcragle@mountaincap.com	Counties served: LEWIS County WEBSTER County BRAXTON County UPSHUR County	Tentative allocation: \$ 152,635.00 Planned units: 18 Type of organization: Local agency	Congressional districts served: CD WV-02 WV-03
Source of labor: Agency				

Name: MountainHeart Community Services Address: P.O. Box 1509 Oceana, WV 24870-1519	Contact: Gerald Brown, Weatherization Coordinator DUNS: 155399363 Phone: (304) 682-8271 Fax: (304) 682-8274 Email: gbrown@mountainheartwv.org
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(08/05)

U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION

OMB Control No: 1910-5127
Expiration Date: 02/29/2020

State: WV Grant Number: EE0007958 Program Year: 2019

Counties served:	FAYETTE County WYOMING County	Tentative allocation: \$ 136,867.00 Planned units: 17 Type of organization: Local agency Source of labor: Agency	Congressional districts served: <u>CD</u> WV-03
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Name: Nicholas Community Action Partnership	Contact: Cindy Foster, Weatherization Coordinator
	DUNS: 169582368
Address: 1205 Broad Street Summersville, WV 26651-1205	Phone: (304) 872-1162 Fax: (304) 872-5796 Email: cfoster@ncapwv.org

Counties served:	NICHOLAS County	Tentative allocation: \$ 53,611.00 Planned units: 6 Type of organization: Local agency Source of labor: Agency and Contractors	Congressional districts served: <u>CD</u> WV-03
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Name: North Central West Virginia Community Action Assoc., Inc.	Contact: Brian Hollen, Weatherization Coordinator
	DUNS: 108900317
Address: 1304 Goose Run Road Fairmont, WV 26554-1345	Phone: (304) 457-3420 Fax: (304) 457-1367 Email: bhollen@ncwvcaa.org

Counties served:	MARION County TAYLOR County POCAHONTAS County TUCKER County MONONGALIA County HARRISON County PRESTON County BARBOUR County GREENBRIER County RANDOLPH County	Tentative allocation: \$ 682,758.00 Planned units: 83 Type of organization: Non-profit organization Source of labor: Agency	Congressional districts served: <u>CD</u> WV-01 WV-03 WV-02
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Name: PRIDE Community Services	Contact: Steve Gilman, Weatherization Coordinator
	DUNS: 085529840
Address: PO Box 1346 Logan, WV 25601-0000	Phone: (304) 752-6868 Fax: (304) 752-1047 Email: steve.gilman@loganpride.com

Counties served:	MCDOWELL County LOGAN County	Tentative allocation: \$ 139,705.00 Planned units: 17 Type of organization: Local agency Source of labor: Agency	Congressional districts served: <u>CD</u> WV-03
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(08/05)

U.S. Department of Energy

OMB Control No: 1910-5127

**WEATHERIZATION ASSISTANCE PROGRAM
SUBGRANTEE INFORMATION**

Expiration Date: 02/29/2020

State: WV Grant Number: EE0007958 Program Year: 2019

<p>Name: Southwestern Community Action Council</p> <p>Address: 540 Fifth Avenue Huntington, WV 25701-1908</p> <p>Counties served: MASON County PUTNAM County WAYNE County CABELL County LINCOLN County</p>	<p>Tentative allocation: \$ 406,186.00</p> <p>Planned units: 49</p> <p>Type of organization: Local agency</p> <p>Source of labor: Agency and Contractors</p>	<p>Contact: Connie Sherrill-Drake, Weatherization Coordinator</p> <p>DUNS: 063472088</p> <p>Phone: (304) 525-5151</p> <p>Fax: (304) 525-5162</p> <p>Email: connie.sherrill-drake@scacwv.org</p> <p>Congressional districts served: <u>CD</u> WV-02 WV-03</p>
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West Virginia Weatherization Assistance Program

State of West Virginia
Development Office

PART II - MASTER FILE
PY 2019 - 2020



State of West Virginia Development Office

U.S. Department of Energy Program Year: 2019-2020 State Plan Master File

V. MASTER FILE

V.1. Eligibility

The West Virginia Weatherization Assistance Program (WV WAP) will ensure that every dwelling weatherized meets both client eligibility and building eligibility requirements as detailed in *Sections V.1.1* and *V.1.2*.

V.1.1 Approach to Determining Client Eligibility

Definition of Income Used to Determine Eligibility:

The WV WAP will determine eligibility of a dwelling unit based on the amount of household income and the conformity of that income to criteria established by the Low-Income Home Energy Assistance Act of 1981, 42 U.S.C. 8621. All subrecipients in the WV WAP will use 200% of the poverty guidelines and definition of poverty as stated in DOE WPN 19-3 Poverty Income Guidelines and Definition of Income, dated February 6, 2019, and published in the Federal Register February 1, 2019 as updated by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2), effective January 11, 2019. The WV WAP data management system calculates a twelve (12) month income period needed to create an annualized income equivalent for comparison to the poverty guidelines. Annualized income may be calculated using less than twelve (12) months of income information. At least one (1) month of recent income is necessary for the database management system to calculate the annualized income for eligibility determination. In addition, family units that have received cash assistance payments under Title IV or XVI of the Social Security Act, or applicable State or local law paid during the twelve-month period preceding application, will be eligible for weatherization pursuant to 10 CFR Part 440.22.

Eligibility Procedures:

The State of West Virginia Development Office (WVDO) has established an extensive intake/application process involving obtaining information from prospective program participants before a decision can be made on their eligibility for weatherization assistance. Each applicant must provide all the items outlined as “mandatory data fields” in the application

process/form. All prospective applicants will be required to identify and provide verification of the amount and source of the total income for their household in compliance with the U.S. Department of Health and Human Services 2019 poverty guidelines as identified in the Federal Register. WVDO will use the Definition of Income provided in DOE WPN 19-3 Poverty Income Guidelines and Definition of Income regarding cash receipts, exclusions, proving eligibility, and consideration of child support. Additional data fields included in the state data management system require the collection and reporting of household demographic and residence specific information including whether the applicant rents or owns his/her home, among other information. All applicants are required to sign their application and certify to the validity of the information provided. Falsification of an application is subject to ineligibility.

WVDO developed *WVWPN 13-9 - WAP Application and Review Queue Management Policy* which provides specific and detailed guidance on how the subrecipients are to utilize the various functions of the database management system. This ensures there is consistency among the WV WAP Network on how a client proceeds through the various stages of the weatherization process, including the intake process. This policy will remain in effect for PY 2019 – 2020.

Income Verification Procedures:

The eligibility documentation is maintained in the database management system and may be supplemented with a physical client file. All eligibility documentation is to be reviewed for compliance by the subrecipient prior to weatherization services being provided, and then entered into the database management system for eligibility calculation. If one (1) year or more has lapsed between the date of application and the date weatherization services is scheduled to begin on a particular job, the income of that client must be re-verified as per WV WAP and DOE requirements. WVDO provides a secondary review of eligibility documentation and process by selecting a sample of weatherization dwellings during the monitoring process. WVDO issued *WVWPN 13-5 – Amended Income Eligibility Policy* on June 28, 2019, to provide updated uniform guidelines on the definition of income and determining income eligibility. WVDO also provides to the WV WAP Network the Poverty Income Guidelines and Definition of Income document as revised by DOE each program year to supplement the *Income Eligibility Policy*. For PY 2019 – 2020, WVDO released *WxBulletin 18-9 HHS Poverty Income Guidelines for 2019 & Percentages Charts*, and DOE WPN – 19-3 Poverty Income and Definition of Income to was sent to the subgrantees on February 7, 2019, immediately after receipt of the WPN per guidelines stated in WPN 19-3.

All fifty-five (55) counties of West Virginia are eligible for weatherization services and are intended to be served by the WV WAP. Any West Virginia resident who meets client eligibility requirements and whose dwelling meets building eligibility requirements (also in compliance with 10 CFR 440.18(e)(2)(iii) regarding “Reweathering”) would be eligible to receive weatherization services. As per DOE requirements and 10 CFR 440.16(b), priorities are given to certain sectors of the eligible population. The WV WAP has also incorporated some priority features to enhance the DOE required priority eligible population categories and allow for

reasonable, efficient, and effective implementation of the WAP, including all funding sources. These priorities and the process followed are described in *Section V.3 Priorities*.

Qualified Aliens Eligibility for Benefits:

The steps in the application/intake process detailed in the previous *Eligibility Procedures Section* ensure DOE weatherization services shall only be provided to eligible populations. These same procedures and parameters including income eligibility are utilized for West Virginia's Low-Income Home Energy Assistance Program (LIHEAP) Weatherization services.

V.1.2 Approach to Determining Building Eligibility

Reweathering:

The WV WAP has procedures in place to comply with DOE regulations and 10 CFR 440.18(f)(2)(iii) regarding "Reweathering." Prior to any weatherization activity, a unit must be evaluated to determine whether previous weatherization services were provided after **September 30, 1994**. If services have been provided *after this date* with DOE funds, the unit is not eligible for additional weatherization services with DOE funds.

The following actions must be taken on each unit prior to weatherization services to ensure the homes that have received weatherization services after September 30, 1994, are not reweatherized:

1. Each client's address must be entered into the data management system to identify whether the client's home has been weatherized during or after 2007 (length of WV WAP historical records with searchable addresses);
2. Each client's name must be entered into the data management system's "Old Weatherization Data" module to check if the client has previously been reported as a completion during 1996 to 2007 (length of WV WAP historical records with client names only). If the client's name is found in the data management system as having had weatherization services, the subrecipient will verify with the client if they are living at the same address as when they received weatherization services in the past. If the client verifies that this is the same address, then the dwelling is ineligible for weatherization services.
3. A secondary verification occurs as each client must be asked whether their home has been weatherized after September 30, 1994.
4. If a dwelling passes the first two (2) verification steps, a third verification step is performed as a visual inspection of each home must be completed by an auditor to identify whether previous weatherization measures have been performed. If the home was completed after September 15, 2011, subrecipients are required to place

standardized tags on specified areas of dwellings after completing the weatherization process. This procedure is outlined in the *WAP Weatherized Unit Tagging Procedure as Amended February 9, 2012*.

5. If there is no documented, verbal, visual, or physical evidence of previous weatherization services, the subrecipient may proceed with weatherization services on the dwelling.
6. Subrecipients may provide services to a dwelling unit previously weatherized **prior to September 30, 1994**, as noted in the American Reinvestment and Recovery Act of 2009, and *DOE WPN 18-1, Application Instructions Section V.1.2*. A reweatherized unit falls into the category of time indicated above and described under 10 CFR 440.18(f)(2)(iii). DOE gives subrecipients the flexibility to revisit those homes weatherized prior to September 30, 1994, that may not have received the full complement of weatherization services, including the use of an advanced energy audit or addressing health and safety concerns.
7. The DOE-issued *Weatherization Program Notice 12-7 Disaster Planning and Relief* allows for additional work to be done on homes due to natural disasters. In the event of a declared Federal or State disaster, allowable expenditures under WAP include:
 - The cost of incidental repairs to an eligible dwelling unit if such repairs are necessary to make the installation of weatherization materials effective.
 - The cost of eliminating health and safety hazards, elimination of which is necessary before the installation of weatherization materials (10 CFR 440.18(d)(9); 10 CFR 440.18(d)(15)).
 - To the extent that the services are in support of eligible weatherization (or permissible “Reweathering”) work, such expenditure would be allowable.

In the event of a declared Federal or State disaster, weatherization crews may return to a unit reported as a completion to DOE that has been “damaged by fire, or act of God to be reweatherized, without regard to date of weatherization” as per 10 CFR 440.18(f)(2)(ii). Local authorities must deem the dwelling unit(s) salvageable as well as habitable and if the damage to the materials is not covered by insurance or other form of compensation.

- Debris removal from a dwelling unit that is not to be weatherized would not be an allowable cost.
- Weatherization personnel can be paid from DOE funds to perform functions related to protecting the DOE investment. Such activities include: securing weatherization materials, tools, equipment, and weatherization vehicles, or protection of local subrecipient weatherization files, records and the like during the initial phase of the disaster response.

- Using DOE funds to pay for weatherization personnel to perform relief work in the community as a result of a disaster is not allowable.
- Local agencies may use weatherization vehicles and/or equipment to help assist in disaster relief provided the WAP is reimbursed according to the *DOE Financial Assistance Regulations*, 10 CFR Part 600 and 2 CFR 200.

WAP rules require that priority be given to identifying and providing weatherization assistance to elderly persons, persons with disabilities, families with children, high residential energy users, and households with high energy burdens as per 10 CFR 440.16(b). However, it would be permissible to consider households located in the disaster area as a priority as long as the households are eligible and meet one (1) of the priorities established in regulation and are free and clear of any insurance claim or other form of compensation resulting from damage incurred from the disaster.

As referenced in #4 above, WVDO developed and implemented a *Weatherized Unit Tagging Procedure* policy on September 15, 2011, (amended on February 9, 2012) to identify dwellings as “Weatherization Completions” and maintain compliance with DOE’s *Reweathering Policy*. WV WAP’s *Weatherized Unit Tagging Procedure* requires the placement of a permanent and standardized tag on each completed dwelling unit including the following information:

- a. Subrecipient Name
- b. West Virginia Weatherization Assistance Program
- c. Sequential Number
- d. “DO NOT REMOVE” indication
- e. Initials of subrecipient Quality Control Inspector and date of Quality Control Inspection (indicated in permanent marker)

There are specific locations in the dwelling outlined in the policy where the subrecipients are to attach the tags in an effort to make as permanent as possible. The subrecipient is to attach two (2) tags in different locations in each dwelling in case one (1) would become detached. The subrecipient must also maintain a picture of the tag and its location in the dwelling unit as a Portable Document Format (PDF) in the data management system. Failure to adhere to the policy could result in the dwelling unit not being deemed as a “Completion” and in turn all associated costs could be disallowed. The procedure implemented also maintains sufficient accountability of the subrecipient (and specific Quality Control Inspector) providing the weatherization services on a particular dwelling.

Eligible Structures:

Subrecipients shall ensure that weatherization services are being provided to low-income persons that live in standard types of housing, i.e., single-family, rentals, manufactured housing, and multifamily buildings. Subrecipients will exercise caution when approaching non-traditional type dwelling units including, but not limited to, shelters and apartments over businesses. WVDO will seek guidance from the WV DOE Project Officer as necessary if the WV WAP approaches a non-traditional dwelling. Weatherization of non-stationary campers and trailers that do not have a mailing address associated with the eligible applicant will not be allowed, even if utilizing a post office box. For procedures regarding structures that require deferral of services due to the structure being deemed at least temporarily ineligible, refer to the *Deferral Process* in a following segment of this section.

WVDO will disallow partial weatherization of a dwelling if turned in as a completion. A dwelling will only be deemed a completion if all measures called for from the audit have been completed, the unit has been reviewed and signed off on by a certified Quality Control Inspector, and all required documents are uploaded into the database management system. The Quality Control Inspector signature date will constitute the date of completion with no further work allowed on the dwelling. All required documents must be uploaded into the database management system on or prior to the Quality Control Inspection form date.

If in very rare and extreme circumstances, a client does not allow a subrecipient to complete the Quality Control Inspection in order to deem the dwelling as a completion, or the crew must halt weatherization for unforeseen circumstances with the client/dwelling (crew safety concern, death of a client, dwelling is vacated and/or sold, etc.), the subrecipient must notify WVDO. In cases where weatherization work was started but cannot be completed, signed and dated documentation must be entered into the client file as to why the weatherization work was stopped. Allowable expenses can be submitted, but the dwelling will not be counted as a completion. This option will be extremely rare in occurrence and only approved if all reasonable options to complete weatherization work including the final Quality Control Inspection have been attempted. WVDO will also pursue all other possible remedies including non-DOE funding sources for work performed, if allowable.

Historic Preservation

As noted in DOE Weatherization Program Notice 10-12, DOE in coordination with the Advisory Council on Historic Preservation (ACHP) and the National Conference of State Historic Preservation Officers (NCSHPO), has developed a Prototype Programmatic Agreement (PA) to address historic preservation requirements for the WAP. The WV WAP is evaluating all National Historic Preservation Act (NHPA) Section 106 reviews utilizing guidelines set forth in a Letter of Understanding with the West Virginia Division of Culture and History State Historic Preservation Office (SHPO). All measures that fall outside the WAP, exempt from NHPA Section 106 review are being approved by West Virginia SHPO (WVSHPO). WVDO has one (1) staff member trained to perform Historic Preservation reviews, approvals, and to provide guidance to WV WAP

subrecipients. One WVDO staff member has completed Section 106 Essentials and will be trained to complete reviews during the Program Year.

WVDO will continue to work very closely with our WVSHPO and to utilize the Prototype PA to overcome the challenges before us while still meeting all guidelines of the NHPA. This relationship has built a strong partnership that proves advantageous to our respective organizations and also to the West Virginia families that we strive to serve.

West Virginia's State Energy Program (SEP) Office has not been able to negotiate a SHPO PA and consequently our state does not have an official DOE Historic Preservation PA. As a result, beginning in PY 2010, our state Weatherization Program Office worked with WVSHPO to negotiate, draft and agreed to a one (1) year Letter of Understanding for Historic Preservation Section 106 review compliance for weatherization activities. In subsequent years, renewed letters were executed. The current Letter of Understanding is still in effect for Program Year 2019 and expires March 31, 2020. WVDO will begin the renewal process prior to application for the Program Year 2020 DOE State Plan application.

Rental Units:

The WV WAP may provide weatherization to rental units, including multiple dwelling units (MDUs). The WV WAP has procedures that address the protection of renters' rights as per 10 CFR 440.22(b)(3) and 440.22(c)-(e). No rented dwelling unit can be weatherized without first obtaining the written permission of the owner (or his/her agent) of the dwelling unit. Completion of the "Weatherization Rental Release and Agreement" form is mandatory for multifamily rental units only.

The "Weatherization Rental Release and Agreement" form is designed to assure the following:

1. That the benefits of weatherization assistance shall reside primarily with the low-income tenants;
2. For a period of two (2) years from the date of signature on the "Weatherization Rental Release and Agreement" form, the rent shall not be raised because of the increased value of dwelling unit(s) due solely to weatherization assistance provided under this program;
 - Should a rental increase occur and the tenant perceive it to be due solely to the weatherization services provided, the tenant would notify the applicable subrecipient who would then contact WVDO, or the tenant may contact WVDO directly.
 - WVDO will instruct the tenant to file a written complaint with WVDO detailing the situation and the perceived reason for the rent increase.
 - WVDO will work with the subrecipient and make contact with the landlord and notify that a complaint has been filed and provide the landlord with a

copy of the complaint. The landlord will have the opportunity then to appeal the complaint.

- WVDO will obtain all pertinent information applicable to the dwelling and the weatherization services received and will review all of the information provided, seeking guidance from DOE and/or legal counsel as needed.
- WVDO will work to resolve the situation in a way agreeable to all parties. WVDO encourages the use of alternative dispute resolution procedures including arbitration.

3. That no undue or excessive enhancement shall occur to the value of the dwelling unit;
4. That no landlord contributions are allowed for single-family housing;
5. That if an owner of the dwelling unit qualifies for WV WAP, no landlord contribution is expected; and
6. For multifamily buildings, that a landlord outside the poverty guidelines of the WV WAP understands the requirements set forth by the “Weatherization Landlord Owner Investment” form which mandates a landlord contribution of twenty-five percent (25%) of the total cost of the various weatherization measures to the subrecipient performing the work.

In the event that all possible negotiations with the landlord have been attempted yet the landlord refuses contribution, the dwelling may still be weatherized with proper documentation and approval from WVDO.

All multifamily units will follow the established client prioritization protocols as established in single-family weatherization, unless otherwise determined by WVDO. Multiple dwelling units are defined as buildings containing five (5) units or more and can be weatherized if sixty-six percent (66%), (fifty percent (50%) for duplexes and quadraplexes) of the occupants qualify for weatherization assistance pursuant to Federal Regulation 10 CFR 440.22. Weatherization services provided to multifamily dwelling units will also be supported by WVDO’s *Multiple Dwelling Unit Policy and Guidance* implemented in February 25, 2011, which was updated to adhere to DOE WPN 16-5 Multifamily Weatherization and WPN 16-6 Weatherization of Rental Units. The “West Virginia Multifamily Owner Agreement” which is similar to the owner agreement described above, but is adapted for multifamily units, which adheres to DOE WPN 16-5.

Deferral:

The WV WAP developed and implemented a WV WAP *Deferral Policy* on August 21, 2012, to assist in the decision to defer weatherization assistance on an eligible dwelling in attempt to standardize the procedure throughout West Virginia. As per the policy, a deferral does not mean that weatherization assistance will never be available, but that work must be postponed

until the problems at the home can be resolved. Subrecipient crews and contractors are expected to pursue all reasonable options on behalf of the client, within program guidelines. After an on-site visit has been conducted, if conditions warrant and the subrecipient determines that the home meets one (1) or more of the following deferral conditions, a letter must be sent to the client outlining the conditions present at the dwelling and the justification for deferral. The reason for deferral must be selected and documented in the database management system and the database management system automatically generates the deferral letter with the proper justification to be submitted to the client.

Possible deferral conditions include but may not be limited to the following:

- a. Structurally unsound dwelling that is not suitable and adaptable to weatherization services, and the WAP does not have the resources to do necessary repairs;
- b. Electrical or plumbing hazards that cannot be resolved prior to or as part of weatherization services;
- c. The presence of raw sewage around or in any part of the dwelling;
- d. The presence of a dead animal, or animal feces, in an area where program staff must install weatherization measures;
- e. Excessive debris and clutter around the dwelling that limits access to the dwelling;
*Clutter Image Rating: Living Room - Dwelling deferred with rating of 4 or Greater
*Clutter Image: Bedroom - Dwelling deferred with a rating of 4 or Greater
*Clutter Image Rating: Kitchen - Dwelling deferred with rating of 4 or Greater
- f. Pets unchained or running loose that would be distracting or unsafe to program staff;
- g. The client is uncooperative, abusive, or threatening to the crew, or there is an apparent threat of violence or abuse to any program worker, or any household member, during the weatherization process;
- h. The presence or use of any controlled substance in the dwelling during the weatherization process;
- i. Environmental hazards, such as serious moisture problem, known excessive radon, friable asbestos, excessive lead paint, or other environmental hazards that cannot be resolved prior to or as part of the weatherization services;
- j. Evidence of substantial infestation of rodents, insects, bats, or other harmful/objectionable animals that are difficult to control;
- k. Major remodeling is in progress, limiting the proper installation of weatherization measures;

- l. Substantial standing water in or around the crawl space or basement area limiting the proper completion of weatherization measures;
- m. Dwelling resident has a medical condition that prohibits the installation of insulation and/or other weatherization measures;
- n. No cost-effective or appropriate health and safety measures can be done to the house resulting in minimal energy savings;
- o. Customer in arrears with utility vendor, gas service has been shut off, or electric service has been shut off;
- p. Client refusal of primary energy conservation measure ($SIR \geq 2$);
- q. Client refusal of health and safety measure(s) necessary for client safety;
- r. Income verification needed;
- s. Updated utility information needed; and
- t. Other conditions not listed above that prohibit complete weatherization.

There are several steps detailed in the WV WAP *Deferral Policy* outlining the subrecipient and/or client's responsibilities after the aforementioned deferral letter is generated in order to possibly complete weatherization for a client that was originally deferred. These steps involve allowing the client to correct the identified issues or barriers to weatherization and providing the subrecipient with documentation that issues have been addressed. There is also a procedure in place in the event that issues are not addressed, or no response is received from the client. Once reasons for deferral are resolved, the application is re-activated within the data management system. Depending on the timing of the correction of deferral issues, eligibility criteria including income verification and prioritization status may need refreshed. The WV WAP Deferral Policy outlines the timing parameters in more detail. All applicable steps must be followed and all required documentation retained.

V.1.3 Definition of Children

In terms of prioritizing households including children, the State of West Virginia has defined "children" as those eighteen (18) years old and under in compliance with 10 CFR 440.3.

1.4 Approach to Tribal Organizations

In accordance with Federal rule, the State of West Virginia recommends that tribal organizations not be treated as local applicants eligible to submit an application to operate a

Weatherization Assistance Program. In accordance with 10 CFR 440.16(f), low-income Native Americans will receive benefits equivalent to assistance provided to other low-income persons within the State as eligible individual applicants under program guidelines.

V.2 Selection of Areas to be Served

The method used to select each area to be served by a weatherization project will be as follows:

1. All fifty-five (55) counties in West Virginia will be served by the WV WAP.
2. Selection of weatherization subrecipients or qualified entities is made pursuant to 10 CFR 440.15.
3. Subrecipients in the State operate the WAP in service areas designated by specific counties, barring any unforeseen circumstances necessitating service area alteration. Subrecipients may contract with one another in efforts to more efficiently and effectively provide weatherization services to all counties within a subrecipient's service area.
4. In the event that WVDO determines that a subrecipient fails to meet WV WAP Grant Agreement requirements, options include (but are not limited to) allocating the funds to other eligible subrecipients or qualified entities in the State.

Redistribution Provision: As necessary through the administration and management of this award, WVDO may move funds between cost categories, functions, and activities to fully expend the monies during the budget period, which could include moving funds between subrecipients. All budget alterations or revisions will be in accordance with 2 CFR 200.308(e) and all other applicable Federal rules and regulations. Parameters and criteria outlining situations in which a subrecipient would have an allocation reduced, receive an additional allocation, or need to move funds within their own budget are laid out in the subrecipient WV WAP Grant Agreements, following all applicable Federal rules and regulations.

V.3 Priorities

The WV WAP will give priority to identifying and providing weatherization assistance to elderly persons (60 years of age or older), persons with disabilities, and households with children (18 years of age or younger). Priority can also be given to households with a high-energy burden which has two (2) components to its definition. Clients can be considered high energy burden if:

- a. Fifteen percent (15%) or more of the household income is utilized to pay for energy usage; and/or

- b. Clients are eligible for the Energy Crisis Intervention Program (ECIP), an emergency heat services component of the LIHEAP funding the WV WAP receives from the West Virginia Department of Health and Human Resources (DHHR).

Priority can also be given to clients considered high energy users. Clients will be considered high energy users if \$2,100 or more is expended by the client on residential energy annually, which will be calculated within the database management system utilizing utility bill information.

These priorities are weighted the same with regards to the points they receive except for ECIP eligibility allowing for comprehensive weatherization services to be provided within a reasonable amount of time from when the client received emergency heat services, increasing the efficiency and cohesiveness between the programs.

Another factor considered when prioritizing clients in order to have a reasonable and equitable system is the time spent on the Waitlist; however, clients only receive one (1) point per year and therefore it will be ensured that time on the Waitlist does not outweigh other factors within the prioritization system.

The WV WAP has also incorporated priority features to enhance the DOE required priority eligible population categories and allow for reasonable, efficient, and effective implementation of the WAP. Such prioritization features allow for consideration of timing of services provided by other funding sources.

There are utility funds that supplement the WV WAP, and Federal and non-Federal resources are blended in order to serve more low-income clients as well as in some cases provide services in addition to those the traditional WAP is able to provide. There are situations in which clients eligible for certain utility program funding may receive additional priority in order for the utility funds to be expended effectively and within the proper time periods. This allows the WV WAP to continue to obtain these funds for future program years.

Finally, there could be instances in which clients are given priority as part of a multifamily project completion. Clients in an identified eligible multifamily dwelling may not all be at the top of the prioritization list, and therefore additional priority could be given to the clients in order for the project to be completed. However, WVDO requires advance planning from subrecipients for the completion of multifamily dwellings and ensures that multifamily projects do not supplant services provided to single-family dwellings, which are the large majority of completions for the WV WAP.

WVDO has developed a point system to rank clients using the aforementioned prioritization criteria in the data management system that tracks all clients, dwellings, and weatherization work. The WV WAP subrecipients must adhere to this prioritization list and point system within the data management system unless otherwise directed or approved by WVDO.

WVDO may modify the prioritization system throughout the Program Year within the parameters of the program in instances including, but not limited, to adjusted rules and regulations or additional funding sources identified. The intent of the prioritization system will always remain consistent on serving low-income clients as efficiently and effectively as possible, working to reduce energy costs, as well as to expending all funding sources within the proper timeframes and in compliance to all applicable rules and regulations. Subrecipients do not have the ability to manipulate or alter the prioritization system or criteria without written approval from WVDO.

WVDO implemented *WAP Priorities for Service Delivery* on July 1, 2014, which will remain in place for PY 2019 – 2020. WVDO modified the database management system to ensure clients are being prioritized properly and effectively. The database management system only allows those clients highest on the priority list (based on the previously described point system) to be selected for service by a particular subrecipient, unless otherwise approved by WVDO. The system allows for a reasonable “pool” of high priority clients a subrecipient must select from so that there is flexibility built into the system, while also ensuring all clients served are high priority clients. Due to the number of high priority clients that will be available for a subrecipient to select from, WVDO does not anticipate any issue with all counties in West Virginia being provided weatherization services in an efficient and effective manner throughout the year. However, this process will be monitored throughout the year by WVDO and adjusted if necessary.

Subrecipients shall ensure that weatherization services are being provided to low-income persons that live in standard types of housing, i.e., single-family, rentals, manufactured housing, and multifamily buildings. Housing type is not a recognized priority and is not factored into the WV WAP prioritization process. WVDO will monitor the system through completion and deferral review to ensure eligible clients are not discriminated against due to housing type.

V.4 Climatic Conditions

West Virginia is the 41st largest of the 50 United States with a total area of 24,230 square miles. Within its boundaries, elevations reach as high as 4,863 feet above sea level (Spruce Knob in Pendleton County) and as low as 240 feet above sea level (Potomac River on the Virginia border).

The International Energy Conservation Code (IECC) has defined two (2) distinct climate zones that cover West Virginia. These climate zones help approximate the performance of a building within each zone due to the effects of heating- cooling demand, precipitation, and relative humidity.

Due to the variations in climate throughout the state, each energy audit shall be adjusted to most accurately model the climactic conditions of the individual location. Likewise, each energy audit shall indicate the model climate used represented as locations included in the DOE approved auditing software (the Weatherization Assistant software as described in V.5.2

Auditing Procedures). At the present time, Zone 1 is identified as Charleston, WV, and Zone 2 is identified as Elkins, WV, in the DOE approved auditing software. These two (2) zones are utilized by all WV WAP subrecipients, with one (1) exception; the subrecipient that covers the four (4) counties in the northern panhandle of West Virginia (Brooke, Hancock, Ohio, Marshall) uses Zone 3 identified as Pittsburgh, PA, as that location more closely fits the subrecipient's local climate profile.

A rough map of the IECC climate zones and the additional zone is included as an attachment with this application.

Cooling Degree Days (CDD) and Heating Degree Days (HDD) data is submitted as an attachment to the application. A summary of the data for all three (3) zones is as follows:

Zone 1 – Charleston, WV:

CDD – 1011

HDD - 4718

Zone 2 – Elkins, WV:

CDD – 307

HDD – 6438

Zone 3 – Pittsburgh, PA:

CDD – 740

HDD – 5637

Based on the cooling degree days and dual climate zones, the WV WAP has included specific cooling measures under certain circumstances as detailed under *Section V.7 Health and Safety*.

The HDD and CDD data used for analysis was obtained from the link below.

- National Climatic Data Center (using information from the NOAA)
<http://ggweather.com/normals/>

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

All measures and incidental repairs performed on client homes will meet the specifications, objectives and desired outcomes outlined in the Standard Work Specifications (SWS) for Home Energy Upgrades. WVDO partnered with Community Housing Partners Energy Solutions Training Center (CHP) to develop the WV WAP Standard Work Specifications (WV WAP SWS) utilizing the “Deck of Cards” model. This document functions as a combination standards and field guide. These field standards meet or exceed the minimum standards outlined in the national SWS. The document references the appropriate SWS for the procedure being

described and clearly states with narrative and photographs the required specifications for that procedure. It functions as in-field instructional reference guide for program supervisors and technicians and has replaced all previous field guides or standards.

WVDO submitted the WV WAP SWS for Single Family Site Built and Manufactured Housing on November 1, 2018 and resubmitted the corrected versions per DOE on January 9, 2019. WVDO received DOE approval on the same date (January 9, 2019). WVDO also received DOE approval for two (2) SWS Variance Requests on that date. DOE approved the WV WAP SWS for Single Family Site Built and Manufactured housing for three-years, making the renewal date January 9, 2022. Both documents were released to the subgrantees and WVDO conducted a webinar on January 22, 2019 to review changes, updated format, and the approved variances.

A link to both documents is provided:

<https://www.dropbox.com/s/0ehankm1lbdjvm0/Copy%20of%202017%20Master%20Key.xlsx?dl=0>

WVDO develops and distributes West Virginia Weatherization Program Notices (WV WPN) and West Virginia Weatherization Bulletins (WV WxBulletin) to provide additional guidance on specific requirements and major program updates and/or changes. These notices are in supplement to DOE Weatherization Program Notices and are the basis of the WVDO Field and Administration Guide (F&A Guide) which continues to be updated when new WV WAP Policies are distributed and/or new DOE guidelines mandate programmatic or field/technical changes. weatherization policy, field/technical, monitoring, and training topics that are relevant and important to the day-to-day operations at the subrecipient level. In July 2018, WVDO started conducting Technical Development Council (TDC) meetings. The TDC members include subgrantee Energy Auditors, Quality Control Inspectors, and WVDO Field/Technical staff. Topics are determined from monitoring findings, DOE policy or news releases, training/conference notifications, etc.

The specifications for work to be inspected are referenced in the subrecipient DOE WAP Grant Agreement. Contractors hired by the subrecipient must have agreements that include the same technical requirements referenced above. The work of the contractor must be consistent with all WV WAP standards and requirements.

Additional training as necessary on WV WAP SWS is provided to subrecipients as detailed in *Section V.8.4 Training and Technical Assistance* to ensure consistent compliance throughout the network.

All weatherization work is being performed in accordance to the DOE-approved energy audit procedures and 10 CFR 440 Appendix A.

Other Renewable Energy Systems:

Assistance under the WAP may be provided for renewable energy systems. Any renewable energy system measures implemented by a subrecipient must have WVDO written approval

prior to work being performed. A site-specific Weatherization Assistant energy audit must be included as part of the client file which will be reviewed by WVDO as part of the approval process.

10 CFR §440.18 (Allowable Expenditures) incorporates the renewable energy system provisions and specifies a ceiling of \$3,000 per dwelling for labor, weatherization materials, and related matters, subject to annual adjustments. As per DOE WAP Memorandum 047 dated February 26, 2019, the percentage increase in the Consumer Price Index (CPI) for PY 2019 was 2.3 percent (2.3%); therefore, the PY 2019 adjusted average for renewable energy measures is **\$3,699 with an SIR greater than one (>1). (2018 = \$3,677)**

The adjusted average for renewable energy measures is not a separate average, but part of the overall adjusted average expenditure limit of \$7,541. (last year - \$7,371)

Because the total average cost per unit exceeds the renewable measures allowance, the major effects of the regulation are to provide criteria and a procedure for integrating renewables into the WAP, and to establish a process for evaluating petitions to use new or innovative renewable energy systems in the WAP.

10 CFR 440.21(c)(1)(i-iv) specifies performance and quality standards criteria for renewable energy systems. Paragraph (c)(2) establishes a procedure for submission and action on petitions by manufacturers requesting the Secretary of Energy to certify a new technology or system as an eligible renewable energy system.

Approved renewable energy systems will be listed in Appendix A of Part 440, Standards for Weatherization Materials.

V.5.2 Energy Audit Procedures

<u>Unit Types</u>	<u>Audit Procedures and Dates Most Recently Approved by DOE</u>
Single-Family	National Energy Audit Tool (NEAT) approved by DOE November 15, 2016.
Multifamily	- 1-5 Units, individually heated/cooled, garden style apartments - NEAT audit with 3 or less stories - Small MDU less than 25 units, individually heated/cooled - NEAT audit Sampling* - MDU greater than 25 units – DOE Project Officer Approval
Mobile Home	Manufactured Home Energy Audit Tool (MHEA) approved by DOE November 15, 2016

**Audit Sampling:* To ensure a true representation of the building, an audit(s) must be completed on apartments with different configurations and heat loss characteristics (ex: 1 bed. bottom floor, 1 bed. middle floor, 1 bed. top floor, 2 bed. bottom floor). An audit of at least twenty-five

percent (25%) of the total number of units in each building must be conducted. Each audit must include photo documentation of existing conditions (ex: insulation levels, venting, etc.).

WV WAP uses the Weatherization Assistant software as its energy audit tool. The Weatherization Assistant energy audit software was developed by Oak Ridge National Laboratory specifically for the use for the Weatherization Assistance Program. There are two (2) components to the Weatherization Assistant software: The National Energy Audit Tool (NEAT) for single family houses and the Manufactured Home Energy Audit (MHEA) for mobile homes.

As per 10 CFR 440.21(i), WVDO submitted the Weatherization Assistant audit procedures to DOE for approval for use in the WV WAP for another five (5) years on February 17, 2016. WV WAP received approval from DOE on November 15, 2016, for the Weatherization Assistant audit.

As per 10 CFR 440.21(h), WVDO included within the submittal of audit procedures the DOE determined list of general heat waste (GHW) reduction weatherization materials from DOE WPN 13-5 and plan to incorporate the usage of the identified GHW materials as guided by DOE WPN 13-5 and any other applicable DOE guidance. Based on GHW costs and effects on individual and cumulative SIRs, WVDO is evaluating not to include the GHW in the audit.

Each subrecipient must have at a minimum of one (1) Home Energy Professional (HEP) Certified Energy Auditor with a good working knowledge of NEAT and MHEA or an approved contract in effect with another subrecipient with a Certified EA to perform energy audits. WVDO will continue to offer the training and certification to subrecipients during PY 2019 – 2020 to enhance the number of Certified EAs statewide, and for overall improvement of the audit process.

For multifamily units, until MulTEA is implemented and subrecipient auditors can acquire accredited training, WVDO has a procedure in place, *Multiple Dwelling Unit Policy and Guidance*. As mentioned in *Section V1.2.*, WVDO's *Multiple Dwelling Unit Policy and Guidance* has been revised as guided by DOE WPN 16-5 Multifamily Weatherization and WPN 16-6 Weatherization of Rental Units. WVDO will continue to seek input and guidance from the DOE Project Officer on the *Multiple Dwelling Unit Policy and Guidance* on an "as need" basis.

Multifamily units are defined as buildings containing five (5) units or more and can be weatherized if sixty-six percent (66%), (fifty percent (50%) for duplexes and quadraplexes) of the occupants qualify for weatherization assistance pursuant to Federal Regulation 10 CFR 440.22. The majority of eligible units in West Virginia are considered to be primarily garden style apartments, with less than twenty-five (25) units per structure, three (3) stories or less where the units are individually heated and/or cooled and have exterior access. Hence, these dwellings will be the focus of the WV WAP's multifamily weatherization efforts. Each multifamily unit (including those that have less than five (5) units) must meet the previously mentioned audit procedures and all other procedure and documentation requirements set forth in the WV WAP *Multiple Dwelling Unit Policy and Guidance*. Prior to commencing

weatherization of the building, WVDO must review and approve of the project. A minimum twenty-five percent (25%) audit sampling must be completed on apartments with different configurations and heat loss characteristics for each building to be weatherized.

Due to increased and more complicated requirements and procedures, any multifamily project *greater* than twenty-five (25) units would have to be submitted for review and approval to the DOE Project Officer prior to commencing weatherization.

V.5.3 Final Inspection

Quality Control Inspectors (QCIs) working for, or contracted by the WV WAP must possess the knowledge, skills, and abilities in the National Renewable Energy Laboratory (NREL) Job Task Analysis (JTA) for Quality Control Inspectors. This applies to all individuals who perform an evaluation and sign off on work performed in homes, including subrecipient final inspectors and WVDO monitoring staff.

Certified subrecipient QCI's are required to perform a final inspection of each dwelling unit before it can be reported as a completion. The final inspection must be performed by the certified QCI using the WV WAP mandated "QCI form" (attachment to application) and certify that the work has been completed in a professional manner and is in accordance with the priority determined by the audit procedures required by 10 CFR 440.21. To be in compliance with DOE WPN 15-4, during PY 2019 – 2020, only those who possess the Home Energy Professional (HEP) QCI certification may perform inspections and sign off on work performed in homes. All subrecipients have demonstrated QCI competency by receiving certification as a HEP QCI.

The credentials of each subrecipient QCI are maintained in the database management system. WVDO will review the system periodically to ensure QCI credentials remain up-to-date as well as during the annual monitoring process. WVDO has set up or reviewed/approved all training and certifications of QCI staff (as described in *Section V.8.4 Training and Technical Assistance Activities*) thereby ensuring the validity of all credentials. WVDO will continue to either set up any additional certifications for the Weatherization Network, or review and approve that the proper certification is sought and obtained and all procedures followed prior to reimbursement for any training/certification expenses.

WVDO revised the standardized QCI form in 2016, which was based on DOE's example of a quality assurance document, modified to meet the needs of the WV WAP. The form was revised again in October 2018 to include additional space for notes/comments and radon.

The form and the associated policy provide uniform guidelines and practices for final inspections of units at the subrecipient level to ensure such are performed correctly and thoroughly prior to being submitted as a completed unit. Signatures are required on the form certifying the unit had a final inspection and met all required standards. The inspection includes an assessment of the Weatherization Assistant audit performed and confirms that measures called for on the Work Order were appropriate signifying the proper SIR.

In regards to DOE WPN 15-4 compliance, WVDO ensures through the monitoring process described in *Section V.8.3 Monitoring Activities* that work performed by the subrecipient meets the criteria outlined in the WV WAP SWS.

If during the monitoring process it is discovered a subrecipient QCI is not inspecting units using the standards adopted by the State and consistent with the WV WAP SWS, WVDO will initiate a Quality Improvement Plan (QIP) process with the subrecipient, also described in *Section V.8.3 Monitoring Activities*. WVDO will work with the subrecipient to identify the best course of action to address whatever deficiencies may exist in the Quality Control Inspection process including both internal steps a subrecipient can take, as well as external training and technical assistance WVDO can provide or obtain. Depending on the nature and severity of the issues found, WVDO may take disciplinary or punitive actions including but not limited to the monitoring of any job a subrecipient is attempting to turn in as a completion, disallowing of costs/completions, and repayment of funds.

Due to staffing limitations of certain subrecipients, the WV WAP instituted a combination of the two (2) DOE Prescribed QCI Policies of Independent QCI and Independent Auditor/QCI. At this time, not all subrecipients have the staff to have a separate Auditor and QCI. For such subrecipients, WVDO will increase the monitoring efforts of completed dwelling units as per DOE WPN 15-4. For subrecipients that have an independent QCI, WVDO will monitor at least five percent (5%) of completed dwelling units. For subrecipients that have an Auditor that also performs the functions of QCI, WVDO will monitor at least ten percent (10%) of completed dwelling units. This percentage will increase based on issues identified and/or capacity of WVDO staff. WVDO will work with the subrecipients and make all reasonable efforts with the funding available to train and certify enough staff to separate the Auditor and QCI duties at the subrecipient level where it is possible to do so. As stated in *Section V.8.4 Training and Technical Assistance Activities*, WVDO will continue to offer additional QCI training and certifications as funding allows throughout the PY. Except for extremely extenuating circumstances, the QCI will not have performed any other work on the completed dwelling unit. WVDO will utilize the monitoring process to ensure the integrity, impartiality, and quality of the inspection process.

V.6 Weatherization Analysis of Effectiveness

WVDO performs a variety of analysis of the WV WAP (statewide, subrecipient specific, objective/measure/process specific, etc.) at different times throughout a program year. Some data collection and analysis is performed on a routine basis for general oversight purposes; however, WVDO also investigates specific issues as they arise using different tools and database reports. Program production, goal attainment, and expenditure rates are tracked on a monthly basis for each subrecipient at the State level on a statistical analysis tool. These statistics are analyzed periodically, and the appropriate feedback and technical assistance is provided to those subrecipients not meeting goals, benchmarks, or compliance expectations. The subrecipients use the same statistical analysis tool for tracking their own production and expenditures to further ensure routine evaluation of local programs and reevaluation of goals when necessary.

A monthly “Dashboard” outlining the status of the weatherization program statewide was developed by WVDO and is submitted to the Weatherization Network after all reports have been submitted, data reviewed, and funding requests approved. This spreadsheet displays a wide range of summary information including expenditure numbers, health and safety percentages, completion data, and average job cost. WVDO developed supplemental spreadsheets to the “dashboard” which breaks down information in a more detailed manner. It provides a detailed line item breakdown of expenditures per funding source and average job cost. It also displays dwelling type served and fuel type served.

WVDO works to establish production and expenditure benchmarks and includes as necessary and feasible in the subrecipient WAP Grant Agreements to increase accountability and ensure proper program management.

The WV WAP utilizes the database management system to track all weatherization work performed on any dwelling. The database management system coupled with the aforementioned statistical analysis tool and other statistical spreadsheets facilitate a review/analysis process essential for program management and oversight. The review process in various forms including desk-top review, serve as routine procedures to ensure compliance, as well as an initial monitoring process to confirm that measures are performed and tracked according to program standards, and that diagnostic and health and safety tests are performed and documented correctly. This process allows for the identification of trends that may convey a training or technical assistance need, or specific jobs that may need to be monitored due to documentation of measures.

As mentioned in the *State Plan Annual File*, during PY 2015 – 2016, WVDO developed and implemented a system to estimate annual energy savings for all funding sources as per 440.14(c)(4). The process entails utilizing data from the “Weatherization Assistant Recommended Measures Output Report.” The WV WAP has the capability to compare productivity and associated energy savings data from the individual subrecipients and has the capability to analyze by measure. In PY 2019 – 2020, the WV WAP will continue to collect program year data and WVDO will pursue any additional development needed of the database management tool reporting capabilities to be able to utilize the data effectively in the future. WVDO performs a review of the Weatherization Audit Tool usage by each subrecipient during monitoring visits to ensure material and fuel costs are up to date in the “Setup Libraries” ensuring the system is performing accurate cost effectiveness evaluation.

As stated in section *V.8.3 Monitoring Activities*, WVDO also tracks the most significant deficiencies of subrecipients in a “Root Cause Analysis” spreadsheet that displays trends of the subrecipients’ performance over a period of several years. This analysis is another contributing factor to the identification of training and technical assistance activities and priorities. For PY 2019 – 2020, WVDO will continue to track Strengths, Weaknesses, Best Practices, and Other Needs for more efficient analysis from more information readily available and organized. The collection and analysis of the data, and the improvement of tools and processes each year keeps WVDO on a path of continuous improvement with regards to support, guidance, and

oversight which in turn will keep the subrecipients on the same path regarding the weatherization services provided and management of the program.

During the monitoring process, WVDO confirms the subrecipient has internal evaluative processes in place to facilitate improvement as needed (ex: Quality Control Inspector) to identify issues internally at the subrecipient level. This subrecipient process can assist WVDO in identification of training and technical assistance needs. Also, as discussed in *V.8.3 Monitoring Activities*, WVDO also ensures through the monitoring process that identified deficiencies are corrected through a Quality Improvement Plan (QIP) and WVDO follows up and verifies the correction through desk-top monitoring or on-site follow-up visits as necessary.

A final piece of analysis of a segment of the WV WAP is performed by a third party as part of evaluation of one (1) of the utility/leveraged programs that supports the WV WAP. As discussed in the *State Plan Annual File*, one (1) of the programs that has supplemented the WV WAP since 2012 is funding received from American Electric Power (AEP) for comprehensive weatherization services for customers within AEP's service territory. A third-party company is brought in to evaluate the program each year by analysis of data, surveys of participants and program managers, and site visits of a sample of dwellings served by the program.

V.7 Health and Safety

The *WV WAP Health and Safety Plan* is included as an attachment. A "Material Identification Chart" is also included as an attachment as part of the *WV WAP Health and Safety Plan* which assists in identification of health and safety, incidental repair, and ancillary materials/measures.

V.8 Program Management

V.8.1 Overview and Organization

The division of WVDO in which the WV WAP – in addition to the other programs listed in the paragraph below operates is West Virginia Community Advancement and Development (WVCAP). WVDO is an agency under the West Virginia Department of Commerce.

WVDO administers the Community Services Block Grant (CSBG); Emergency Solutions Grant (ESG); Housing Opportunities for Persons with AIDS (HOPWA); Low-Income Home Energy Assistance Program (LIHEAP); LIHEAP Application Intake; West Virginia's Appalachian Regional Commission (ARC) program; the Community Development Block Grant (CDBG); Disaster Recovery (DR) funds; West Virginia's Land and Water Conservation Fund (LWCF); Neighborhood Stabilization Project (NSP); the Flex-E Grant; Main Street; ON TRAC; Neighborhood Investment Program (NIP); Community Participation Program; Waste Coal funds; Local Economic Development/ Certified Development Communities (LED/CDC) grants; and Intergovernmental Review, as well as participates in Broadband development initiatives.

The WV WAP and these other programs are currently overseen by the Interim Director - WVCAD. The WVCAD division's programs and functions are subdivided among four (4) units/groups – *Sustainability, Infrastructure, Compliance, and Resiliency*. The *Compliance Unit* subsumes the monitoring functions of several programs contained in the other three (3) units, including the monitoring functions of the WV WAP. An organizational chart of WVCAD is provided as an attachment.

With this arrangement, WV WAP staff straddle two (2) of the three (3) units/groups of WVCAD – *Sustainability and Compliance*. In the *Sustainability Unit*, WV WAP staff include a Program Manager supervised by a non-WAP Sustainability Manager, and an assistant whose primary duties include Historic Preservation reviews and Training and Technical Assistance (T&TA) approvals and records upkeep. In the *Compliance Unit*, WV WAP staff include an Assistant Manager/Monitor (1) and three (3) additional monitoring staff supervised by a non-WAP Compliance Manager. The Database Systems Specialist position is vacant; those duties related to the WV WAP. Administrative staff assist with filing and forwarding subrecipients' training requests.

The WV WAP is not responsible for the State Energy Program, which is administered by the West Virginia Division of Energy (WVDOE). WVDOE is also a division under the West Virginia Department of Commerce. The WVDOE merged with WVDO in PY 2017 -2018.

The WV WAP is administered utilizing all applicable Federal rules and regulations including 10 CFR Part 440 as well as any additional rules and regulations that come into effect due to the Federal implementation of the OMB Circular 2 CFR 200 - Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (2 CFR 200.); DOE specific regulations codified in Part 910 of 2 CFR and Department of Health and Human Services (HHS) specific regulations codified in 45 CFR Part 75; all applicable provisions of Treasury Circular Number 1075, and State of West Virginia Executive Order 12372 (Intergovernmental Review Procedure); and all other state rules and regulations that apply including West Virginia Purchasing Procedures. The WV WAP also follows all DOE specific guidance as provided through DOE WPNs and WAP Memorandums. The WV WAP incorporates these requirements as applicable into subrecipient WAP Grant Agreements and Memorandums of Understanding, as well as into any operations manuals or guidance created.

V.8.2 Administration Expenditure Limits

For PY 2019 – 2020, the statutory ten percent (10%) of administrative funds will be divided evenly between the subrecipients and WVDO. As per DOE guidance, the State Plan includes a redistribution provision to enable the Grantee to actively manage the grant and move funds as necessary to fully expend the monies during the budget period which could include moving funds between subrecipients. All budget alterations or revisions will be in accordance with all other applicable Federal rules and regulations.

A separate budget category is permitted by DOE for financial audits. The cost of these audits was previously charged to the already over-burdened administrative cost category and

sometimes resulted in financial audits of less than adequate quality. WVDO is providing relief to the subrecipients by allowing these charges to be covered by a separate category, if the subrecipients meet the threshold contained in 2 CFR 200. These costs will be actual costs of the weatherization portion of the audit.

V.8.3 Monitoring Activities

Introduction

Monitoring is one of the most significant and intricate procedures undertaken by WVDO. WVDO must adhere to multiple funding bodies' guidelines as well as construct and adhere to state-specific guidelines and protocols structured in a way to facilitate successful and functional program management throughout the State of West Virginia. Monitoring is one of the many tools utilized by WVDO in an effort to continually improve the capabilities and effectiveness of the various subrecipients. Monitoring is a systematic process of gathering and evaluating information, as well the physical visitation of sites, in order to support and assess the subrecipients and their programs in terms of performance, capacity, and compliance. As a Pass-through entity of Federal dollars, WVDO ensures that grant funds are expended in accordance with applicable law, including regulations contained in 10 CFR part 440 specifically 10 CFR 440.23(a); 2 CFR 200 specifically 2 CFR 200.331, 2 CFR 910 and 45 CFR Part 75; DOE WPNs including DOE WPN 15-4, and WPN 16-4, and other policies and procedures that DOE may issue. The WV WAP Monitoring Plan will include the following areas:

Approach

WVDO will conduct a monitoring of each subrecipient at least once a year, provide a written report to the subrecipient, and maintain both electronic and physical files related to monitoring which are accessible to DOE during its monitoring visits. The monitoring tools utilized by WVDO are based off tools and templates provided by DOE through *WPN 16-4 Updated Weatherization Assistance Program Monitoring Guidance* and *WAP Memorandum 015 - Weatherization Financial Toolkit – 2 CFR 200 Regulations and Procurement Procedures*. WVDO has revised monitoring tools and forms to reflect the updated guidance as well as WV WAP SWS references. WVDO has also developed a monitoring module of the database management system to be used for formation of monitoring reports, QIPs, and other monitoring process aspects.

WVDO will also conduct periodic off-site, desk-top monitoring utilizing the database management system used to track all weatherization work, at times coupled with the statistical management tool and related analytical spreadsheets used to track production, expenditures, and other performance indicators. This process will serve as a pre-monitoring activity as well as routine review and oversight as needed. The desk-top monitoring activity is utilized to confirm that measures are performed and tracked according to program standards, and that diagnostic and health and safety tests are performed and documented

correctly. It is also used to ensure all documentation for a client and dwelling are maintained and completed properly and accurately. This process allows for the identification of trends that may convey a training need, or specific jobs that may need to be monitored due to documentation of measures. The development of the database management system over the last several programs years greatly increased WVDO desk-top monitoring capabilities to increase efficiency and effectiveness of monitoring, as well as to reduce expenses. WVDO will continue to use these enhanced capabilities for the current Program Year.

The monitoring performed by WVDO will be broken down into three (3) components which may be performed at different times if necessary and may have differing frequency depending on quality of subrecipient performance in each focus area. The monitoring will include the following focus areas and details:

Programmatic and Management Monitoring

- Subrecipient Production Analysis and Review (ensuring benchmark and yearly goal completion)
- Financial/Administrative Components
- Inventory (Equipment and Materials)
- Warehouse
- Rolling Stock
- Eligibility processes and compliance
- “Rweatherization” compliance
- Compliance with all WVDO mandated forms, processes, and policies
- Database management system usage and reporting
- Reporting and funding requests
- Client Files and related documentation
- Health & Safety Components (Safety meetings/Lead Safe Work [LSW] Practices, documentation/Warehouse & Vehicle Safety/Health and Safety percentage)
- Energy Education
- Training & Technical Assistance
- Procurement Practices
- Client Prioritization methods
- Utility (leveraged) fund usage, documentation, and reporting
- Insurance coverage
- Subrecipient personnel qualifications/certifications and associated work performed
- Subrecipient internal corrective action procedures (for reduction of deficiencies)

Field/Technical Monitoring

- Program Overview (Client File Review, Work Orders, Documentation of measures, etc.)

- Compliance with all WVDO mandated field/technical forms, processes, and policies (ex: Quality Control Inspection form and process)
- Rental unit/Multifamily documentation and process compliance
- Energy Audits (Process and Documentation - Weatherization Assistant Audit Program Libraries, inputs/usage, adherence to guidance, etc.)
- Weatherization of Units (all work performed on dwellings – HVAC, shell measures including insulation and air sealing, baseload measures, etc.)
- Zonal and Pressure Diagnostics on all dwelling types
- Health & Safety (HVAC, LSW compliance, ASHRAE 62.2 2016 ventilation requirements, mold/moisture, electrical, etc.)
- Final Inspections/Quality Control process and documentation
- Client interaction and client education process

Field monitoring incorporates all new DOE mandated regulations, e.g., ASHRAE 62.2-2016 (and any applicable updates when implemented), Zonal Pressure Diagnostic standards, and Combustion Appliance Zone testing compliance. Also, in compliance with DOE WPN 15-4, all field monitoring inspections will be performed by a certified HEP QCI and the monitoring inspection form will include a signature of the monitor(s), to supplement the client file and subrecipient QCI form.

Field monitors will utilize DBA FACS Pro as the monitoring tool. DBA FACS Pro is programmed to randomly pull clients to increase transparency for monitoring visits through the Monitoring/Training Module.

Fiscal Monitoring

- Financial Policies and Procedures
- Cash Management
- Procurement policies and practices
- Financial management of Material Inventory
- Financial management of Property and Equipment
- Contracts/Sub-awards
- Payables/Receivables/Expenses Management
- Invoicing and Reporting accuracy
- Review of Funding Requests and specific line items/expenses for accuracy and proper documentation
- Bank records and reconciliation
- Financial Statements
- Internal Controls
- Financial Management of utility (leveraged) funds
- Single Audits (See A-133 Financial Audits (2 CFR 200 Subpart F))

A-133 Financial Audits (2 CFR 200 Subpart F)

WVDO will verify when the audit was submitted to the Federal Clearinghouse (FAC), and note this on the “Annual Audit Chart,” maintained by the WVDO Fiscal Compliance Monitor. If the subrecipient did not submit the audit to the FAC by the deadline as per Federal regulations, WVDO mails a reminder letter to the subrecipient.

The WVDO Fiscal Compliance Monitor will review all audits using the “WVDO Pass-through entity Audit Review Checklist.” An “Audit Review Summary” is completed for the audit, and maintained on WVDO’s shared drive. Depending on the results of the review, WVDO forwards to the subrecipient either (1) a letter indicating no findings, or (2) a letter requesting a Corrective Action Plan (CAP). The subrecipient has six (6) weeks to submit a CAP if applicable.

If a subrecipient has not submitted the CAP within the deadline, the CAP “Reminder E-mail” will be forwarded to the Executive Director. Upon receipt of the CAP, WVDO will review and forward to the subrecipient either the (1) “CAP Acceptance E-mail” or (2) another correspondence requesting modification to the CAP. As per 2 CFR 200, as a Pass-through entity, WVDO is required to follow-up/issue a management decision for Federal award findings related to the programs WVDO administers.

Currently, all WAP subrecipients expend more than \$750,000 in Federal funds in a fiscal year and thus are required to have a Single Audit.

Desk-Top Review

WVDO will also conduct periodic off-site, desk-top monitoring utilizing the database management system used to track all weatherization work, at times coupled with the statistical management tool and related analytical spreadsheets used to track production, expenditures, and other performance indicators. This process will serve as a pre-monitoring activity as well as routine review and oversight as needed. The desk-top review activity is utilized to confirm that measures are performed and tracked according to program standards, and that diagnostic and health and safety tests are performed and documented correctly. It is also used to ensure all documentation for a client and dwelling are maintained and completed properly and accurately. This process allows for the identification of trends that may convey a training need, or specific jobs that may need to be monitored due to documentation of measures. The development of the database management system over the last several programs years greatly increased WVDO desk-top review capabilities to increase efficiency and effectiveness of monitoring, as well as to reduce expenses. WVDO will continue to use these enhanced capabilities for the current Program Year.

Desk-Top Review Schedule

Desk-top review will be performed on a quarterly basis. Desk-top monitoring will be conducted through the DBA FACS Pro Monitoring/Training Module. Field Monitors will choose a single item to review. Examples of desk-top review items include: Deferrals, QCI Form completion,

Income verification, etc. Jobs will be chosen at random by the DBA FACS Pro Monitoring Module and the reviewing monitor(s) will be on a rotating quarterly basis.

Subrecipients will receive e-mail notification once the desk-top review has been completed. The notification will have instructions on how to respond to the monitoring. The individual issues will be addressed per subrecipient with required actions for compliance if applicable.

Monitoring Staff

Monitoring will be performed by several WVDO staff members with differing credentials and areas of expertise to effectively monitor all the various components of the WV WAP as outlined above. Monitoring staff members may monitor more than one (1) component. The monitoring process and the different components are managed and overseen by a Compliance Manager. The WV WAP Manager reviews and approves each report. The current WVDO monitors are as follows:

Programmatic and Management Monitors (Administrative Monitors):

- 1 Weatherization Assistance Program Manager
- 1 Weatherization Assistant Administrator

Qualifications: The qualifications of the Programmatic and Management Monitors (Administrative Monitors) include extensive experience with the weatherization program (both at the Pass-through entity level and subrecipient level) as well as certifications and education that benefit the monitoring team as they oversee and evaluate the subrecipient management of the weatherization program. The staff members have experience in management and finance/accounting.

Field Monitors (Technical Monitors):

- 2 Weatherization Specialists (Field/Technical)
- 1 Weatherization Specialist (Field/Technical – In Training)

Qualifications: The qualifications of the Field Monitors (Technical Monitors) include extensive experience with the weatherization program as well as extensive building science knowledge. The Field/Technical monitors have several BPI certifications (including HEP QCI), Weatherization Assistant Training Certificate, as well as multiple WV WAP specific certifications that are now superseded by HEP or other state/national certifications, but still provide a strong foundation of knowledge; (Energy Auditor, Quality Control Inspector, multiple HVAC certifications) as well as attendance to regional and national energy conferences. The Field Monitor in training is currently attending trainings at Community Housing Partners (CHP) in Christiansburg, VA, to prepare for Energy Auditor and Quality Control Inspector Certification testing. He is currently attending subrecipient Field/Technical monitorings as an observer. This individual has an extensive background in construction, HVAC, and has a Journeyman's Electrician License. As previously stated, all field monitoring inspections will be performed by a certified HEP QCI at the Pass-through entity level.

Fiscal/Financial Monitors:

- 1 Weatherization Assistance Program Assistant Manager
- 1 Compliance Unit Manager

Qualifications: The qualifications of the Fiscal/Financial Monitors include education (bachelor's and master's level) and experience in the accounting, finance, and management fields, as well as knowledge of Federal financial requirements. Some of the monitoring staff experience is specifically with the Weatherization Assistance Program both on the Pass-through entity and subrecipient levels. The Fiscal/Financial monitors will also utilize WVDO's Chief Financial Officer (CFO) and experienced accounting staff as additional resources during the monitoring activities as needed.

WVDO staff have received multiple 2 CFR 200 Uniform Guidance trainings, with the Weatherization Program Manager attending a refresher OMB Uniform Guidance training in Dublin, OH, in April 2018. The Weatherization Program Manager and Weatherization Assistant Administrator will attend 2 CFR 200 Uniform Guidance training/refresher in Program Year 2019. WVDO will continue to seek additional training on the new regulations if/when necessary. WVDO will pursue additional certifications as identified and/or needed as the Program Year progresses.

Monitoring Expenditures:

Monitoring staff members will be paid out of the Training and Technical Assistance (T&TA) budget category with the exception of the Fiscal Monitor and WAP Manager who will be paid out of the Administrative budget category given the nature of their work in relationship to the organization and other programs they work within. A percentage of the Fiscal Monitor will be paid out of the T&TA budget category. WVDO has budgeted \$23,000 out of DOE funds for travel expenses related to monitoring activities. These funds will be supplemented by LIHEAP funds.

Monitoring Schedule:

The monitoring schedule will follow a basic plan of one (1) or two (2) Programmatic, Field, and Fiscal monitoring visits performed per month for the twelve (12) subrecipients. This varies throughout the year due to when WVDO starts the monitoring process for the Program Year. In coordinating the monitoring schedule WVDO also considering holidays, subrecipient leave time, etc.; therefore, some months have one (1) visit, and some have two (2).

WVDO will strive to set the monitoring schedule for the Program Year within the first quarter (July-September) of the DOE grant cycle. WVDO will disseminate a preliminary schedule to the Weatherization Network and ask subrecipients to confirm the proposed monitoring dates for their organization or ask for different dates if conflicts exist.

If conflicts arise after the final monitoring schedule is set for the Program Year, WVDO asks that subrecipients inform WVDO as soon as possible. At a minimum, subrecipients must notify WVDO within 48 hours of the receipt of the official monitoring notification.

WVDO avoids scheduling visits during back-to-back weeks when possible so that WVDO monitoring staff can work to finalize reports and adequately prepare for the next visit. This plan is only tentative as visits to a subrecipient could increase if there are serious deficiencies identified. The scheduling of the subrecipients will depend in part on when their last visit occurred as well as reasonably taking into consideration geographic location and time of the year. Also, any subrecipients that had major or repeated deficiencies identified from the PY 2018 – 2019 monitoring process and have not had a follow-up visit (due to deficiencies being identified toward the end of PY 2018 – 2019) will be first priority in PY 2019 – 2020, with additional reviews scheduled as necessary until deficiencies are corrected.

Pre-Monitoring Procedures

WVDO will provide timely notification of monitoring to subrecipients and complete some parts of the monitoring prior to arriving onsite for monitoring. Those activities include:

- Distribution of official notifications of monitoring at least thirty (30) days prior to on-site monitoring by e-mail to Executive Director/CEO, CFO/Finance Director, and WAP Coordinator. Official notifications will direct the subrecipient how to prepare for the review and WVDO's expectations. The subrecipient should confirm receipt of the notification and respond within 48 hours if the dates for monitoring need to be changed for any reason.
- During the week before the scheduled on-site visit, the WVDO monitoring team will confirm arrival times and arrange any necessary logistics.
- An assigned field/technical monitor will contact the subrecipient with a job monitoring pool to schedule jobs to be monitored at least one (1) week prior to on-site monitoring.
- Monitors will conduct desk-top reviews of relevant information to increase efficiency on-site.

Visit

A typical visit can be expected to require three (3) to five (5) days on-site. The on-site visit process will include the following:

- An entrance interview during which any concerns or questions about the review can be discussed between WVDO and subrecipient staff.
- Requests of documentation for review including, but not limited to, subrecipient policies and procedures, program documents, client files, and financial records.
- Conducting interviews with program staff regarding program operations and job functions.

- Conducting interviews with administrative and fiscal staff.
- Inspecting completed weatherized dwelling units.
- Inspecting Weatherization assets including but not limited to warehouse(s), material inventory, tools, equipment, and vehicles.
- Offering a daily update to the subrecipient regarding the progress of the review and issues that have already been found.

The staffing and credential make up of a subrecipient will determine the number of completed dwelling units needing to be visited by WVDO as per DOE WPN 15-4. For subrecipients that have an independent QCI, WVDO will monitor at least five percent (5%) of completed dwelling units. For subrecipients that have an Auditor that also performs the functions of QCI, WVDO will monitor at least ten percent (10%) of completed dwelling units. This percentage will increase based on issues identified and/or capacity of WVDO staff. WVDO will also review units “in progress” beyond the five (5) or ten (10) percent completed units respectively, in order to assess: quality and compliance; appropriate and allowable materials; appropriateness and accuracy of energy audits; final inspections; safe work practices, such as lead safe weatherization protocols; and other factors that are relevant to on-site work.

An important continued focus of WV WAP subrecipient monitoring for PY 2019 – 2020, will be the supplemental components to the Weatherization Program, including but not limited to the Utility Partnership programs, LIHEAP components including the Energy Crisis Intervention Program (ECIP), the Electrical Upgrade Component, and the Weatherization Related Home Repair Component. These projects provide additional funding for the WV WAP, enable additional work to be done on a large percentage of weatherized homes, and make possible the weatherization of some homes that may have had to be deferred because of necessary repairs that are outside the scope of the DOE WAP. WVDO will also monitor any other components that are developed and approved as additional appropriate LIHEAP measures. Monitoring of the supplemental components will be part of the standard monitoring process (unless determined necessary to do otherwise) focusing on the correct utilization, tracking, and accountability of the supplemental component funds. WVDO will take advantage of desk-top monitoring opportunities as appropriate for additional components of the WV WAP.

Upon the completion of each monitoring visit of any of the three (3) components, an Exit Conference is held between the members of the subrecipient (as selected by the subrecipient management) and the monitoring staff to discuss strengths, weaknesses, deficiencies, call-backs, and monitor recommendations. As per DOE WPN 16-4, within thirty (30) days after each visit, WVDO will prepare a written report for the subrecipient that describes the current monitoring assessment (identification any deficiencies, recommendations, commendations, and best practices) and any corrective actions as part of a QIP, if applicable. A draft of this report is provided during the Exit Conference and then finalized by WVDO staff following the visit. A subrecipient typically has thirty (30) days to respond with a QIP unless the nature and severity of findings deem a more expedient response. If the subrecipient does not respond within the required time limit, the subrecipient is notified and disciplinary or punitive actions may be taken if the subrecipient does not comply with the requirement to submit a QIP.

Process of Corrective Action, Discipline and/or Removal of a Subrecipient from the WAP

WVDO has a system in place to review each QIP provided by the subrecipients either approving of the plans made or requiring additional information or actions. Regardless of monitoring focus, WVDO follows up with each subrecipient to ensure that the corrective actions outlined in the plan have been implemented either through a subsequent monitoring visit and/or desk-top review, or requiring the submission of documentation confirming the corrections. WVDO will offer and provide training and technical assistance if requested and appropriate response to a QIP. If a subrecipient's response is to contest an identified deficiency, WVDO will either sustain or revise its initial deficiency and provide additional guidance or instructions.

WVDO increases visits (both the number of units reviewed and the frequency of monitoring visits) to the subrecipient until it can be assured deficiencies are resolved. If necessary, WVDO has implemented a system of monitoring every potential job prior to submission as a completion for a subrecipient if sustained compliance cannot be demonstrated. If significant deficiencies are discovered, such as health and safety violations, poor quality installation of materials, major measures missed, then the subrecipient must take appropriate corrective action(s) to resolve the outstanding issues in a timely manner. If health and safety issues are found that present an immediate danger to people in the home, the subrecipient must immediately resolve the issues.

If subrecipient noncompliance or repeated unresolved deficiencies (based on a minimum of two (2) monitoring visits at a subrecipient) will be reported to the DOE Project Officer. Sensitive or significant noncompliance deficiencies, such as waste, fraud, or abuse must be reported to DOE immediately by WVDO.

Once the deficiencies are corrected and procedures are put in place to prevent reoccurrence, WVDO will resume the original percentage sampling of that particular subrecipient's work in subsequent monitoring visits.

If repeated monitoring and technical assistance do not correct identified noncompliance issues or if a subrecipient continuously fails to respond to an identified deficiency, WVDO will begin the process of disciplinary action which will include the imposition of additional requirements. Subrecipients will be informed of the nature of additional requirements, the reason why additional requirements are being imposed, the actions needed to remove the additional requirement, and the time allowed for completing the actions, if applicable.

Depending on the type of noncompliance issues, actions and additional requirements may include but are not necessarily limited to:

- Withholding disbursement of grant funds until noncompliance issues are corrected
- Disallowing completions that do not meet program standards
- Placing the subrecipient on an "At Risk" status
- Suspending part or all of the program for the subrecipient
- Asking the subrecipient to voluntarily relinquish the program

- Removing part or all of the program from the subrecipient
- Requiring payments as reimbursement rather than advance payments
- Requiring all weatherized dwelling units to be inspected by a third party before being turned in for completions
- Requiring additional, more detailed reporting
- Establishing additional prior approvals

Once the noncompliance issue that caused WVDO to take disciplinary action and impose additional requirements is resolved, WVDO will promptly remove the additional requirements. The subrecipient will be notified of the removal in writing.

If a subrecipient wishes for WVDO to reconsider the imposition of additional requirements, the subrecipient must provide in writing within two (2) weeks of being informed of additional requirements the following:

- Detailed reason why WVDO should reconsider imposing additional requirements
- Evidence that the issue of noncompliance has been satisfactorily resolved
- A plan to prevent similar issues of noncompliance going forward

Within thirty (30) days of receiving the above information from a subrecipient, WVDO will either sustain or remove the additional conditions and disciplinary actions imposed.

WAP Grant Award Termination

If WVDO determines that all remedies for noncompliance and training and technical assistance opportunities have been exhausted in an effort to correct an issue of noncompliance, or definitive waste, fraud, or abuse were uncovered during the course of monitoring, the subrecipient's WAP grant awards will be terminated. WVDO will provide the subrecipient with written notification of termination and cause of termination.

If a subrecipient wishes to contest a termination action, they must provide WVDO with information and documentation showing that the cause of termination had been remedied or conditions as understood by WVDO that caused the termination were not accurate within one (1) week of being informed of the termination action. WVDO will respond in thirty (30) days either sustaining or reversing the termination action.

Tracking & Analysis

The subrecipient monitoring process from notification to final approval and confirmation of corrective actions is tracked by WVDO to final resolution in a "Monitoring Log." WVDO also tracks the most significant deficiencies in a "Root Cause Analysis" spreadsheet to evaluate and analyze trends of the subrecipients' performance. In PY 2016 – 2017, WVDO added the tracking of Strengths, Weaknesses, Best Practices, and Other Needs for more efficient analysis from more information readily available and organized. This process continues to

allow for the identification of training and technical assistance needs and is an evaluative tool used to keep both WVDO and the subrecipients on a path of continuous improvement.

V.8.4 Training and Technical Assistance Approach and Activities

Training & Technical Assistance (T&TA) funding is used to pay salary, travel, and operational costs for WVDO staff to provide monitoring/T&TA to subrecipients. Subrecipient expenses for participation in T&TA activities (including special conference attendance) will be funded from DOE T&TA and/or other funds including LIHEAP. T&TA activities are intended to maintain or increase the efficiency, quality, and effectiveness of the WAP at all levels and are designed to maximize energy savings, minimize production costs, improve program management and field “quality of work,” and/or reduce the potential for waste, fraud, abuse, and mismanagement.

WVDO assesses training needs regularly as part a constant process as the PY progresses. This process and the related training plan are flexible and WVDO incorporates information from the process into the training plan as needed. WVDO assesses T&TA needs of its subrecipients through these avenues:

- WVDO monitoring efforts
- Internal trend analysis
- Training Needs Assessment Surveys
- Prompts in subrecipient grant applications
- Communication with national experts regarding new technologies and/or standards/practices
- Communications with DOE Project Officer
- Guidance as provided by the Department of Energy (DOE) including industry-wide initiatives and future program requirements (certifications, health and safety implementation, etc.)
- Monitoring visits from the DOE Project Officer, DOE contracted representatives, or the Office of Inspector General

Overview

The WV WAP supports subrecipients to seek appropriate trainings pursuant to achieving required certifications and to enhancing their credentials and skill in work practices associated with weatherization work. Trainings and certifications have and will continue to be provided by Interstate Renewable Energy Council (IREC) accredited and certified Weatherization Training Centers (WTCs) within close proximity to West Virginia. There are no IREC WTCs within the State of West Virginia; in several proximal states, there are either IREC-accredited WTCs or IREC-certified individuals who are not attached to WTCs. The WV WAP is prohibited from encouraging subrecipients to choose one (1) vendor among equivalent potential vendors of the State of West Virginia. Therefore, the emphasis in helping subrecipients to plan trainings will be in providing timely notifications of training opportunities offered by a variety of relevant

entities; asking subrecipients to choose the providers whom they deem will best meet their training needs; and then helping subrecipients to schedule trainings which meet them.

Training and certification will continue to be offered to the Weatherization Network in PY 2019 – 2020 for recertifications as well as for additional staff. Training priorities have been identified in concert with subrecipients via several mechanisms as bulleted above. In particular, the WV WAP is paying attention to subrecipient needs for HEP Energy Auditor (EA) and Quality Control Inspector (QCI) certification and recertifications, and CEUs as the program enters PY 2019 – 2020. CAZ and Duct Testing (both Tier 2) are some of the trainings planned for gaining CEUs toward QCI.

Other major areas of focus this Program Year: In addition to the effort at training, certifying and recertifying EAs and QCIs as described above, there are several other planned areas of focus for training and credentialing subrecipient staff. Four (4) other areas of first priority include: (1) Providing continued guidance on the ASHRAE 62.2-2016 ; (2) Keeping up Lead Renovator Certifications and Lead Renovator Refresher Certifications; (3) Providing guidance on the revised WV WAP Standard Work Specifications (WV WAP SWS) functioning as the West Virginia Weatherization Standards/Field Guide, changes and updates; and (4) Helping subrecipients to establish training and testing dates for HVAC Technician and Electrical licenses pursuant to W. Va. Code 21-16-1, *et seq.*, and W. Va. Legislative Rule 42-34-1, *et seq.*

Four (4) areas of second priority include: (1) Providing ongoing training and recertification of Energy Educators; (2) Providing training in the use of Weatherization Assistant 8.9 for effective NEAT and MHEA analyses; (3) Connecting subrecipients to HVAC Advanced trainings; and (4) Statewide trainings on the new DBA FACS Pro Application.

Ongoing training priorities which are regularly needed for the continuance of expert provision of weatherization services, but which at the time of writing are less urgent, fall into two (2) general categories – other Home Energy Professional (HEP) certifications and New Hire/Basic Weatherization trainings. (A) In the first category, in addition to the HEP EA and QCI designations already discussed, the other two HEP certifications conferring industry and DOE recognition of competencies for energy upgrade professionals are (1) HEP Retrofit Installer/Technician, and (2) HEP Crew Leader. Several subrecipients have attended Retrofit Installer/Technician and other subrecipients plan to do so in the upcoming PY 2019 – 2020. Fewer have attended Crew Leader; yet depending on funds availability, the WV WAP will continue to support efforts toward subrecipient staff achieving Crew Leader certification as part of the full suite of four HEP certifications that designate someone as a Home Energy Professional (HEP). (B) In the second general category of ongoing training priorities, trainings in basic building and weatherization techniques include a collection of New Hire Requirements (including online offerings, such as Retrofit Installer Technician and HVAC Fundamentals), various basic weatherization (including online offerings), and Builders Boot Camp.

Descriptions:

HEP QCI/HEP EA (Tier 1)

As previously mentioned, WVDO will be offering additional HEP QCI training and certification opportunities as well as HEP EA training and certification as funding allows. WVDO understands that some subrecipients need more than one (1) certified QCI due to size, service territory, and jobs requiring completion, and/or crew make-up.

As of April 1, 2018, all program personnel (Pass-through entity and subrecipient) performing inspections on completed dwelling units were HEP QCI Certified. All eleven (11) subrecipient weatherization providers have at least one (1) HEP QCI Certified staff, and several had more than one (1).

WVDO continues to assist in the coordination and funding of the HEP EA certification given the and recertification provided in DOE WAP Memorandum 036 released May 16, 2018. WVDO will also fund opportunities during PY 2019 – 2020 for Pass-through entity and subrecipient staff to retain their current HEP certifications by obtaining Continuing Education Units (CEUs).

ASHRAE 62.2-2016 (Tier 2)

Although this is a Tier 2 training, ASHRAE 62.2-2016 continues to be an issue found in PY 2018-2019 subrecipient monitoring. Other subrecipients have likewise identified it as a germane topic for updated training. Moreover, in the most recent monitoring visit by a U.S. DOE Field Monitor in PY 2016 – 2017 (November 2016), the Field Monitor determined multiple instances of misunderstandings by clients and subrecipient staff about proper equipment to meet the ASHRAE 62.2-2013 standard; its proper installation; and its proper use.

The WV WAP will seek appropriate resources for providing this training to subrecipients, as well as review monitoring reports to determine which subrecipients may need additional targeted assistance in implementing ASHRAE 62.2-2016 standards.

Lead Renovator and Lead Renovator Refresher Certifications (Tier 1)

In order to become a certified lead renovator, subrecipient staff must complete training from an EPA-accredited training provider. These trainings were developed to educate professionals in home and other fields about the lead safe work standards contained in U.S.C. 2681 et seq., and 40 CFR 745.80 et. seq., and the EPA 2008 Lead-Based Paint Renovation, Repair and Painting (RRP) Rule (amended in 2010 and 2011).

Recertification is required every five (5) years. Currently, the WV WAP requires that each subrecipient have at least one EPA Lead Renovator certified staff person. All eleven (11) subrecipients have certified lead renovators on staff. Several subrecipients have identified these trainings as priorities for PY 2019 – 2020.

State Weatherization Standards (Tier 1)

The WV WAP Network will be utilizing the DOE approved WV WAP SWS during PY 2019 – 2020. Any additional variances identified will be sought utilizing the proper DOE approval process. The WV WAP will undertake a review and survey of priority work practices in the SWS to be addressed in trainings from which subrecipients could maximally benefit. Also, based on individual subrecipient requests, specific focal areas for WV WAP SWS training; technical assistance; or clarification will be provided as needed.

WVDO will document the verification of receipt and usage of the WV WAP SWS by the subrecipient as required by DOE WPN 15-4, using the subrecipient WAP Grant Agreements.

HVAC Technician Certification Class 1(Tier 1):

During the 2015 West Virginia State Legislature, an addition to the existing state requirements for HVAC businesses and technicians was added (W. Va. Code 21-16-1, *et seq.*, and W. Va. Legislative Rule 42-34-1, *et seq.*). As of January 1, 2016, all individuals working on heating systems were required to have a HVAC Technician License from the West Virginia Commissioner of Labor. Individuals in West Virginia who engage in the business of installing, erecting, testing, repairing, servicing or altering heating, ventilating and air conditioning equipment or systems to heat, cool or ventilate residential structures, are required to have an HVAC Technician License when the project exceeds \$1,000.

With this new State requirement, the former administering agency, WVOEO, decided to re-certify the subrecipient HVAC Technicians, using the West Virginia Contractors Licensing Board regulations. Normally, individuals seeking to obtain an HVAC Technician Certification are required to sit for an HVAC exam. However, the West Virginia Contractors Licensing Board grandfathered (or opted out of the exams) those applicants who presented satisfactory evidence of having at least two thousand hours (2,000) of experience and/or training working on HVAC systems and at least six thousand hours (6,000) of experience and/or training in HVAC systems and related work which includes other sheet metal industry tasks. The opting out period expired on July 1, 2016.

Those individuals who do not have the required hours can register as an HVAC Technician in Training. Subrecipients must have a 1:1 ratio of Certified HVAC Technicians to Technicians in Training Class 2. Once a Technician in Training has the required hours, unless she/he is still within the opting out phase, the individual must pass the HVAC exam.

All subrecipients were contacted in September 2015 and had at least one (1) person who could be grandfathered in (or opted out). WVDO coordinated with subrecipients to apply for both HVAC Technician and Technician in Training Licensing with the West Virginia Commissioner of Labor. HVAC certifications are renewed every year through the West Virginia Commissioner of Labor. Since September 30, 2016, it is mandated that HVAC work cannot be performed by

subrecipient staff who do not have the proper West Virginia HVAC Technician or Technician in Training certification.

Certification will continue throughout the PY 2019 – 2020 as new HVAC Technicians in Training Class 2 are hired, and current ones become eligible to apply for HVAC Technician Class 1. Unfortunately, there is a wait period for available slots for testing seats, which has become problematic for some subrecipients. The WV WAP will continue the conversation with necessary entities to try to reduce the wait time.

Client Education (Tier 2)

Energy Education of clients is one of the most important weatherization processes to ensure the maximum effectiveness of installed weatherization measures. Each subrecipient has identified at least one (1) Energy Educator, several whose certifications have expired however; various subrecipients have identified Client Education as a priority in PY 2019 – 2020. In 2015, the former administering agency, WVOEO, began an effort to recertify all Energy Educators through online training provided by an IREC-accredited WTC. This effort is continuing. This course is designed to assist the student in acquiring adult education skills to establish an effective means of communication between the Energy Educator and the client. The online Client Education course prepares students to develop a strategy for effective client education from pre-approval to quality assurance. Videos and documents are presented to use with clients to ensure that they get the information they need during the client education process. After each topic is presented, a short self-quiz follows each section and feedback is given. A final test consisting of a single multiple choice-true/false exam is given at the end of the course. For certification, the student must pass this final exam. After passing the certification test, the Energy Educator will work with clients to effect change in poor energy conservation habits.

The Energy Educator utilizes a tabletop easel with energy saving and maintenance tips for weatherization measures. The process is intended to be interactive between the Energy Educator and client. A key element of the process is a "contract" called the Energy Savers Partnership Plan, where the client agrees to do certain actions to conserve energy in their home. WV WAP has also received materials and guidance from utilities partners to improve the client energy education process.

Energy Educator Certification will continue to be on an as needed per person basis. An Energy Educator must renew their certification every five (5) years.

Healthy Homes Specialist (Tier 2)

It has long been known that there is a connection between health and housing. The DOE Weatherization Plus Health initiative is a national effort to enable the comprehensive, strategic coordination of resources for energy, health, and safety in low-income homes. One (1) subrecipient has continued the Healthy Homes program, and one (1) WVDO staff member has renewed the certification. Healthy Homes Specialists must renew their certification every two

(2) years and therefore WVDO will monitor the one (1) subrecipient to ensure certifications are retained by staff, if necessary/requested during this Program Year.

Approach

In PY 2019 – 2020, WVDO continues the “as needed, per person” approach as subrecipients anticipate hiring new staff throughout the year; as current certifications and licenses expire at different times throughout the year; and as subrecipients demonstrate and express different specific deficiencies and needs for improvement.

WVDO will make available Tier 1 and Tier 2 trainings to the Weatherization Network during the entire year. Subrecipients have requested more flexibility in scheduling training when needed in order to better accommodate production. Instead of a series of set classes, which sometimes takes crews away from production for longer periods that may burden an organization, subrecipients will have the ability to fit trainings into their respective schedules. WVDO will set time frames for completions of required certifications for subrecipients to continue operating the WV WAP and to ensure that subrecipients plan and meet expectations during the year. WVDO also tracks all required licenses needed by subrecipients to properly perform work within the WV WAP (West Virginia HVAC Electrician License, West Virginia Single Family Dwelling Electrician License, EPA Section 608 Refrigerant Transition Technician Certification, HVAC Contractor License, etc.) and WVDO will ensure that all subrecipients remain current with all WV WAP required licenses.

Attendance for all Tier 1 and 2 trainings is mandatory for the appropriate program personnel unless extenuating circumstances exist, and approval is received from WVDO.

WVDO will continue to use a previously implemented *Subrecipient Training Request and Reimbursement Policy*, which establishes uniform guidelines for internal WVDO documentation and tracking of training; technical assistance; workshops; certifications; and licenses within the WV WAP, as well as the funding or reimbursement process for said trainings, as applicable.

Trainings will be determined through direct discussions between the WV WAP staff and subrecipients, assessment, monitoring, internal analysis and requests from subrecipients. All requests for training from subrecipients will be submitted utilizing the WVDO website by submitting a “Subrecipient Training Request Form.”

Trainings will be presented in various venues and settings including traditional classroom settings, on-site/hands-on opportunities, and online/web-based sessions.

Subrecipients are required to submit a list designated by quarters of any anticipated WAP-related T&TA needed to meet standards as part of the 2019 – 2020 Grant Application process. This list will ensure at the beginning of the Program Year that an estimated needs list is captured for the subrecipient for proper planning throughout the year. WVDO will monitor

each quarter for PY 2019 – 2020 to ensure trainings are scheduled and attended as submitted in the Grant Application.

WVDO reviews these planning/needs lists and incorporates them into a “Training Event Status Tracking Log” and a “Training Plans and Funds Snapshot,” for the purpose of forecasting subrecipient training needs and priorities for PY 2019 – 2020. Both are updated weekly and, in conjunction with the original planning lists, provide a sound basis for timely discussions with subrecipients about needs, adjustments, and scheduling relevant trainings. A “Training Tracking Chart” has been developed to track each subrecipient’s staff member in a spreadsheet format.

Expirations of certifications and licenses are primarily tracked during program monitoring of subrecipients and in subrecipient grant applications. Also, at any time, in its database management system shared with subrecipients, WV WAP staff can generate a table showing this information for any subrecipient or subrecipient staff member. This chart tracks expiration dates on certifications/licenses, and requests from subrecipients on trainings, certifications/licenses and other information needed to plan for upcoming trainings. This chart is updated on a regular basis, as requests for training, certifications/licenses become due, or findings are documented in monitoring reports, and is compared to the database management system that tracks trainings and certifications as entered by subrecipients.

Requested/planned training during the subrecipient application process must be completed as planned barring extenuating circumstances. The “Training Tracking Chart” is reviewed and WVDO and subrecipients work together to complete the requested trainings in a timely manner. In this way, certification renewals should not lapse, and funds are spent by the end of the Program Year.

Training Time Line for PY 2019 – 2020

As has been the practice for several program years, WVDO will continue to pursue an “as needed, per person” approach as subrecipients anticipate hiring new staff throughout the year, and as current certifications and licenses expire at different times during the year.

WVDO will make available Tier 1 and Tier 2 trainings to the weatherization network during the entire year, utilizing WTCs and other sources. These trainings/certification and renewals are:

- HEP BPI Quality Control Inspector (Tier 1)
- HEP BPI Energy Auditor (Tier 1)
- HEP BPI Retrofit Installer/Technician (Tier 1)
- HEP BPI Crew Leader (Tier 1)
- Initial Lead Renovator Certification (Tier 1)
- Lead Renovator Refresher Recertification (Tier 1)
- EPA section 608 Training (Tier 2)
- ASHRAE 62.2-2016 New Rule (Tier 2)

- NREL/BPI and WV WAP SWS (Tier 1)
- HEP CEUs (Tier 1)
- Healthy Homes Specialist CEUs/Recertification (Tier 2)
- DBA FACS Pro App

While Tier 1 and Tier 2 trainings are available during the PY, there is still a need for benchmarks, assessment, and adjustments, to ensure that subrecipients are receiving the necessary training/certifications to operate a weatherization program. Records of trainings, certifications, and licenses are kept in the data management system and supplemented with the information from the *Training Event Status Tracking Log*. The WV WAP staff intend to make a concerted effort to engage in direct conversations with subrecipients to determine and adjust training needs throughout the Program Year.

During the First Quarter of the Program Year, a combination of funding will be utilized for T&TA. DOE funding will be used; however, LIHEAP funding will also be used for training costs, as approved by West Virginia DHHR, West Virginia's LIHEAP Grantee. The combination funding will support the trainings listed above and these additional trainings:

First Quarter – July 1 through September 30, 2019

- HEP BPI Quality Control Inspector Recertification (Tier 1)
- HEP BPI QCI CEUs (CAZ, Duct testing) (Tier 2)
- HEP BPI Energy Auditor Certification/ Recertification (Tier 1)
- HEP EA CEUs (i.e., Building Analyst) (Tier 1)
- DBA FACS Pro App (Tier 2)
- ASHRAE 62.2-2016 (Tier 2)
- Lead Renovator Certification (Tier 1)
- Lead Renovator Refresher Recertification (Tier 1)
- NREL/BPI and WV WAP SWS (Tier 1)
- HVAC Technician Class 1
- HVAC Technician in Training Class 2
- WV WAP State Plan PY 2019 – 2020 Meeting (Tier 2)
- Weatherization Assistant 8.9 software for NEAT/MHEA (Tier 2)

Second Quarter & Third Quarter – October 1 through December 31, 2019 & January 1 through March 31, 2020*

- Energy Educator (Tier 1)
- Continued training on DBA FACS Pro App (Tier 2)
- HEP BPI Energy Auditor Certification/ Recertification (Tier 1)
- New Hire Requirements (Tier 2)
- Retrofit Installer/Technician (Tier 1)
- West Virginia HVAC Electrician License

- West Virginia Single Family Dwelling Electrician License
- West Virginia Journeyman’s Electrician License
- West Virginia Apprentice Electrician License
- Heating Unit Inspection (Tier 2)
- Respirator Fit testing (Tier 2)
- Healthy Homes Specialist CEUs/Recertification (Tier 2)

*An assessment of the success of Quarter 1 training, regarding scheduling and implementation efforts will determine the objectives for Quarters 2 & 3.

Fourth Quarter – April 1 through June 30, 2020

The Final Quarter activities will continue with trainings and certifications on an as-needed, per person/subrecipient basis.

Credentials/Certifications/Licenses

WVDO places great emphasis on maintaining workforce credentials for both WVDO and subrecipient staff. Credentials, certifications, licenses, and certificates are all tracked for WVDO and subrecipient staff in the database management system. Credentials, certifications, licenses, and certificates are reviewed and training, continuing education, re-testing, etc., is planned and performed as necessary to ensure WVDO and subrecipient staff maintain all necessary credentials.

WVDO has implemented an internal *Standard Operating Procedure-WV WAP Training Policy* to establish uniform procedures for documentation and tracking of certifications, licenses, training, technical assistance and workshops within the WV WAP, as well as the funding or reimbursement process for said trainings as applicable.

WVDO Weatherization Specialists must maintain proficiency on new methods and techniques pertinent to the WAP. WVDO Weatherization Specialist staff must maintain levels of knowledge aligned with the Weatherization industry as well as State and National Standards and are also furnished with all State and Federal regulations as they are updated and released. At this time, two (2) WVDO Weatherization Field Specialists are currently certified as HEP QCIs and BPI Certified with Building Analyst and Envelope Professional certifications as well. The third WVDO Weatherization Field Specialist on staff is expected to have the necessary credentials to take the EA and QCI certification examinations during the 2019 – 2020 Program Year.

The WV WAP understands the direction that the DOE WAP is moving with regards to the requiring of national certifications. The WV WAP participated in the NREL/BPI Pilot Program that was implemented in partnership with WV WAP and DOE. The WV WAP had workers tested on QCI Certifications as well as EA Certifications. As funding allows, the WV WAP will continue

to pursue HEP Certifications for subrecipient workers as the incorporation of DOE WAP curricula, certifications, and standards have been incorporated into HEP Certifications. WVDO feels the partnership between DOE/WAP and NREL/BPI is a great step toward standardization and high-quality service delivery in the Weatherization and Energy Efficiency industries.

The following are the current defined WV WAP certifications:

1. HEP EA Certification
2. HEP QCI Certification
3. Energy (Client) Educator Certification
4. Environmental Protection Agency (EPA) Accredited Lead Renovator Certification (and Recertification as applicable)
5. HVAC Technician Certification

The following certifications are under consideration as requirements in the future for the respective weatherization staff positions in addition to the certifications listed above:

1. HEP Retrofit Installer Technician Certification
2. HEP Crew Leader Certification

In addition to the HEP-level certifications and other required certifications, the WV WAP will periodically coordinate licensing testing through the West Virginia Fire Marshal's Office, the West Virginia Contractors Licensing Board, as well as EPA certification testing venues for the following:

1. West Virginia HVAC Electrician License
2. West Virginia Single Family Dwelling Electrician License
3. West Virginia Journeyman's Electrician License
4. West Virginia Apprentice Electrician License
5. EPA Section 608 Refrigerant Transition Technician Certification
6. HVAC Technician License
7. HVAC Technician in Training License

All weatherization programs must also have a West Virginia Residential Contractors License at the subrecipient level, obtained through the West Virginia Contractors Licensing Board. Special projects are constantly being undertaken to ensure that the WV WAP keeps up with state-of-the-art energy conservation and management techniques. The following are additional Tier 2 trainings that will be offered throughout the year as needed, several having already been discussed earlier as priorities for PY 2019 – 2020, especially with regards to the implementation of the *WV WAP Health and Safety Plan*:

1. ASHRAE 62.2 -2016
2. Combustion Appliance Zone (CAZ) Training
3. Lead Safe Work Practices Training

4. OSHA Confined Spaces in Construction Standard Course
5. Healthy Homes
6. Weatherization Assistant Training
7. Duct Blaster
8. Infrared Camera Training
9. Database Management Training
10. Utility Program Training
11. Administrative/Programmatic/Financial Training
12. WV WAP Policy and Procedure Training

There are certain trainings (Tier 1 and 2) that are mandatory for compliance with rules and regulations in performance of the WAP. Currently, each subrecipient must have a certified QCI inspect all completed units, either in-house or through working with another subrecipient. As DOE mandates, additional certifications, trainings will be made available to the subrecipients for compliance.

If a subrecipient does not have such due to losing an employee or another circumstance, then attending one (1) of those trainings would be mandatory or the functions must be contracted out to a subrecipient with certified staff. There is also a requirement that each subrecipient has a certified EPA Lead Renovator on staff as well as staff who have attended periodic mandatory trainings regarding new requirements with health and safety related measures (ASHRAE/CAZ, etc.) and have electrician's licenses to perform those functions. As noted earlier, after September 30, 2016, it is required that HVAC work not be performed by subrecipient staff who do not have the proper West Virginia HVAC Technician or Technician in Training certification.

Non-compliance with regards to any mandatory training without the written approval from WVDO due to extenuating circumstances could result in a subrecipient not able to perform certain functions with their staff until the requirements are met.

Technical Assistance

The WV WAP will continue to utilize the traditional approaches of on-site program, administrative, fiscal, and in-field technical assistance based on monitoring findings and/or needs of particular subrecipients. T&TA activities are intended to maintain or increase the efficiency, quality and effectiveness of the WAP at all levels. Activities will be designed to maximize energy savings, minimize production costs, improve program management and crew/contractor "quality of work," and/or reduce the potential for waste, fraud, abuse and mismanagement.

Technical assistance will continue at this time to be provided by WV WAP Specialists. The WV WAP Specialists also perform subrecipient monitoring, so their familiarity with each subrecipient's operation enables focused attention to specific technical assistance needs of particular subrecipients. The combination of monitoring report findings, discussions at staff meetings, peer exchanges, subrecipient feedback, Technical Development Council meetings,

and research of state-of-the-art energy conservation techniques all help to determine the focus of the technical assistance.

Energy Savings:

As mentioned in the *State Plan Annual File*, during PY 2015 – 2016, WVDO developed and implemented a system to estimate annual energy savings for all funding sources as per 440.14(c)(4). The process entails utilizing data from the “Weatherization Assistant Recommended Measures Output Report.” Data has been collected, and WVDO can compare the productivity and associated energy savings data from the individual subrecipients and has the capability to analyze by measure. In PY 2017 – 2018, the WV WAP collected a full program year of data and, in PY 2019 – 2020, WVDO will continue to pursue any additional development needed of the database management tool reporting capabilities to be able to utilize the data effectively in the future. This data can contribute to identifying areas of training or technical assistance needed for the work being performed in the field.

Pass-through entity Assessment:

Training needs have been identified and are continuously evaluated. Field Monitors will attend trainings and conferences at regional and national levels commensurate to the job duties. Current WV WAP staff have likewise received ongoing relevant training.

In addition to training new hires, another top priority is to attend trainings to keep in compliance with any new DOE regulations or guidance and to assist subrecipients to do the same. After that is met, then trainings are scheduled by the greatest need, i.e., the number of subrecipients that need a particular training. At the same time, WVDO will evaluate how many HEP certifications have been obtained to be in compliance, and how many more could be obtained with available funding. WVDO assesses periodically both the needs of the subrecipients as well as funds that are available to meet those needs and will plan accordingly. WVDO also makes assessments at the end of a grant cycle (DOE or LIHEAP), evaluating the amounts budgeted for training during the previous grant cycle relative to what was provided, and comparing to anticipated training needs and funding available for the new grant cycle.

V.9 Energy Crisis and Disaster Response Plan

V.9.1 Energy Crisis

The WV WAP utilizes LIHEAP WAP funds to operate the Energy Crisis Intervention Program (ECIP). The intent of ECIP is to provide emergency heat during the winter heating season. The program addresses non-operable or severely malfunctioning and unsafe heating systems. Any household that is eligible for WAP is eligible for ECIP services. Any household that receives the emergency heating system repairs or replacements from ECIP must apply for regular WAP services. ECIP provides emergency assistance within 48 hours to ensure the household will

have heat. Weatherization services will be provided by the end of the program year, unless conditions exist that deems the dwelling ineligible for weatherization services at that time. During the LIHEAP Weatherization Application and Award process, the subrecipients are provided updated ECIP guidance.

V.9.2 Disaster Response Plan

The WV WAP Disaster Response Plan is addressed in *Section V.1.2 Approach to Determining Building Eligibility (#7)* and is in accordance with DOE WPN 12-7 *Disaster Planning and Relief* and all applicable Federal regulations.



West Virginia Weatherization Assistance Program

State of West Virginia
Development Office

PART III - BUDGET PY 2019 - 2020



BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0007958		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address West Virginia Development Office 1900 Kanawha Blvd., East Charleston, WV 253050000		4. Program/Project Start Date 07/01/2019	5. Completion Date 06/30/2020

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. PY2019-20 DOE Annual Grant	81.042	\$ 0.00		\$ 3,587,126.00		\$ 3,587,126.00
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 3,587,126.00	\$ 0.00	\$ 3,587,126.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRA TION	(2) SUBGRANTE E ADMINISTRA	(3) GRANTEE T&TA	(4) PROGRAM OPERATIONS	
a. Personnel	\$ 59,375.00	\$ 0.00	\$ 93,219.00	\$ 0.00	\$ 154,008.00
b. Fringe Benefits	\$ 23,750.00	\$ 0.00	\$ 37,288.00	\$ 0.00	\$ 61,603.00
c. Travel	\$ 6,000.00	\$ 0.00	\$ 23,000.00	\$ 0.00	\$ 29,000.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 2,000.00	\$ 0.00	\$ 2,000.00	\$ 0.00	\$ 4,000.00
f. Contract	\$ 0.00	\$ 252,687.00	\$ 150,000.00	\$ 2,481,412.00	\$ 3,303,615.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 14,900.00	\$ 0.00	\$ 20,000.00	\$ 0.00	\$ 34,900.00
i. Total Direct Charges	\$ 106,025.00	\$ 252,687.00	\$ 325,507.00	\$ 2,481,412.00	\$ 3,587,126.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 106,025.00	\$ 252,687.00	\$ 325,507.00	\$ 2,481,412.00	\$ 3,587,126.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0007958		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address West Virginia Development Office 1900 Kanawha Blvd., East Charleston, WV 253050000	4. Program/Project Start Date 07/01/2019		
	5. Completion Date 06/30/2020		

SECTION A - BUDGET SUMMARY						
Grant Program Function or Activity (a)	Federal Catalog No. (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1.						
2.						
3.						
4.						
5. TOTAL		\$ 0.00	\$ 0.00	\$ 3,587,126.00	\$ 0.00	\$ 3,587,126.00

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) HEALTH AND SAFETY	(2) LIABILITY INSURANCE	(3) FINANCIAL AUDITS	(4) LEVERAGING	
a. Personnel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 1,414.00	\$ 154,008.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 565.00	\$ 61,603.00
c. Travel	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 29,000.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 4,000.00
f. Contract	\$ 372,212.00	\$ 31,536.00	\$ 15,768.00	\$ 0.00	\$ 3,303,615.00
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 34,900.00
i. Total Direct Charges	\$ 372,212.00	\$ 31,536.00	\$ 15,768.00	\$ 1,979.00	\$ 3,587,126.00
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 372,212.00	\$ 31,536.00	\$ 15,768.00	\$ 1,979.00	\$ 3,587,126.00
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

U.S. DEPARTMENT OF ENERGY



BUDGET JUSTIFICATION FOR FORMULA GRANTS

Applicant: West Virginia Development Office
Award number: EE0007958

Budget period: 07/01/2019 - 06/30/2020

1. PERSONNEL - Prime Applicant only (all other participant costs are listed in 6 below and form SF-242A, Section B. Line 6.f. Contracts and Sub-Grants).

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

<u>Position</u>	<u>Description of Duties of Professionals</u>
WVDO Accountant II	Payment and tracking of agency funding request and other bills
WVDO Accounting Tech	Support for accounting staff
WVDO Accounting Auditor IV	Oversee fiscal operations at WVDO
Program Specialist/Field Monitor	Monitoring and T&TA
Program Specialist/Field Monitor	Monitoring and T&TA
Program Specialist/Field Monitor	Monitoring and T&TA
Weatherization Manager	Administer, manage, and coordinate WV Weatherization Assistance Program
Weatherization Assistant Administrator	Assist in management and administration of WAP, includes some monitoring
Weatherization Administrative Assistant	Manage/oversee training and technical assistance activities, assist with leveraging programs
Compliance Manager	Oversee all monitoring activities - Ensure compliance with Federal and State Regulations
WVDO Accountant II	Payment and tracking of agency funding request and other bills
Sustainability Manager	Oversees Sustainability Division of the Community Advancement and Development Office
WVCAD Interim Director	Responsible for the the oversight of the Community Advancement and Development Office
Weatherization Manager - Utilities	Oversees the Utilities Programs
WVDO Accountant II	Payment and tracking of agency funding requests and other bills

Direct Personnel Compensation:

<u>Position</u>	<u>Salary/Rate</u>	<u>Time</u>	<u>Direct Pay</u>
WVDO Accountant II	\$36,530.00	7.5000 % FT	\$2,739.75
WVDO Accounting Tech	\$42,295.00	7.5001 % FT	\$3,172.17
WVDO Accounting Auditor IV	\$64,485.00	7.5001 % FT	\$4,836.44
Program Specialist/Field Monitor	\$37,376.00	50.0001 % FT	\$18,688.04
Program Specialist/Field Monitor	\$44,530.00	50.0001 % FT	\$22,265.04
Program Specialist/Field Monitor	\$54,606.00	50.0001 % FT	\$27,303.05
Weatherization Manager	\$56,530.00	42.5001 % FT	\$24,025.31
Weatherization Assistant Administrator	\$49,926.00	50.0001 % FT	\$24,963.05
Weatherization Administrative Assistant	\$35,000.00	10.0001 % FT	\$3,500.04
Compliance Manager	\$54,030.00	10.0001 % FT	\$5,403.05
WVDO Accountant II	\$38,530.00	7.5001 % FT	\$2,889.79
Sustainability Manager	\$55,541.00	12.5001 % FT	\$6,942.68
WVCAD Interim Director	\$87,370.00	2.5000 % FT	\$2,184.25
Weatherization Manager - Utilities	\$56,530.00	2.5001 % FT	\$1,413.31
WVDO Accountant II	\$49,093.00	7.5001 % FT	\$3,682.02

Direct Pay Total \$154,007.99

2. FRINGE BENEFITS

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

- b. If a. above does not apply, please use this box (or an attachment) to further explain how your total fringe benefits costs were calculated. Your calculations should identify all rates used, along with the base they were applied to (and how the base was derived), and a total for each (along with grand total). If there is an established computation methodology approved for state-wide use, please provide a copy. Also, please fill out the table below with the Fringe Benefits Calculations.

The basis for computation of rates for fringe benefits of State employees includes federal and state regulations, personnel policies, and past experience. Fringe benefits to be paid from this grant include:
 Social Security match - FICA @ 7.65% of the gross salary as per federal regulation
 Workers compensation - calculated at .64% of gross salary
 Unemployment compensation - calculated at 1.21% of gross salary
 Health insurance - depends on salary, type of coverage (single or family), optional life, and choice of plan, as per personnel policies and state options - calculated at 16% of gross salary
 State Retirement fund - calculated at 14.5% of gross salary
 We are using 40% for budgeting purposes in this grant year, based on average fringe benefit costs from the previous grant year.

Fringe Benefits Calculations

<u>Position</u>	<u>Direct Pay</u>	<u>Rate</u>	<u>Benefits</u>
WVDO Accountant II	\$2,739.75	40.0000 %	\$1,095.90
WVDO Accounting Tech	\$3,172.17	40.0000 %	\$1,268.87
WVDO Accounting Auditor IV	\$4,836.44	40.0000 %	\$1,934.58
Program Specialist/Field Monitor	\$18,688.04	40.0000 %	\$7,475.22
Program Specialist/Field Monitor	\$22,265.04	40.0000 %	\$8,906.02
Program Specialist/Field Monitor	\$27,303.05	40.0000 %	\$10,921.22
Weatherization Manager	\$24,025.31	40.0000 %	\$9,610.12
Weatherization Assistant Administrator	\$24,963.05	40.0000 %	\$9,985.22
Weatherization Administrative Assistant	\$3,500.04	40.0000 %	\$1,400.02
Compliance Manager	\$5,403.05	40.0000 %	\$2,161.22
WVDO Accountant II	\$2,889.79	40.0000 %	\$1,155.92
Sustainability Manager	\$6,942.68	40.0000 %	\$2,777.07
WVCAD Interim Director	\$2,184.25	40.0000 %	\$873.70
Weatherization Manager - Utilities	\$1,413.31	40.0000 %	\$565.32
WVDO Accountant II	\$3,682.02	40.0000 %	\$1,472.81
	Fringe Benefits Total		\$61,603.21

3. TRAVEL

- a. Please provide the purpose of travel, such as professional conference(s), DOE sponsored meeting(s), project management meeting, etc. If there is any foreign travel, please identify.

<u>Purpose of Trip</u>	<u>Number of Trips</u>	<u>Cost Per Trip</u>	<u>Total</u>
WAP Programmatic Monitoring Total Cost: \$10,500 DOE 50% = \$5,250 TTA: \$5,250	11	\$478.00	\$5,258.00

Return Field Monitoring Trips for Follow Up compliance Total Cost: \$1,332 DOE Cost 50% = \$666 (All TTA)	2	\$333.00	\$666.00
WVDO staff travel for WV WAP Strategic Planning Meetings \$2,000 x 50% (DOE cost) = \$1,000 (Admin: \$400 TTA: \$600)	6	\$167.00	\$1,002.00
WVDO staff travel for WV CAP Conference Total Cost: \$1,600 DOE cost 50% = \$848 (All Admin)	1	\$848.00	\$848.00
WVDO staff travel for WV CAP Executive Director WAP Meetings Total Costs: \$1,500 DOE cost 50% = \$750 (All Admin)	4	\$188.00	\$752.00
WAP Fiscal Monitoring Total Cost: \$3,050 All T&TA DOE cost 50% = \$1,525	11	\$139.00	\$1,529.00
Fall & Mid-Winter NASCSP Conference Total Cost: \$18,000 DOE Total Cost: \$9,000 (Admin: \$4,000 TTA: \$5,000)	8	\$1,125.00	\$9,000.00
WVDO staff travel for Technical Development Council Meetings \$1,876 x 50% (DOE cost) = \$938 (All TTA)	9	\$104.00	\$936.00
WAP Field Monitoring Total Cost: \$18,000 DOE cost 50% = \$9,000 (\$307 per trip) All T&TA	33	\$273.00	\$9,009.00
		Travel Total	\$29,000.00

- b. Please provide the basis for estimating the costs, such as past trips, current quotations, Federal Travel Regulations, etc. All listed travel must be necessary for the performance of the award objectives.

Most travel estimates are based on State Travel Policy (per West Virginia Code §12-3-11 effective 7/1/2015 <http://www.state.wv.us/admin/purchase/travel/policy.html>) and past trips of a similar nature.

4. EQUIPMENT - Equipment is generally defined as an item with an acquisition cost greater than \$5,000 and a useful life expectancy of more than one year.

- a. List all proposed equipment below and briefly justify its need as it applies to the objectives of the award.

Equipment	Unit Cost	Number	Total Cost	Justification of Need
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- b. Please provide a basis of cost such as vendor quotes, catalog prices, prior invoices, etc. and justify need. If the Equipment is being proposed as Cost Share and was previously acquired, please provide the source and value of its contribution to the project and logical support for the estimated value shown. If it is new equipment which will retain a useful life upon completion of the project, provide logical support for the estimated value shown. Also, please indicate whether the Equipment is being used for other projects or is 100% dedicated to the DOE project.

5. SUPPLIES - Supplies are generally defined as an item with an acquisition cost of \$5,000 or less and a useful life expectancy of less than one year. Supplies are generally consumed during the project performance.

- a. List all proposed supplies below, the estimated cost, and briefly justify the need for the supplies as they apply to the objectives of the award. Note that all direct costs, including Supply items, may not be duplicative of supply costs included in the indirect pool that is the basis of the indirect rate applied for this project.

General Category	Cost	Justification of Need
Computer Purchases	\$1,500.00	Total cost \$3,000 DOE 50% DOE Cost: \$1,500
General Office Supplies, DOE Share	\$2,500.00	Office supplies for daily use in operating program-paper, ink, pens, clips, binders, tape, etc. Total 12 month cost: \$5,000 (DOE 50%) DOE Cost: \$2,500 Admin: \$500 TTA: \$2,000
Materials and Supplies Total	\$4,000.00	

- b. Please provide a basis of cost for each item listed above and justify need. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Costs are based on previous year's costs.

6. CONTRACTS AND SUBGRANTS - Provide the following information for New proposed subrecipients and subcontractors.

For ongoing subcontractors and subrecipients, this information does not have to be restated here, if it is provided elsewhere in the application; under Name of Proposed Sub, indicate purpose of work and where additional information can be found (i.e weatherization subgrants, Annual File section IV.1).

<u>Name of Proposed Sub</u>	<u>Total Cost</u>	<u>Basis of Cost*</u>
WV WAP Subgrantees	\$3,153,615.00	To provide funds to eleven (11) Community Action Agencies to operate Weatherization Assistance Programs throughout fifty-five (55) counties in West Virginia.
Training Centers/Trainers Costs for Subrecipients - All TBD	\$95,000.00	All costs are estimates - All trainings will go through bidding process Total DOE cost: \$95,000. Additional cost picked up with other funding sources DOE Costs - ALL TTA: HVAC: \$7,000 BPI QCI: \$12,000 BPI EA: \$30,000 Lead Safe: \$4,000 WV State Electrical licenses: \$3,000 ASHRAE: \$3,000 HEP Crew Leader: \$3,000 CEUs (HEP, Healthy Homes, National Conference): \$22,000 Technical Development Council: \$6,000 WV CAP Conference: \$6,000
DBA FACS Pro	\$55,000.00	WAP database management system Total WAP cost: \$55,000 DOE upgrade cost: \$35,000 TTA DOE System Maintenance Fee: \$20,000 TTA
Contracts and Subgrants Total	\$3,303,615.00	

*For example, Competitive, Historical, Quote, Catalog

7. OTHER DIRECT COSTS - Other direct costs are direct cost items required for the project which do not fit clearly into other categories. These direct costs may not be duplicative of costs included in the indirect pool that is the basis of the indirect rate applied for this project. Examples are: conference fees, subscription costs, printing costs, etc.

- a. Please provide a General Description, Cost and Justification of Need.

<u>General Description</u>	<u>Cost</u>	<u>Justification of Need</u>
NASCSP-Wipfli Yearly Membership Fees	\$3,200.00	Association Dues Total Cost: \$3,200 DOE Cost: \$3,200 All Admin
Miscellaneous Costs	\$3,000.00	Miscellaneous items such as bottled water for office water coolers, cell phone/tablet accessories, etc. Total: \$6,000 DOE (50%) Admin: \$1,000 TTA: \$2,000
Advertising and Transcript for Public Hearing	\$1,200.00	Total cost: \$1,200 All Admin
Vehicle Fuel	\$3,000.00	WX Cost: \$6,000 DOE 50%: \$3,000 All TTA
Associations and Professional Memberships	\$1,000.00	Total cost \$1,125 DOE 50% = \$562 All TTA Total WAP Cost: \$1,125 HVAC Contractor License: \$300 HVAC Electrical License: \$150 Single Family Electrical: \$150 EPA Section 608: \$525
Telecommunications	\$5,000.00	Desk phones, cell phones, and conference calls WX share: \$10,000 DOE 50% = \$5,000 Admin: \$2,000 TTA: \$3,000
Commerce Marketing	\$500.00	WVDO WAP Commerce Marketing Fee - WVCAD WAP Website All DOE All Admin

Office Space	\$6,000.00	WX: \$12,000 (WVDO main office, Huntington, office, Parkersburg office, Princeton office) DOE cost \$6,000 Admin: \$3,000 TTA: \$3000
Vehicle Maintenance/Repairs	\$1,000.00	WX share: \$2,000 DOE 50%: \$1,000 All TTA
Computer Networking/OT	\$5,000.00	Computer Networking cost, IT costs, Website costs Total WX cost: \$10,000 Doe 50%: \$5,000 Admin: \$2,000 TTA: \$3,000
WVDO Insurance	\$5,000.00	WX Share = \$10,000 DOE 50% = \$5,000 Admin: \$2,000 TTA: \$3,000
Field Equipment Maintenance and Repair	\$1,000.00	Total WX cost: \$2,000 DOE 50%: \$1,000 All TTA
Other Direct Costs Total	\$34,900.00	

- b. Please provide a basis of cost for each item listed above. Examples include vendor quotes, prior purchases of similar or like items, published price list, etc.

Rental and dues costs are based on agreements. Other costs are estimates based on prior similar expenditures or recent estimates

All costs included in Other Direct Costs are properly segregated from indirect costs to ensure there are not duplicate charges.

All costs proposed are only being used in support of the WAP program.

8. INDIRECT COSTS

- a. Are the indirect cost rates approved by a Federal agency? If so, identify the agency and date of latest rate agreement or audit and provide a copy of the rate agreement.
- b. If the above does not apply, indicate the basis for computation of rates, including the types of benefits to be provided, the rate(s) used, and the cost base for each rate. You may provide the information below or provide the calculations separately.

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

Name:

Phone Number:

West Virginia Development Office
Cost Allocation Plan
March 2019

The West Virginia Development Office (WVDO) allocates all costs, including Administrative costs, as direct costs through the use of multiple codes in the wvOASIS financial system. Generally that allocation is made at the time of payment, particularly if the expenditure was made for a direct program purpose. Costs that are clearly Administrative, and/or combined program and administrative, will be allocated at the time of payment whenever possible. Direct weatherization program costs are generally split between the Weatherization Assistance Program (WAP) and Low-Income Home Energy Assistance Program (LIHEAP) based on the program funding available from each source.

Payroll

With the exception of funds passed through to sub-grantees, payroll cost (salaries and benefits) are WVDO's greatest expenses. WVDO's payroll is handled by the Department of Commerce, of which WVDO is one division. Payroll costs are originally paid based on budgeted time, but are adjusted monthly to reflect actual, as worked, time for those staff who split work on multiple programs or whose time is shared between direct program and agency-wide tasks.

A majority of WVDO staff work on a single program and are paid directly from that program funding. Some employees routinely divide their time between multiple programs, including Weatherization, and may also handle some administrative tasks. WVDO also recognizes an Administrative Pool which includes the agency's deputy director, sustainability manager, chief financial officer, accountants, and accounting tech.

All WVDO staff complete a monthly timesheet for the Department of Commerce, which records time worked, leave earned, and leave taken. The employees whose time is divided between multiple programs and/or direct and agency-wide tasks also complete a monthly time and effort report to record actual time worked on each program. This time and effort report is the basis for after-the-fact, "as worked," payroll adjustments.

The WAP does not have sufficient administrative funding to bear that full administrative cost, even shared with the LIHEAP program, so WVDO has chosen to use Community Service Block Grant (CSBG) administrative and General Revenue funds to support the WAP as needed.

Travel Costs

In most cases, travel has a direct programmatic purpose and is allocated at the time of payment. Some administrative staff travel/training is for the benefit of the entire agency and will be allocated to multiple funding sources based on the percentage of direct costs (# of direct program employees who attended training) charged to each program.

Contracts

Contracted services are allocated to programs based on the benefit to the program. A primary annual contract is for the DBA FACS Pro database. The yearly maintenance is shared between Weatherization and CSBG. Program changes and upgrades are paid by the program requesting the change/upgrade. The Homelessness programs do not use DBA FACS Pro.

Other Costs (Direct and Administrative)

All costs are analyzed to determine if they are direct, administrative or a combination of both. Direct program costs, and the identifiably direct share of common costs, are allocated to the appropriate program. Administrative costs directly related to programs are charged to the respective program. The administrative share of common costs are generally allocated based on the percentage of direct costs (# of direct program employees involved) charged to each program.

Rent

Rental costs are allocated based both on office size and who is using the space. At the Charleston office, square footage has been determined for each individual office to calculate the direct programmatic cost based on who occupies what space. Common space cost is allocated by the percentage of direct and administrative square footage in the office. The cost of space used by administrative staff and their share of common space costs are allocated based on the percentage of direct program square footage.

Telecommunications

Basic office telephone costs are allocated as described under Other Costs. Conference calls are almost always identifiable to a particular program and are allocated directly. Cell phones costs are identified with the person using the phone and are allocated as direct or administrative, with the administrative costs allocated as described above in Other Costs.

**WEST VIRGINIA
WEATHERIZATION ASSISTANCE PROGRAM**

2019 – 2020 STATE PLAN

ATTACHMENTS

**WEST VIRGINIA
WEATHERIZATION ASSISTANCE PROGRAM**

2019 – 2020 STATE PLAN

V.7 HEALTH & SAFETY

1.0 – GENERAL INFORMATION

The primary goal for the WV WAP is to implement cost-effective weatherization procedures to conserve energy and to assess and correct related health and safety hazards for the well-being of clients, their dwellings, and weatherization personnel.

With more advanced diagnostics and installation techniques utilized in the WV WAP, it is increasingly necessary to take steps to ensure that program measures do not cause or exacerbate health and safety problems for workers or clients.

Each home weatherized must be individually assessed to determine the existence of potential hazards to weatherization personnel or clients. When conditions within the home are such that the health and safety of the client, crew, or subcontractor will be jeopardized prior to providing assistance, weatherization must not proceed until such problems are remedied. In some cases, mitigation of problems may be beyond the scope of the Weatherization program. In these instances, the client must be notified in writing and referred to alternative resources for resolution of the problem.

In those instances where the existing conditions are perceived to pose a threat to the client, crew or contractor's health and safety, the WV WAP allows for deferral of weatherization work until the identified condition is made acceptable. The WV WAP Deferral Policy is described in *Section V.1.2 Approach to Determining Building Eligibility*.

2.0 – BUDGETING

The WV WAP will budget Health and Safety in a separate category and thereby exclude such costs from the average unit cost calculations. This separate category will also allow these costs to be isolated from energy efficiency costs in program evaluation.

3.0 – HEALTH AND SAFETY EXPENDITURE LIMITS

For the 2019 – 2020 Program Year, the West Virginia WAP would request to utilize up to **15 percent (15%)** of our 2019 – 2020 Program Operation funds for Health and Safety Expenditures. WV WAP uses its data management system to implement a limit on Health and Safety costs charged to DOE on a per job basis. Any Health and Safety costs over 15 percent (15%) will be charged to Low-Income Home Energy Assistance Program (LIHEAP) funding, as approved from the West Virginia Department of Health and Human Resources (DHHR), the LIHEAP Grantee.

Health and Safety costs are recorded in the data management system and tracked separately at the subrecipient level for accounting purposes, as well as in the Weatherization Assistant auditing software and reported as a separate line item on the WV WAP “Monthly Progress Report.” A list of materials that are allowable charges to Health and Safety has been developed and distributed. (See *WV WAP Materials Chart Attachment*). Subrecipients cannot add additional materials to this list. In this way, WVDO can monitor the Health and Safety costs on

each job. The Health and Safety costs reported on the WV WAP “Monthly Progress Report” are reviewed monthly and WVDO works with the subrecipients to bring them into or remain in compliance. WVDO also tracks the Health and Safety costs in the statistical analysis tool and other various spreadsheets as discussed in *Section V.6 Weatherization Analysis of Effectiveness*.

WVDO has worked with the utility companies and scopes of work have been adjusted so that the WV WAP can use certain utility funding to cover particular Health and Safety costs (specified in the Scopes of Work/Program Designs of the utility program), to lessen the burden on the DOE funds. At this time, not all utility partnerships allow for Health and Safety costs in their programs, but WVDO will continue to pursue this option in the future.

4.0 – INCIDENTAL REPAIR MEASURES

Incidental Repairs means those repairs necessary for the effective performance or preservation of weatherization materials. Such repairs include, but are not limited to, minor roof repair, framing or repairing windows and doors which could not otherwise be caulked or weather-stripped, and providing protective materials, such as paint, used to seal materials installed under this program. Incidental repairs must be justified in the client file with an explanation for their need and relationship to a specific energy conservation measure (ECM) and included in the Savings-to-Investment Ratio (SIR) of the group of ECMs. The WV WAP has developed a spreadsheet identifying allowable measures to be installed under Health and Safety and allowable measures to be installed as incidental repairs. (See *WV WAP Materials Chart Attachment*)

5.0 – DEFERRAL/REFERRAL POLICY

The WV WAP developed and implemented a WV WAP *Deferral Policy* on August 21, 2012, to assist in the decision to defer weatherization assistance on an eligible dwelling in attempt to standardize the procedure throughout West Virginia. As per the policy, a deferral does not mean that weatherization assistance will never be available, but that work must be postponed until the problems at the home can be resolved. Subrecipient crews and contractors are expected to pursue all reasonable options on behalf of the client, within program guidelines. After an on-site visit has been conducted, if conditions warrant and the subrecipient determines that the home meets one (1) or more of the following deferral conditions, a letter must be sent to the client outlining the conditions present at the dwelling and the justification for deferral. The reason for deferral must be selected and documented in the database management system and the database management system automatically generates the deferral letter with the proper justification to be submitted to the client.

Possible deferral conditions include but may not be limited to the following:

- a. Structurally unsound dwelling that is not suitable and adaptable to weatherization services, and the WAP does not have the resources to do necessary repairs;

- b. Electrical or plumbing hazards that cannot be resolved prior to or as part of weatherization services;
- c. The presence of raw sewage around or in any part of the dwelling;
- d. The presence of a dead animal, or animal feces, in an area where program staff must install weatherization measures;
- e. Excessive debris and clutter in and around the dwelling that limits access to the dwelling and areas within the dwelling:
 - Clutter Image Rating: Living Room - Dwelling deferred with a rating of 4 or Greater
 - Clutter Image Rating: Bedroom - Dwelling deferred with a rating of 4 or Greater
 - Clutter Image Rating: Kitchen - Dwelling deferred with a rating of 4 or Greater
- f. Pets unchained or running loose that would be distracting or unsafe to program staff;
- g. The client is uncooperative, abusive, or threatening to the crew, or there is an apparent threat of violence or abuse to any program worker, or any household member, during the weatherization process;
- h. The presence or use of any controlled substance in the dwelling during the weatherization process;
- i. Environmental hazards, such as serious moisture problem, known excessive radon, friable asbestos, excessive lead paint, or other environmental hazards that cannot be resolved prior to or as part of the weatherization services;
- j. Evidence of substantial infestation of rodents, insects, bats, or other harmful/objectionable animals that are difficult to control;
- k. Major remodeling is in progress, limiting the proper installation of weatherization measures;
- l. Substantial standing water in or around the crawl space or basement area limiting the proper completion of weatherization measures;
- m. Dwelling resident has a medical condition that prohibits the installation of insulation and/or other weatherization measures;
- n. No cost-effective or appropriate health and safety measures can be done to the house resulting in minimal energy savings;
- o. Customer in arrears with utility vendor, gas service has been shut off, or electric service has been shut off;

- p. Client refusal of primary energy conservation measure (SIR \geq 2);
- q. Client refusal of health and safety measure(s) necessary for client safety;
- r. Income verification needed;
- s. Updated utility information needed; and
- t. Other conditions not listed above that prohibit complete weatherization.

There are several steps detailed in the WV WAP *Deferral Policy* outlining the subrecipient and/or client's responsibilities after the aforementioned deferral letter is generated in order to possibly complete weatherization for a client that was originally deferred. These steps involve allowing the client to correct the identified issues or barriers to weatherization and providing the subrecipient with documentation that issues have been addressed. There is also a procedure in place in the event that issues are not addressed, or no response is received from the client. Once reasons for deferral are resolved, the application is re-activated within the data management system. Depending on the timing of the correction of deferral issues, eligibility criteria including income verification and prioritization status may need refreshed. The WV WAP Deferral Policy outlines the timing parameters in more detail. All applicable steps must be followed and all required documentation retained.

6.0 – HAZARD IDENTIFICATION AND NOTIFICATION FORM(S)

Forms for Hazard Identification and notification can be found on the WVCAD website here;

[HTTP://WVCAD.ORG/SUSTAINABILITY/WEATHERIZATION-ASSISTANCE-PROGRAM](http://wvcad.org/sustainability/weatherization-assistance-program)

7.0 – HEALTH AND SAFETY CATEGORIES

7.1 – AIR CONDITIONING AND HEATING SYSTEMS

Air Conditioning - Research indicates that of all people who die of heat stroke, about 80 percent (80%) are age 50 or older. Deaths attributed to lung disease, diabetes and hypertension increase more than 50 percent (50%) during heat waves. Heat stroke occurs 12 to 13 times more frequently in people age 65 and older than in younger persons. It is also an accepted medical fact that infants and children up to 4 years of age are very sensitive to the effects of high temperatures and rely on others to regulate their environment.

Considering preventable deaths may illuminate the need for allowing air conditioning measures. While there are no statistics devoted specifically to that category in West Virginia, the next two (2) paragraphs are devoted to understanding the health risks in our state that relate to the statements above.

According to the Centers for Disease Control and Prevention (CDC) National Center for Health Statistics, in 2015 there were 1,628 deaths in West Virginia due to Chronic Lower Respiratory Disease. 1,079 West Virginians died from stroke, and 784 people in West Virginia died from diabetes. The CDC reports that in 2014, 12.0 percent (12.0%) of adult West Virginians were diagnosed with non-pregnancy related diabetes.

While hypertension is the most prevalent cause of stroke and kidney failure, hypertension must be recognized as part of a bigger disease conglomerate almost always accompanied by obesity, diabetes, kidney disease or many other co-existing problems involving lifestyle and/or genetics. The West Virginia Department of Health & Human Resources Division of Health Promotion and Chronic Disease 2013 report shows over 40 percent (40%) of West Virginia adults have been told by a health care professional that they have hypertension which was ranked second highest nationally at that time. The same report goes on to state that more than 40 percent (40%) who had their cholesterol checked were told they had high cholesterol. This is of 78.7% that had the cholesterol checked in the past five years (50.76%), which puts them at greater risk for developing heart disease and stroke.

Air conditioning is the number one (1) protective factor against heat-related illness and death effecting people with health issues such as those stated above. **Therefore, air conditioning system replacement, repair or installation is allowed to be categorized as Health and Safety in homes with occupants under 4 years old, over 65 years old and/or where there are "at-risk" occupants.** Air conditioning system replacement, repair or installation must be attempted through cost justification as an ECM first before using Health and Safety funding. Where this measure can be justified by the approved NEAT/MHEA audit, replacement, repair or installation is not to be included in Health and Safety. New replacement units must be ENERGY STAR rated and have an efficiency rating of at least:

- Central AC or Heat Pump Cooling Efficiency = 13 SEER
- Heat Pump Heating Efficiency = 7.7 HSPF
- Window and wall mount air conditioners = 10 EER

Heating Systems - Heating system repair, replacement, or installation is allowed of red-tagged, inoperable, or nonexistent heating systems where climate conditions warrant. Repair and replacement of inoperable or unsafe combustion appliances is allowed, including the installation of direct vent-sealed combustion appliances. Direct vent-sealed combustion appliances may be installed to resolve Combustion Appliance Zone (CAZ) problems. Repair and cleaning must

be considered before replacement. Correction of venting is allowed when testing indicates a problem.

7.2 - ASBESTOS – ALL

7.2A – ASBESTOS - IN SIDING, WALLS, CEILINGS, ETC.

Removal of siding is allowed when performing energy conservation measures. All precautions must be taken to not damage siding. Asbestos siding should never be cut or drilled. It is recommended where possible to insulate through home interior. The client will be informed that suspected asbestos siding is present and what precautions will be taken.

7.2B – ASBESTOS - IN VERMICULITE

When vermiculite insulation is found in an attic, unless testing proves otherwise, take precautionary measures as if the vermiculite contains asbestos. Encapsulation by an appropriately trained asbestos control professional is allowed. Removal is not permitted. Blower door testing should be done with pressurization rather than depressurization.

Assess whether vermiculite is present. Asbestos Hazard Emergency Response Act of 1986 (AHERA) certified prescriptive sampling is allowed by a certified tester.

Clients should be instructed not to disturb suspected asbestos containing material.

7.2C – ASBESTOS - ON PIPES, FURNACES, OTHER SMALL COVERED SURFACES

Subrecipients will assume asbestos is present in covering materials. Encapsulation is allowed by an AHERA asbestos control professional and should be conducted prior to blower door testing. Removal may be allowed by an AHERA asbestos control professional on a case-by-case basis. AHERA testing is allowed by a certified tester. Clients should be instructed not to disturb suspected asbestos containing material.

7.2D – BLOWER DOOR TESTING IN DWELLINGS WITH SUSPECTED ASBESTOS CONTAINING MATERIALS (ACM)

Where the presence of asbestos or other potentially hazardous material is known or suspected, all **relevant state and federal (EPA) guidelines must be followed to ensure worker and occupant safety**. Blower door depressurization tests may not be performed in homes ***where there is a risk of asbestos becoming airborne and being drawn into the dwelling***. Respirators with filter cartridges must be worn when working in areas where exposure to airborne particulates is a risk.

Although Building Performance Institute standards (BPI Technical Standards for the Building Analyst Professional v1/4/12mda.) do not specifically prohibit pressurization, the emphasis is on the risk of asbestos becoming airborne. Blower door activities in the presence of damaged ACM (friable asbestos) pose a risk of causing the fibers to become airborne. Proper precautions should be taken to avoid risk of causing asbestos particles to become airborne, this is it recommended that no blower door testing take place where friable asbestos is present.

Once the ACM is properly repaired, sealed or removed by a properly licensed and qualified professional, then blower door testing may proceed.

7.5 – BIOLOGICALS AND UNSANITARY CONDITIONS

The detection and remediation of mold, odors, viruses, bacteria, unsanitary conditions, and rotting wood is often beyond the scope of the Weatherization Assistance Program and may be a reason for deferral. Since workers often encounter these conditions, they try to remedy the situation if possible and take precaution to not exacerbate any potential problem. Factors such as cleaning agents, paints and turpentine, gasoline, sewage, animal waste, and excessive dust can sometimes be addressed to allow weatherization work to occur. Auditors will inform the client of observed conditions.

7.6 – BUILDING STRUCTURE AND ROOFING

WV WAP crews often encounter homes in poor structural condition. In some cases, WAP services must be deferred until the dwelling is made safe and able to weatherize. When possible, subrecipients can coordinate their efforts with other programs to enable and enhance services. Homes with conditions that require more than incidental repair should be deferred unless repairs can be made with non-DOE funds.

The auditor will perform a visual inspection to ensure that access to areas necessary for weatherization are safe for entry and performance of assessment, work, and inspection. The client will be notified of structurally compromised areas.

7.7 – CODE COMPLIANCE

The correction of pre-existing code compliance issues is not an allowable cost other than where weatherization measures are being conducted.

As per DOE WPN 17-07:

“Correction of pre-existing code compliance issues is not an allowable cost other than where weatherization measures are being conducted.

State and local (or jurisdiction having authority) codes must be followed while installing weatherization measures. Condemned properties and properties where “red tagged” Health and Safety conditions exist that cannot be corrected under this guidance should be deferred.” Testing required: “Visual inspection. Local code enforcement inspections”, the subrecipient personnel should also “Inform client of observed code compliance issues” according to the guidance.

7.8 – COMBUSTION GASES

Proper venting to the outside for combustion appliances, including gas dryers is required. Correction of venting is allowed when testing indicates a problem.

Subrecipients will be required to conduct combustion safety testing when combustion appliances are present. The subrecipient must also upload pre and post draft/combustion tapes to the client file in DBA FACS Pro.

Subrecipients will conduct inspection and testing of Combustion Appliance Zones (CAZ) and confirm adequate clearances and test naturally drafting appliances for draft and spillage under worst case conditions before and after air tightening and inspect gas cooking appliances for safe operability.

Subrecipients will provide the client with combustion Safety and Hazards information, including the importance of using exhaust ventilation when cooking and the importance of keeping burners clean to limit the production of Carbon Monoxide (CO).

- **Appliances and Water Heaters** - Poorly functioning water heaters that may pose a health concern may be replaced on a case-by-case basis. Installation of one (1) water heater per dwelling is allowed. Repair, replacement and installation of moisture control appliances, such as dehumidifiers, condensate pumps and sump pumps are allowable on a case-by-case basis. Documentation must be maintained to justify replacement of water heaters and moisture control appliances. Replacement and installation of other appliances for health and safety reasons is not allowed. Repair and cleaning for other appliances is allowed.

7.9 – ELECTRICAL

Electrical - Other than Knob-and Tube Wiring - Minor electrical repairs are allowed where health and safety of the occupant is at risk. Upgrades and repairs are allowed when necessary to perform specific weatherization measures.

Auditors will perform a visual inspection. Voltage drop and voltage detection testing are allowed.

Electrical – Knob-and Tube Wiring - Minor upgrades and repairs necessary for weatherization measures and where the health or safety of the occupant is at risk are allowed.

Where live knob-and-tube wiring exists, the following conditions must be met in order to install attic insulation:

- Wiring insulation must be intact and complete with no exposed areas and connections.
- S-type fuses that match the size of the wiring must be installed if they do not already exist. Any modification of the electrical panel must have prior written permission from the client. The subrecipient may wish to contract with a licensed electrician where questionable safety conditions exist.
- When installing cellulose or fiberglass, there must be a minimum of 1” clearance from the wiring. Precaution must be taken to prevent the possible drifting of the product, which could result in contact with the wiring.

The presence of knob-and-tube wiring, overloaded circuits, live bare wires, asbestos siding, or untreatable moisture in the wall cavities will be allowable reasons for not insulating exterior walls. If the problems can be corrected within reasonable means, the walls may be insulated.

7.10 – FORMALDEHYDE, VOLATILE ORGANIC COMPOUNDS (VOCs), FLAMMABLE LIQUIDS, AND OTHER AIR POLLUTANTS

Crew awareness of potential problems with formaldehyde and volatile organic compounds is important when addressing air sealing. Crews are instructed to remove any VOCs when possible and to give client education regarding the potential dangers. If removal cannot be performed or is not allowed by the client, the unit must be deferred.

7.11 – FUEL LEAKS

Auditors will inspect and test for gas or oil leakage at connections of natural gas, propane piping, or oil systems. If leaks are found, immediate action will be taken to notify occupant to help ensure leaks are repaired. If the Auditor determines an immediate need for repair, he will notify the client and the proper personnel in order to remedy the leaks. Leaks will be documented and become a part of the Audit report. The report will specify repair for leaks and replacement for hazardous or damaged gas or oil connectors and pipes. Severe natural gas and LP gas leaks, procedures defined in NFPA National Fuel Gas Code Appendix E. Oil leaks will be repaired by qualified personnel.

NFPA National Fuel Gas Code Appendix E Emergency Procedures:

Where an investigation discloses a concentration of gas inside of a building, it is suggested the following immediate actions should be taken:

1. Clear the room, building or area of all occupants. Do not reenter the area until it has been determined to be safe.
2. Use every practical means to eliminate sources of ignition. This includes, but is not limited to: matches, lighters, operating electrical switches or devices, opening furnace or other appliance doors and operating telephones.
3. If possible, cut off all electric circuits at a remote source to eliminate operation of automatic switches in the danger area. Safety flashlights designed for use in hazardous atmospheres are recommended for use in such emergencies.
4. Notify all personnel in the area and the gas supplier from a remote telephone away from the leak.
5. Ventilate the affected portion of the building by opening windows and doors.
6. Shut off the supply of gas to the areas involved.
7. Investigate other buildings in the immediate area to determine if there is escaping gas.

7.12 – GAS OVENS / STOVETOPS / RANGES

Subrecipients or contractors will follow the BPI Technical Standards (ANSI/BPI - 1200-S-2017 (7.10)) when addressing gas/propane ovens.

Range tops and ovens produce moisture and oxides of nitrogen. Excess moisture is not good for the durability of the home (possibly contributing to mold problems) and NOX is not healthy. These combustion appliances are capable of producing CO, which is a health hazard. In all cases a carbon monoxide detector is recommended and homeowners should use exhaust ventilation when using these appliances. New appliances may require an extended warm up period to reach steady state.

1. Remove any items/foil in or on oven.
2. Make sure self-cleaning features are not activated, set oven to highest setting.
3. Test oven for CO in the flue, before dilution air.
4. After 5 minutes of operation, check for steady state:
 - **Level I Action - 100 ppm to 300 ppm** as measured you must install a carbon monoxide detector and recommendation for service must be made to the consumer.

- **Level II Action - Greater than 300 ppm** as measured - the unit must be serviced prior to work. If greater than 300 ppm after servicing, exhaust ventilation must be provided with a capacity of 25 CFM continuous or 100 CFM intermittent.

***Continually monitor ambient CO levels during test.**

Since all gas cooktops generate CO and it is difficult to simulate an actual operating condition for these appliances during the course of a typical house inspection, specific action levels for these burners are not specified by BPI. However, technicians must specify appropriate measures to mitigate potentially dangerous CO production of these units. ASHRAE exposure limits for CO shall be referenced when making recommendations for CO control in these areas. The recommended ASHRAE limit for 24-hour exposure of 9 ppm shall be applied to building occupants. In most cases, it will not be possible to effectively test for this condition, however the following measures shall be recommended whenever gas cooktops exist in the home:

- If burners do not ignite properly or do not burn cleanly, a clean and tune of the appliance shall be recommended.
- If the appliance is located in a confined space and mechanical ventilation is not readily available, mechanical ventilation shall be recommended.

Ventilation provided for unvented gas ovens must provide a minimum capacity of 25 cfm continuous airflow or 100 cfm intermittent.

7.13 – HAZARDOUS MATERIALS DISPOSAL

[LEAD, REFRIGERANT, ASBESTOS, MERCURY (INCLUDING CFLs/FLUORESCENTS), ETC.]

Subrecipients or contractors will establish a program of regulation for the disposal of hazardous materials and waste in accordance with local, state, (Hazardous Waste Management Act - Chapter 22 Article 18.) and federal standards (CFR title 40 CFR 260-273).

7.14 – INJURY PREVENTION OF OCCUPANTS AND WEATHERIZATION WORKERS

Minor repairs may be done when weatherizing a home in order to prevent injury to weatherization workers and to occupants. These repairs may only be done to the extent of ensuring safety.

7.15 – LEAD BASED PAINT

Subrecipients or contractors will follow EPA's Lead; Renovation, Repair and Painting Program (RRP) which includes becoming a certified lead renovation firm. In addition to RRP, weatherization requires all weatherization crews working in pre-1978 housing to be trained in Lead Safe Weatherization (LSW). Deferral is required when the extent and condition of lead-based paint in the house would potentially create further Health and Safety hazards.

Testing is allowed. Job site setup and cleaning verification is required by a Certified Renovator.

Each subrecipient or contractor must give notification to the occupants of homes to be weatherized regarding the potential hazards of lead paint and lead paint dust if the home was built prior to 1978. The EPA's publication "Renovate Right: Important Lead Hazard Information for Families, Child Care Providers and Schools" must be given to an adult occupant of the affected home prior to beginning weatherization. For occupied homes, the weatherization staff, crew, or contractor must have an adult tenant or homeowner sign an acknowledgement after receiving the pamphlet. As an alternative to delivery in person, the subrecipient or contractor may mail the lead hazard information pamphlet to the owner and/or tenant. The pamphlet must be mailed at least seven (7) days before renovation. Mailing must be documented by a certificate of mailing from the post office.

WVDO developed and implemented a *Lead Safe Work Policy* on July 27, 2012, including standardized forms and processes to supplement information available from DOE and the EPA (This policy was amended August 16, 2013). The policy provides additional information and guidance on LSW, proper practices, and documentation requirements.

LSW includes weatherization worker protection, general LSW practice standards, and lead dust containment standards.

1. Level 1 Containment:

- a. Level 1 containment is required in pre-1978 homes when less than 6'2" of interior painted surface per room or 20'2" of exterior painted surface will be disturbed.
- b. Level 1 containment consists of methods that prevent dust generation and contains all debris generated during the work process. The containment establishes the work area which must be kept secure.
- c. Measures that may fall within this guideline include:
 - i. Installing or replacing a thermostat
 - ii. Drilling and patching test holes
 - iii. Replacing HEPA filters and cleaning HEPA vacuums
 - iv. Changing furnace filter(s)
 - v. Removing caulk or window putty (interior)
 - vi. Removing caulk or window putty (exterior)
 - vii. Removing weather-stripping

2. Level 2 Containment:
 - a. Level 2 containment is required when weatherization activities will disturb more than 6'2" of interior surface per room or 20'2" of exterior surfaces in homes built prior to 1978. Level 2 containment consists of methods that define a work area that will not allow any dust or debris from the work area to spread. Level 2 containment requires the covering of all horizontal surfaces, constructing barrier walls, sealing doorways, covering HVAC registers with approved materials, and closing windows to prevent the spread of dust and debris.
 - b. Measures requiring Level 2 containment may include:
 - i. Drilling holes in interior walls
 - ii. Drilling holes in exterior walls, removing painted siding
 - iii. Cutting attic access into ceiling or knee walls
 - iv. Plane a door in place
 - v. Replacing door jambs and thresholds
 - vi. Replacing windows or doors
 - vii. Furnace replacements
 - c. Additionally, Level 2 containment must ALWAYS be used where any of the following is conducted (even if the activities will disturb less than the hazard levels within the Level 1 category):
 - i. Window replacement
 - ii. Demolition of painted surface areas
 - iii. Using any of the following: Open-flame burning or torching; machines to remove paint through high-speed operation without HEPA exhaust control; or operating a heat gun at temperatures at or above 1,100 degrees Fahrenheit.
Note: The use of a drill, reciprocating saw, or other power tool is considered a "machine" for removing paint. Examples include: Cutting a hatch inside the dwelling or interior drilling of holes for the installation of insulation require Level 2 containment.
3. There must be adequate documentation in the client file to demonstrate that LSW measures were performed when necessary. Documentation should include photos of the site and containment set up, as well as a listing of materials used and measures taken. Quality Control Inspector must also certify that LSW procedures were used and properly implemented.

4. WV WAP will adhere to EPA lead safe rules as written in the *Lead; Renovation, Repair, and Painting Program Final Rule* (LRRPP Final Rule), as directed by DOE.
5. Weatherization of HUD program housing stock, including HUD Section 8, is infrequent in West Virginia. These units will only be weatherized if the owner provides a "Certificate of Lead-Based Paint Compliance" (copy must be in client file) that documents abatement or control of any lead paint hazard has been addressed and will agree that the local subrecipient will not be liable for any lead hazards, provided the safe work practices generally outlined above are employed.
6. In cases where the subrecipient cannot safely weatherize a home due to lead paint hazards, the subrecipient may defer the work. Such deferral will be considered by WVDO on a case-by-case basis. Subrecipients may not weatherize dwellings where there are cases of documented or suspected lead poisoning. Additionally, subrecipients will not weatherize homes where there is an extraordinary lead paint hazard with no means to abate the hazard, including insufficient funds or insufficient training to properly address the hazard.

7.16 – MOLD AND MOISTURE

The Weatherization Assistance Program is not a mold remediation program. The use of DOE funds for the removal of mold and other related biological substances is not an allowable weatherization expense. Mold testing is not an allowable cost. If necessary, Weatherization Assistance Program services may need to be deferred until the existing mold problem can be corrected or referred to another program for funding of remedial action.

All homes will be inspected for previous and existing moisture problems using the WV WAP "Mold and Moisture Assessment Findings Form" to document existing mold and moisture related problems in homes.

Moisture, mold, and mildew can seriously affect the health and safety of the client and crew. Steps must be taken to alleviate moisture problems. The WV WAP will ensure that regular weatherization work is performed in a manner that does not contribute to the increase of any mold problems, and when the work is performed properly, can alleviate many mold conditions.

- **Drainage** - Auditors will conduct a visual inspection. Major drainage issues are beyond the scope of the Weatherization Assistance Program. Homes with conditions that may create a serious health concern that require more than simple repair should be deferred.

7.17 – PESTS

- Pest removal is cause for deferral unless other funds are available, or the cost is considered when running NEAT or MHEA. Screening of windows and points of access is allowed to prevent pest intrusion.
- Auditors will assess the presence and degree of infestation and risk to workers.
- Auditors will inform clients of the observed condition and associated risks.

7.18 – RADON

- In zones 1 & 2 according to the EPA's *Map of Radon Zones*, each dwelling must receive a copy of the EPA's *A Citizen's Guide to Radon* and be informed of the related risks. Additionally, each client must sign the Radon Informed Consent form prior to receiving weatherization services. This form must be retained in the customer's file.
- Whenever conditions permit, exposed dirt must be covered with a vapor permeable ground cover.
- In dwellings where radon may be present, precautions should be taken to reduce the likeliness of making radon concentrations higher. Precautions may include general weatherization procedures, e.g., sealing foundation penetrations, covering open sump pits, isolating the basement from the conditioned space, and ensuring crawl space venting is in place or installed, etc.
- Radon mitigation is not an allowable Health & Safety cost
- Radon abatement is not an allowable activity with DOE funds; major radon problems are deferred and referred to the appropriate local environmental agency.

7.19 – SAFETY DEVICES: SMOKE AND CARBON MONOXIDE ALARMS, FIRE EXTINGUISHERS

If smoke alarms are inoperable or non-existent, at least one (1) alarm must be installed in each weatherized dwelling on each floor. Follow the manufacturer's recommendations for locating and installing the alarm(s). If existing hard-wired smoke alarms are inoperable or broken, they must be replaced with comparable units. Replacement of operative smoke alarms is not an allowable expense. Typically, alarms are installed where the clients spend the most time, such as near bedrooms.

An approved CO alarm will be installed in all homes where functional CO detector/warning equipment does not already exist. CO detectors will comply with UL 2075. Single-station CO alarms will comply with UL 2034 and will be installed in accordance with local code and the manufacturer's installation instructions. If an entire multi-family building is to receive weatherization services, a CO alarm should be installed in each unit of the complex.

Providing fire extinguishers is allowable only when solid fuel is present. Subrecipient will provide the client with verbal and written information on use of smoke/CO detectors and fire extinguishers where allowed.

7.20 – OCCUPANT HEALTH AND SAFETY CONCERNS AND CONDITIONS

WV WAP subrecipients are required to take all reasonable precautions against performing work on dwellings that will subject clients to health and safety risks. Before beginning work on the dwelling, the subrecipient must take into consideration the health concerns of each occupant, the condition of the dwelling, and the possible effect of work to be performed on any particular health or medical condition of the occupants. When a person's health is fragile and/or the work activities would constitute a health or safety hazard, the occupants at risk will be required to leave the home during these work activities.

When a person's health may be at risk and/or the work activities could constitute a health or safety hazard, the occupant at risk will be required to take appropriate action as previously identified, based on severity of risk. Temporary relocation of at-risk occupants may be allowed on a case by case basis. Failure or the inability to take appropriate actions must result in deferral.

Procedure for Identifying Occupant Health Concerns

- When a person's health may be at risk and/or the work activities could constitute a Health and Safety hazard, the occupant at risk will be required to take appropriate action based on the severity of the risk.
- The at-risk occupant should reveal they have known or suspected health concerns during the initial application for weatherization services.
- The at-risk occupant should be provided with known risks of the weatherization process.
- Subrecipient contact information should be provided to the occupant so that the occupant can easily provide information about health issues or concerns.
- Failure or the inability to take appropriate actions must result in deferral of the weatherization work.

Documentation for identifying occupant health concerns will include:

- Client's name and address;
- Dates of the audit/assessment and when the client was informed of a potential; health and safety issue;
- Clear description of the problem;
- Statement indicating if, or when weatherization could continue; and
- Client(s) signature(s) indicating that they understand and have been informed of their rights and options.

7.21 – VENTILATION AND INDOOR AIR QUALITY

A complete review of the current version of ASHRAE minimum ventilation standards was completed including effective methods for full compliance to ASHRAE 62.2-2016. Training will occur throughout the Program Year.

Weatherization trained personnel will calculate the ventilation requirements for each home utilizing the current ASHRAE spreadsheet or Residential Energy Dynamics (RED) online tool to ensure adequate indoor air quality. Continuous and/or intermittent ventilation fans will be installed based upon spreadsheet calculations. The ASHRAE 62.2-2016 standard was released in 2016 and implemented by the WV WAP for Program Year 2017 – 2018. WVDO weatherization specialist field/technical monitors will monitor to this standard for PY 2019 – 2020.

For homes that require added ventilation, subrecipients must implement a ventilation strategy that meets the requirements of the current ASHRAE standards. Subrecipients are required to evaluate any pre-existing mold and moisture conditions, potential spot ventilation needs and pre and post fan flow rates. If whole-house ventilation requirements are **less than or equal to 15 CFM**, then additional ventilation is not required. If the Energy Auditor's pre-site evaluation determines that due to existing conditions the threshold ventilation is warranted, it will be allowed.

If the whole-house minimum ventilation requirement is **greater than 15 CFM**, a system supplying the design ventilation airflow must be installed. The subrecipient Quality Control Inspector will verify that fan flow rates have been met based on design requirements.

Implementing ASHRAE 62.2 will not be required where acceptable indoor air quality already exists. Existing ventilation systems will not be updated if found to be adequate and in good operating condition.

Subrecipients will provide clients with information on function, use, and maintenance of ventilation systems and components. Subrecipients will provide a disclaimer that current ASHRAE 62.2 does not account for high polluting sources or guarantee indoor air quality.

7.22 – WINDOW AND DOOR REPLACEMENT, WINDOW GUARDS

Replacement, repair or installation of windows or doors is not an allowable Health and Safety cost but may be allowed as an efficiency measure if justified by the NEAT or MHEA audit. If window and door replacement, repair or installation is limited in scope such as less than three (3) windows and only one (1) door. The measures may be included as infiltration reduction (NEAT) and general air sealing (MEHA) as long as the SIR is greater than one (1) for the measure.

7.23 – WORKER SAFETY (OSHA, ETC.)

Weatherization personnel must follow applicable OSHA standards and Safety Data Sheets (SDS) and take precautions to ensure the health and safety of themselves and other personnel. SDS must be posted wherever workers may be exposed to hazardous materials.

Subrecipients must perform assessments to determine if crews are practicing and utilizing safe work practices and that all workers receive training specific to hazards that the worker can reasonably expect to encounter on a particular job site.

- Subrecipients are also required to have bi-monthly safety meetings.
- All auditors, crews, and contractors must use and understand the importance of Personal Protection Equipment (PPE).
- OSHA 10 training for all current weatherization personnel. OSHA 30 for all crew leaders is not required but considered a best practice.
- Confined spaces – such as crawl spaces and attics – are not designed for continuous occupancy and are difficult to exit in the event of an emergency. People working in confined spaces face life-threatening hazards including toxic substances, electrocutions, explosions, and asphyxiation. See 29 CFR 1926, Subpart AA from OSHA for details in addressing confined spaces. The subrecipient is required to have a written plan in place regarding confined spaces which is available upon request.

CLIENT EDUCATION

As mentioned in *Section V.8.4 Training and Technical Assistance Approach and Activities*, Energy Education is one of the most important weatherization processes to ensure the maximum effectiveness of the weatherization measures and each subrecipient has at least one (1) certified Energy Educator. The Energy Education process, educational materials used, and forms utilized (described in *Section V.8.4*) will encompass all weatherization measures installed, including any Health and Safety related information or issues identified/ corrected, or those that could be encountered if the integrity of measures is altered, measures are removed, made not to function or damaged, or proper maintenance is not performed as instructed. WVDO has added an additional client file document requirement that has a client sign-off that includes (but is not limited to) whether client education took place and all education/maintenance information necessary was communicated. This form supplements current client education documents which also includes client and subrecipient sign-offs.

Clutter Image Rating: Living Room

Please select the photo below that most accurately reflects the amount of clutter in your room.



1



2



3



4



5



6



7



8



9

Clutter Image Rating: Bedroom

Please select the photo that most accurately reflects the amount of clutter in your room.



1



2



3



4



5



6



7



8



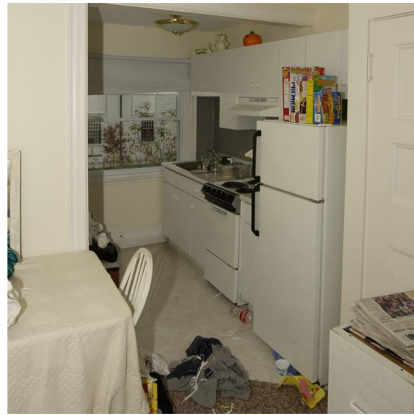
9

Clutter Image Rating Scale: Kitchen

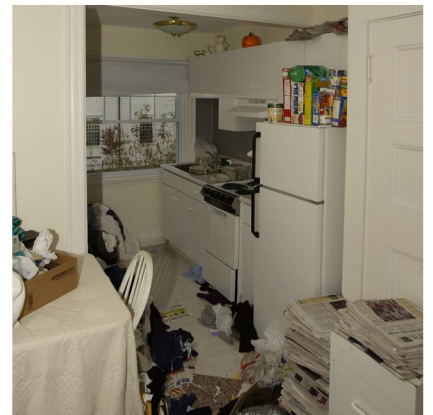
Please select the photo below that most accurately reflects the amount of clutter in your room.



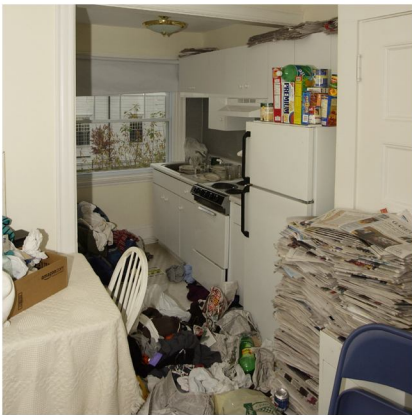
1



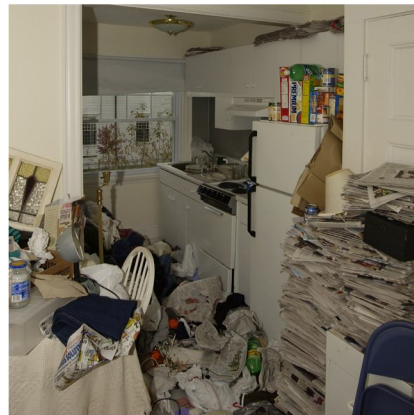
2



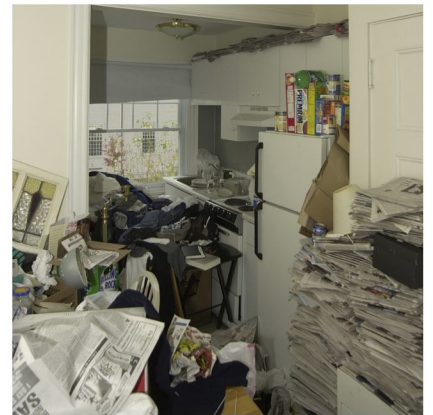
3



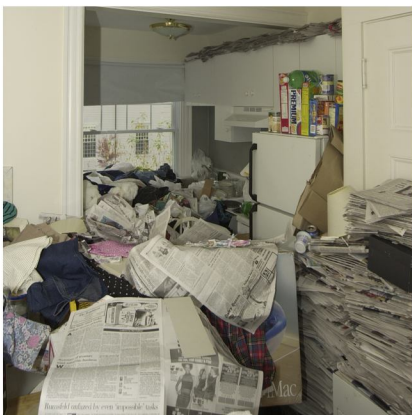
4



5



6



7



8



9

**U.S. DEPARTMENT OF ENERGY
WEATHERIZATION ASSISTANCE PROGRAM
QUALITY CONTROL INSPECTION FORM**

Subrecipient : _____

Job #: _____

Inspection Date: _____

Client Name: _____

Owner Renter

Physical Address: _____

Zip Code: _____

Year of Construction: _____

Pre-1978 Home: Yes No

Housing Type:

Site Built Mobile Home Mobile Home w/add-on Multi-family Double Wide

Primary Fuel Type:

Natural Gas Propane Electric Oil Solid Fuel Other: _____

DBA FACS Pro FILE REVIEW *WV WPN 15-19*

YES NO N/A

Notes:

- | | | | |
|--|--------------------------|--------------------------|--------------------------|
| 1. Eligibility Determination present? | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Input Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. Energy Audit Recommended Measures Report | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. DBA FacsPro Job Summary | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 5. Total Job Cost:
DOE/DHHR Investment: \$ _____
Utility Investment: \$ _____ Total Job Investment: \$ _____ | | | |
| 6. Daily Material In/Outs | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 7. Utility Partnership Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 8. Weatherization Assistant Work Order | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 9. Lead Safe Work Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 10. Mold/Moisture Form Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 11. CO Warning Statement | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 12. Hold Harmless Form Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 13. State Historic Preservation Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. Client Education Documentation | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 15. Refrigerator Data / Replacement Justified | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 16. Pre & Post Combustion Safety Tests/Tapes | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 17. Pre & Post Blower Door Results (@CFM 50)
Pre #: _____ Post #: _____ QCI verified#: _____ | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 18. Customer Satisfaction Form Signed/Dated | | | |
| 19. HVAC Sizing Documentation | | | |
| 20. Radon Informed Consent Form | | | |
| 21. Solid Fuel Appliance Condition Report | | | |
| 22. WX Tag Documentation (Tag # _____) | | | |
| 23. Photo Documentation | | | |
| 24. FACS Pro Attachments are complete | | | |
| 25. Insulation Certificate Documentation | | | |
| 26. Other (Describe): _____ | | | |

ON-SITE WORK ASSESSMENT

	YES	NO	N/A	
HEATING, VENTILATION, AIR CONDITIONING				Comments – HVAC
1. Heating System Replacement <i>WV WAP SWS 5</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Air Conditioning Replacement <i>WV WAP SWS 2.2</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Heating System Tune-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Air Conditioning Tune-Up	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Distribution System Modifications	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Ducts <i>WV WAP SWS 3.16, 4.16</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Thermostat Anticipator Reading Verified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Filter Installed and one left with client	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Measures(s) were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
10. Ventilation Requirements Verified and Comply with ASHRAE 62.2 2013 <i>WV WAP SWS 6</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
11. CAZ Testing Verified, Documentation is Complete	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
12. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ATTIC <i>WV WAP SWS 3.10, 2.06, 2.04</i>				Comments – Attic Work
1. Attic Insulation Installed: <i>WV WAP SWS 4</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Coverage R-value	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Insulation Certificate Completed & Posted	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Heat Source/ Vent Damming	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Junction Box Markers Present	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Attic Access Insulated and Secured	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Attic Air Sealing was Performed <i>WV WAP SWS 3.10</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Measure(s) were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
9. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
SIDEWALLS & KNEEWALLS <i>WV WAP SWS 2.06, 3.11, 4.11</i>				Comments - Sidewalls
1. Walls Insulated by WAP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Plugs, Patching, & Painting appropriate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Measure(s) were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
SUBSPACE <i>WV WAP SWS 2.04, 2.05, 3.14, 3.13, 4.13, 4.14</i>				
1. Bandboard Insulation added by WAP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Floor Insulation added by WAP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Basement Wall Insulation added by WAP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Vapor Barrier added; Coverage & Secure	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Measure(s) were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
WINDOWS/DOORS <i>WV WAP SWS 3.12</i>				Comments – Windows/Doors
1. Number of Windows Replaced: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Number of Storm Windows Installed: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Number of Doors Replaced: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Door Weather-stripping/Thresholds/Sweeps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Pre/Post Photo Documentation Completed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Measure(s) were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

OTHER MEASURES WV WAP SWS 7

	YES	NO	N/A
1. Water Heater Replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Water Heater Treatment (Tank Wrap)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Pipe Insulation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. Low Flow Shower heads	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Lighting - CFLs Installed	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Refrigerator Replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Metering/Justification/other documentation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Smoke Detectors WV WAP SWS 2.03	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Carbon Monoxide Detector	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Other H&S Measures _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10. Other Energy Related Repairs _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Air Sealing Measures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Other (Describe): _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Measures were Properly Justified	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Work Meets WV WAP SWS Installation Standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Comments – Other Measures

Weatherization Assistant 8.9 Audit

1. All IRMs are justified in the client file with an explanation for their need and relationship to the specific energy conservation measure (ECM) or group of ECMs.

YES NO N/A

2. ECMs are all justified with a SIR >1. *Exception: Air Sealing DOE WPN 13-5 Attachment 1*

YES NO N/A

3. Ancillary items are charged to the appropriate ECM.

YES NO N/A

4. Are materials charged appropriately according to the current WA Materials Chart?

YES NO N/A

Does this unit need additional attention from the Subrecipient? Yes No

(*Add comments on additional pages if necessary, ** A check in the yes box requires completion of the Required Corrective Action(s) Page)

Notes:

REQUIRED CORRECTIVE ACTION(s)

All corrections must be completed and signed off by the crew leader. When corrections are completed the Quality Control Inspector (QCI) must sign off affirming that required deficiencies were addressed to WV WAP SWS, state policy and all relevant building codes. If job was inspected and all corrections were made on the final day of job, crew leader (CL) and QCI must sign Work Order to verify completion. Final day inspections must reflect corrections cited by QCI. Report must be included in client file.

Last Revised 10/4/2018

CL QCI

Corrections

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

<input type="checkbox"/>	<input type="checkbox"/>	_____

*****Crew Leader Signature is only required if corrections are made*****

Crew Leader Name (Print): _____

Signature: _____ Date: / /

QCI Name (Print): _____

Signature: _____ Date: / /

- WX tags has been correctly initialed, dated and posted in the correct locations.
- I hereby confirm that this job is considered complete, that all measures have been properly justified, all documentation is complete, properly uploaded into the database system and the job can be reported as a completion.

Updated Materials Additions, Edits and Classifications to the previous Materials Chart 5-11-16

(Updated Materials Additions, Edits and Classifications **highlighted in blue** on the **Materials Chart**)

Heating ECM:

Direct materials for Energy Conservation Measure:

- No updates

Ancillary Items (Cost must be included in SIR for associated individual ECM):

These items are usually needed to complete a new system or replacement installation. Most often, existing or leftover parts of the old system being replaced are in insufficient condition or do not meet the new system manufacturer or industry standards. Not using new upgraded parts could result in the voiding the warranty of a new system. These items would be included in the cost of the Heating ECM.

- whip kit
- electrical disconnect
- pipe insulation (suction and condensate line)
- floor protection for gas direct vent space heater
- electric heat strip (new heat pump)
- refrigerant lines
- refrigerant
- brazing rods

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

The following are associated with the direct materials for Energy Conservation Measure heating system repair. The items are necessary for the effective performance or preservation of the ECM heating system repair and are necessary to ensure the lifetime of the ECM of heating system repair.

- prefabricated metal duct
- blower motor
- contactor
- fan switch
- limit
- transformer
- coil cleaner
- filter grills
- floor register
- furnace filter
- oil nozzles

Cooling ECM:

Direct materials for Energy Conservation Measure:

As with heating, and mentioned as a Standard for Conformance in Appendix A, there is significant energy savings that result from cooling system clean/tune and cooling system repair. If you can't

condition air properly, the system must run longer cycles or the occupants will add additional appliances (costs) to get the same comfort level at additional costs. Labor is the biggest cost of these measure but the return in energy savings is plenty enough to justify the measures being performed.

- cooling system clean/tune
- cooling system repair

Ancillary Items (Cost must be included in SIR for associated individual ECM):

As with heating systems, these items are usually needed to complete a new system or replacement installation. Most often, existing or leftover parts of the old system being replaced are in insufficient condition or do not meet the new system manufacturer and/or industry standards. Not using new upgraded parts could result in the voiding the warranty of a new system. These items would be included in the cost of the Cooling ECM.

- breaker
- whip kit
- electrical disconnect
- filter grill
- pipe insulation (suction line)
- brazing rods

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

The following are associated with the direct materials for Energy Conservation Measure cooling system repair. The items are necessary for the effective performance or preservation of the cooling system repair ECM and are necessary to ensure the lifetime of the ECM of cooling system repair.

- prefabricated metal duct
- blower motor
- contactor
- transformer
- fan switch
- limit
- a-coil
- coil cleaner

Duct Sealing ECM:

Direct materials for Energy Conservation Measure:

When there are one or more sections of duct too damaged to repair or are completely missing, it is more cost effective to replace duct sections with prefabricated duct, whether purchased from a manufacturer or fabricated onsite. Replacement of ducts are allowed in Appendix A Heating and Cooling System Repairs and Tune-Ups/Efficiency Improvements.

- prefabricated metal duct

Ancillary Items (Cost must be included in SIR for associated individual ECM):

- No updates

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

- No updates

Duct Insulation ECM:

Direct materials for Energy Conservation Measure:

Although foil faced duct wrap and vinyl duct wrap are already listed on the Materials Chart as direct materials for Energy Conservation Measure and appear as Heating and Cooling System Repairs and Tune-Ups/Efficiency Improvements, the minimum R-value is not indicated. The WV WAP SWS specifies that ducts that run through unconditioned spaces must be insulated to a minimum of R8.

- foil faced duct wrap - R8
- vinyl duct wrap - R8

Ancillary Items (Cost must be included in SIR for associated individual ECM):

- No updates

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

- No updates

Attic Insulation ECM:

Direct materials for Energy Conservation Measure:

- No updates

Ancillary Items (Cost must be included in SIR for associated individual ECM):

There are times that ceiling cavities and shed roofs must be accessed and blown from the interior of a house. The access holes must be sealed to form an air tight barrier from the inside to keep the insulation from migrating to the inside of the dwelling. These items will be included in the cost of the Attic Insulation ECM.

- ceiling plugs
- foam insulation board (when insulating knee walls)
- house wrap or fabric (when insulating knee walls)
- furring strips (when insulating knee walls)
- foam insulation board blocking (when insulating knee walls)

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

There have been numerous incidents where jobs have been deferred due to minor roof leaks. The addition of this item is necessary for the effective performance or preservation of the Attic Insulation ECM and are necessary to ensure the lifetime of the Attic Insulation ECM.

- minor roof repair of leaking roof (ONLY when insulation is required)

Dense Pack (Wall) ECM:

Direct materials for Energy Conservation Measure:

- No updates

Ancillary Items (Cost must be included in SIR for associated individual ECM):

Two-part foam is often used to seal around and hold blocking in place at the top and bottom balloon as with knee walls and is used to seal random bypasses that would allow cellulose to migrate into crawlspaces, basements and attics.

- Two-part foam

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

There are times when roof leak damage to sidewall can result in the referral of a job because the situation would make dense pack side wall insulation ineffective. The addition of this item is necessary for the effective performance or preservation of the Dense Pack (Wall) insulation ECM and are necessary to ensure the lifetime of the Dense Pack (Wall) insulation ECM.

- minor roof repair of leaking roof that may create moisture/mold issue in new wall insulation (ONLY when insulation is required)

Non-Dense Pack ECM:

Direct materials for Energy Conservation Measure:

- No updates

Ancillary Items (Cost must be included in SIR for associated individual ECM):

- No updates

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

There have been numerous incidents were jobs have been deferred due to minor roof leaks. The addition of this item is necessary for the effective performance or preservation of the Non-Dense Pack ECM and are necessary to ensure the lifetime of the Non-Dense Pack ECM.

- minor roof repair of leaking roof (ONLY when insulation is required)

Floor Treatment ECM:

Direct materials for Energy Conservation Measure:

- No updates

Ancillary Items (Cost must be included in SIR for associated individual ECM):

- No updates

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

There have been times the entire floor hasn't been insulated or jobs have been deferred due to plumbing leaks. The addition of this item is necessary for the effective installation, performance or

preservation of the Floor Treatment ECM and are necessary to ensure the lifetime of the Floor Treatment Pack ECM.

- plumbing leak repair (when floor is insulated)

Energy Improvement ECM:

Direct materials for Energy Conservation Measure:

Boiler distribution pipe insulation should have been listed on the original Materials Chart. Boiler distribution pipe insulation is in Appendix A under Thermal Insulating Materials for Pipes, Ducts, and Equipment Such as Boilers and Furnaces.

- boiler distribution pipe insulation-preformed

Ancillary Items (Cost must be included in SIR for associated individual ECM):

- No updates

Incidental Repair Measure (IRM) (Cost must be included in the SIR for the whole unit package of ECM)

There have been times that pipes haven't been insulated due to plumbing leaks. The addition of this item is necessary for the effective installation, performance or preservation of the pipe insulation ECM and are necessary to ensure the lifetime of the pipe insulation ECM.

- water leak repair (only when pipes are insulated)

Other Health & Safety

Health & Safety Measure (Separate cost justification, not included in SIR)

When running dryer exhaust and bathroom exhaust through unconditioned areas, the R-value of the duct shall be insulated to a minimum of minimum of R8.

- R8 exhaust vent duct

**WEST VIRGINIA
WEATHERIZATION ASSISTANCE PROGRAM**

2019 – 2020 STATE PLAN

**HISTORIC PRESERVATION
NATIONAL HISTORIC PRESERVATION ACT
SECTION 106**

REC'D APR 27 2017



The Culture Center
1900 Kanawha Blvd., E.
Charleston, WV 25305-0300

Randall Reid-Smith, Commissioner

Phone 304.558.0220 • www.wvculture.org
Fax 304.558.2779 • TDD 304.558.3562
EEO/AA Employer

April 25, 2017

Mr. Mark A. Adams
Weatherization Manager
West Virginia Office of Economic Opportunity
Capitol Complex, Building 6, Room 553
1900 Kanawha Boulevard East
Charleston, West Virginia 25305-0311

RE: 2017 State Agreement Between WVODO and WVSHPO
FR# 17-490-Multi-1

Dear Mr. Adams:

We have reviewed the above mentioned project to determine its effects to cultural resources. As required by Section 106 of the National Historic Preservation Act of 1966, as amended, and its implementing regulations, 36 CFR 800: "Protection of Historic Properties," we submit our comments.

According to submitted information, the West Virginia Office of Economic Opportunity wishes to renew the State Agreement between our agencies early. WVEO wishes to move the date covered under the agreement from November 30, 2017 forward to April 1, 2017 and each April thereafter. This will coordinate the date with the other WVODO planning and reporting procedures. We are agreeable to the date change.

We have signed the letter and are returning the original copy for your files. We will retain a copy, Exemptions Attachment, Certificates of completion for the ACHP course in 106, and the US Department of Energy Weatherization Program Notice 10-08 for our records.

We appreciate the opportunity to be of service. If you have questions regarding our comments or the Section 106 process, please contact Ernest Blevins, Structural Historian, at (304) 558-0240.

Sincerely,

Susan M. Pierce
Deputy State Historic Preservation Officer

SMP/EEB

REC'D APR 27 2017



WEST VIRGINIA DEVELOPMENT OFFICE

1900 Kanawha Boulevard East • Charleston, WV 25305-0311
(304) 558-2234 • (800) 982-3386 • WVDO.org

April 1, 2017

Susan M. Pierce
Deputy State Historic Preservation Officer
West Virginia Division of Culture and History
1900 Kanawha Boulevard East
Charleston, WV 25305

Dear Ms. Pierce,

In preparation for the 2017 State Plan, I would like to request an early renewal of the Agreement between the WV Development Office (WVDO) and the WV State Historic Preservation Office (WVSHPO). The State Plan is the official application to the U.S. Department of Energy (DOE) for the Weatherization Assistance for Low-Income Persons Grant. The current Agreement expires November 30, 2017. An early renewal (if approved) would negate the need to apply for renewal after the grant start date of July 1, 2017. The current Agreement is for a period of three (3) years, and I would like to request the new Agreement run three (3) years, April 1, 2017, to March 31, 2020.

WVDO is the administering agency of DOE funds for the Weatherization Assistance Program (WAP) in the State of West Virginia. This correspondence is to ensure compliance with the National Historic Preservation Act (NHPA or "the Act"), 54 U.S.C. 300101 et seq., as it relates to DOE WAP Grantees, specifically in the State of West Virginia. It is our opinion that our program will result in numerous projects that do not have the potential to impact historic resources. We request your concurrence with this determination and have attached to this letter a list of the undertakings that we would request to be exempt from Section 106 review by your office. In anticipation of your agreement with these findings, we have taken the liberty to outline what our organization believes to be the roles and responsibilities of the State Historic Preservation Office and the Office of Economic Opportunity.

Specific roles and responsibilities of both parties are as follows:

1. WVDO shall be responsible for conducting Section 106 reviews in a timely manner, preparing documentation, and maintaining records on undertakings. Undertakings that involve properties greater than forty-five (45) years old and are not listed on Appendix A (attached) shall be submitted to the WVSHPO for review.
 - 1.a. In addition to the WV Weatherization Assistance Program Historic Preservation Review Sheet already submitted, WVDO will complete the WVSHPO Historic Property Inventory Form (HPI) to include setting and building descriptions and additional building history the owner may provide. Both will be submitted to WVSHPO.

2. WVDO shall ensure that the provisions of this Agreement apply to its subrecipients.
3. WVDO shall not submit to the WVSHPO undertakings outlined on the attached list as they do not have the potential to cause effects on historic properties even when historic properties may be present.
4. As allowed under Section 106 of the NHPA, the WVSHPO shall provide comments to WVDO within thirty (30) days for reviews. In the event that the WVSHPO fails to comment within the thirty (30) day period, WVDO can assume the WVSHPO has concurred, and proceed.
5. WVDO will advise subrecipients of the provisions in Section 110 (k) of the Act and will advise the subrecipients that Section 106 reviews may be compromised when project undertakings are initiated prematurely.
6. Both parties shall make every effort to expedite Section 106 reviews for a period of less than the 30-day review when consistent with the terms of the DOE grant agreements. WVDO has identified two (2) qualified staff members to review these projects. These qualified persons have attended training regarding the National Register of Historic Places and will be applying the criteria of the National Register. Their certificates are attached. When an emergency, as defined by WVDO, has the potential to impact a building 45 years or older and necessitates a quicker review by the WVSHPO, the WVSHPO will make every reasonable effort to expedite the review. As defined by the WVDO, emergencies exist where there is a need to eliminate an imminent threat to health and safety of residents. It is WVOEO's responsibility to communicate to the WVSHPO the need for an expedited review.
 - a. WVDO shall forward documentation to the WVSHPO for review immediately upon notification that an emergency exists. Documentation should include a) nature of the emergency; b) the address of the historic property involved; c) photographs showing the current condition of the building; and d) the time frame allowed by local or county officials to respond to, or correct, the emergency situation.
 - b. If an emergency undertaking will result in an adverse effect to a historic resource, the WVDO will work with the WVSHPO to avoid, minimize or mitigate the adverse effect.
7. WVDO shall maintain a list of undertakings and shall make documentation available to the public per Department of Energy Weatherization Program Notice 10-08 guidelines. At the end of each reporting year a list of exempted projects will be forwarded to the WVSHPO.
 - a. Public Information to include: City/town, county, date of construction (if not known ca. with an approximate date will be used), if the property is NR listed in a district or individually, and a brief work summary.

- b. WV SHPO information to include: Address, county, date of construction, (if not known ca. with an approximate date will be used), if the property is NR listed in a district or individually, and a brief work summary.
8. WVDO agrees to notify Historic Landmark Commissions when applicable per 36 CFR 800.2(d)(1). Information provided will adhere to DOE WPN 10-8: Weatherization Guidance on Maintaining the Privacy of Recipients of Services. (Attached)

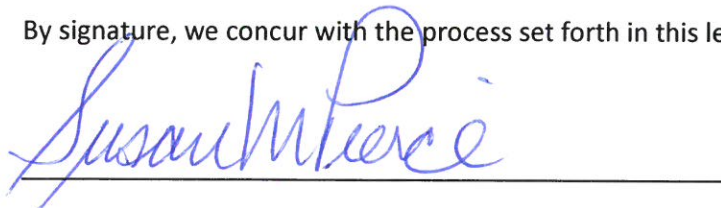
We request that the attached list be exempted from individual review for a period of three (3) years, from April 1, 2017 until March 31, 2020. WVDO and its subrecipients will maintain appropriate documentation of its funded activities should the WVSHPO wish to review the ongoing application of these exemptions. Please provide your comments and concurrence with this proposed list of exemptions.

Respectfully,

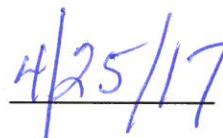


Mark A. Adams
Weatherization Manager

By signature, we concur with the process set forth in this letter.



Susan M. Pierce, Deputy WVSHPO



Date

WAP UNDERTAKINGS EXEMPT FROM SECTION 106 REVIEW

All undertakings will be done in accordance with applicable local building codes or the International Building Code, where applicable. In accordance with 36 CFR 800.3(a)(1), the following undertakings have been determined to have no potential to cause effects on historic properties:

A. Exterior Work

- 1) Air sealing of the building shell, including caulking, weather-stripping, and other air infiltration control measures on windows and doors, and installing thresholds in a manner that does not harm or obscure historic windows or trim;
- 2) Thermal insulation, such as non-toxic fiberglass and foil wrapped, in walls, floors, ceilings, attics, and foundations in a manner that does not harm or damage historic fabric;
- 3) Blown in wall insulation where no holes are drilled through exterior siding, or where holes have no permanent visible alteration to the structure;
- 4) Removable film on windows (if the film is transparent), solar screens, or window louvers, in a manner that does not harm or obscure historic windows or trim;
- 5) Reflective roof coating in a manner that replicates the historic materials and form, or with materials that restore the original feature based on historic evidence, and in a manner that does not alter the roofline, or where not on a primary roof elevation or visible from the public right-of-way; and
- 6) Repair of minor roof and wall leaks prior to insulating attics or walls, provided repairs replicates existing surface composite.

B. Interior Work

Special Note: Undertakings to interior spaces where the work will not be visible from the public right of way; no structural alterations are made; no demolition of walls, ceilings or floors occurs; no drop ceilings are added; or no walls are leveled with furring or moved, should be automatically excluded from **WVSHPO** review. This work includes:

1. Energy efficiency work within the building shell:

- a. Thermal insulation in walls, floors, ceilings, attics, crawl spaces, ducts and foundations;
- b. Blown in wall insulation where no decorative plaster is damaged;
- c. Plumbing work, including installation of water heaters;
- d. Electrical work, including improving lamp efficiency;
- e. Sealing air leaks using weather stripping, door sweeps, and caulk and sealing major air leaks associated with bypasses, ducts, air conditioning units, etc.;
- f. Repair or replace water heaters;
- g. Adding adjustable speed drives such as fans on air handling units, cooling tower fans, and pumps;
- h. Install insulation on water heater tanks and water heating pipes;
- j. Install waste heat recovery devices, including desuperheater water heaters, condensing heat exchangers, heat pump and water heating heat recovery systems,

- and other energy recovery equipment;
- k. Repair or replace electric motors and motor controls like variable speed drives; and
 - l. Incorporate other lighting technologies such as dimmable ballasts, day lighting controls, and occupant controlled dimming.

2. Work on heating and cooling systems:

- a. Clean, tune, repair or replace heating systems, including furnaces, oilers, heat pumps, vented space heaters, and wood stoves. Subrecipient or contractor will use the same foundation pad location as originally used.
- b. Clean, tune repair or replace cooling systems, including central air conditioners, window air conditioners, heat pumps, and evaporative coolers. Subrecipient or contractor will use the same foundation pad location as originally used.
- c. Install insulation on ducts and heating pipes;
- d. Conduct other efficiency improvements on heating and cooling systems, including replacing standing pilot lights with electronic ignition devices and installing vent dampers;
- e. Modify duct and pipe systems so heating and cooling systems operate efficiently and effectively, including adding return ducts, replace diffusers and registers, replace air filters, install thermostatic radiator controls on steam and hot water heating systems; and
- f. Install programmable thermostats, outdoor reset controls, UL listed energy management systems or building automation systems and other HVAC control systems.

3. Energy efficiency work affecting the electric base load of the property:

- a. Convert incandescent lighting to fluorescent;
- b. Add reflectors, LED exist signs, efficient HID fixtures, and occupancy (motion) sensors; and
- c. Replace refrigerators and other appliances.

4. Health and safety measures:

- a. Installing fire, smoke or carbon dioxide detectors/alarms;
- b. Repair or replace vent systems on fossil-fuel-fired heating systems and water heaters to ensure that combustion gasses draft safely to outside; and
- c. Install mechanical ventilation, in a manner not visible from the public right of way, to ensure adequate indoor air quality if house is air-sealed to building tightness limit.



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE 10-08
ISSUANCE DATE: FEBRUARY 1, 2010

SUBJECT: Weatherization Guidance on Maintaining the Privacy of Recipients of Services

PURPOSE: To issue guidance for the Low-Income Weatherization Assistance Program (WAP) on maintaining the privacy of recipients.

SCOPE: This guidance is provided to States or other entities named in the Notification of Grant Award as the recipients of financial assistance under the WAP, including the recently added Territories.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes DOE to administer the WAP. All grant awards made under this Program shall comply with applicable law including the Energy Policy Act of 2005, the Energy Independence and Security Act of 2007, the American Recovery and Reinvestment Act (ARRA) of 2009 and regulations contained in 10 CFR Part 440, 10 CFR Part 600 and other procedures applicable to this regulation as DOE may, from time-to-time, prescribe for the administration of financial assistance.

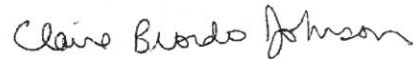
BACKGROUND: States receiving funds under WAP have been receiving numerous requests for information regarding the implementation of programs funded through the ARRA. The information requests range from informal inquiries by local elected officials and other community leaders to requests for specific information about recipients from local and regional press outlets. Due, in part, to the increased levels of funding for the WAP - \$5 billion over three years – we anticipate that there will be a number of similar such requests. Therefore, the Department has concluded that it would be prudent to provide guidance for responding to such requests.

POLICY: DOE adheres to the transparency requirements placed on these and other government financial assistance programs instituted by the Administration. DOE will work diligently with any state WAP or local service provider to gather the required information and provide it to the requestor. However, the DOE must comply with all requirements on the Government to protect the privacy interests of individuals who participate in these financial assistance programs.

In accordance with 10 CFR 600.153(f), *Retention and access requirements for records*, "Unless required by statute, DOE shall place no restrictions on recipients that limit public access to the records of recipients that are pertinent to an award, *except when DOE can*

demonstrate that such records shall be kept confidential and would have been exempted from disclosure pursuant to the Freedom of Information Act (5 U.S.C. 552) if the records had belonged to DOE.” (emphasis added) DOE would be legally required, pursuant to 5 U.S.C. 552(b)(6), of the Freedom of Information Act, to keep confidential any specifically identifying information related to an individual’s eligibility application for WAP, or the individual’s participation in WAP, such as name, address, or income information. Thus, states and local service providers should extend that same protection to their client records for WAP. States may release information about recipients in the aggregate and which does not identify specific individuals. For example, information on the number of recipients in a county, city or a zip code does not compromise the privacy of the recipients.

CONCLUSION: Please do not hesitate to contact your Project Officer in the appropriate Project Management Center or Robert Adams at DOE Headquarters if you have questions regarding this issue. As always, thanks for everything you do for the WAP and the citizens you serve. Because of your efforts Weatherization Works!



Claire Broido Johnson
Acting Program Manager
Office of Weatherization and Intergovernmental Program
Energy Efficiency and Renewable Energy

Advisory Council on Historic
Preservation

The Section 106 Essentials

November 5-6, 2015, Washington, DC

*This will verify that
Mark A. Adams
has successfully completed the course*

Mark A. Adams

Mark A. Adams

Mark A. Adams

Mark A. Adams

Reid Nelson
Director, Office of Federal Agency Programs
Advisory Council on Historic Preservation

Advisory Council on Historic Preservation

The Section 106 Essentials

October 16-17, 2018, Salt Lake City, UT

*This will verify that
Tyler Aliff
has successfully completed the course*



Reid Nelson
Director, Office of Federal Agency Programs
Advisory Council On Historic Preservation

West Virginia

Weatherization Assistance Program

Policy Advisory Council Meeting

April 15, 2019

WV Development Office

Charleston, WV

AGENDA

- Introductions
 - Shelly Woda – WVCAD Sustainability Manager
 - Jeremy Hutchinson – WVCAD Compliance Unit Manager
- Updates – Department of Energy
 - Erica Burrin – Named WAP Program Manager
 - Release of WPN 19-1 and 19-2, December 18, 2018
 - WV Allocation up \$93,317
 - New Training & Technical Assistance Template
- WV Weatherization Assistance Program Improvements
 - Field/Technical Specialist – Continued trainings for Certification
 - Update - WAP Standard Work Specifications (SWS) – Revised and DOE approved
 - Technical Development Council – Quarterly Meetings
- Public Hearing
 - Thursday, April 18, 2019 @ 10:00 AM
 - Solar United Neighbors of West Virginia
- Supplemental Funding
 - Low Income Home Energy Assistance Program (LIHEAP) – WVDHHR – Additional Funds
 - Utilities - Leveraging
- Items to be addressed – 2019 - 2020
 - Allocation spending and production
- Challenges for 2019 - 2020:
 - Subrecipient Input per DOE WAP Memorandum 025
 - Monitoring – Repeat deficiencies – Missing Client File Information
 - Deferral rate
 - Training and Technical Assistance
- PY 2019 - 2020 WV WAP DOE State Plan
 - Master File
 - Annual File
 - Budget
- New Business

West Virginia
Weatherization Assistance Program

Policy Advisory Council Meeting

April 15, 2019

10:00 AM

WV Development Office

Charleston, WV

NOTES FROM MEETING:

- Attendance:
 - Ann McDaniel – West Virginia Statewide Independent Living Council
 - Mary Chippis – West Virginia Community Action Partnership
 - Jacqueline Roberts – West Virginia Public Service Commission
 - Tammy Stafford – Appalachian Power
 - Mark Adams – Weatherization Manager
WV Community Advancement & Development Division (WVCAD)
 - Shelly Woda – Sustainability Unit Manager, WVCAD
 - Jeremy Hutchinson – Compliance Unit Manager, WVCAD

- Introductions:
 - Shelly Woda was introduced as the new WVCAD Sustainability Unit Manager. The WWVAP is a program in the Sustainability Section of WVCAD.
 - Jeremy Hutchinson was introduced as the WVCAD Compliance Unit Manager. The Compliance Unit is responsible for subrecipient monitorings and compliance for all Federal and State regulations/policies.

- Updates – Department of Energy:
 - Erica Burrin – DOE Weatherization Assistance Program Manager
 - PAC members were informed Ms. Burrin had been promoted to the position last held by Dave Rinebolt. Members were told Ms. Burrin is very familiar with the WWVAP as she assisted in the WWVAP – DOE On-Site Monitoring in November 2017.
 - Release of WPN 19-1 and 19-2
 - DOE released Weatherization Program Notice 18-1, Program Year 2018 WAP Grant Guidance on December 18, 2018. WPN 19-2 Allocations provided WV with a total allocation of \$3,587,126, an increase of \$93,317 from PY 2018.

- New Training and Technical Assistance Template
 - Discussion pertaining to the WVVAP Training and Technical Assistance component of the State Plan covered the template. The weatherization manager explained there is some concern over the wording in the template and information presented at a session during the HPC Conference in Chicago, IL. At the session presenters discussed Comprehensive and Specific versus Tier 1 and Tier 2. All agreed the best option would be to present the State Plan as is (with Tier 1 and 2) and contact the DOE Project Officer for final confirmation on which terminology to use.

- WV Weatherization Assistance Program Improvements:
 - Field/Technical Specialist
 - Update provided on the Field Monitor in training. Jeremiah Ramsey has served in an observer role during all PY 2018 monitorings and continues to attend trainings at Community Housing Partners (CHP). He is close to having the background criteria needed for the Energy Auditor and Quality Control Inspector certification and micro-credential.

 - Update – WAP Standard Work Specifications (SWS):
 - Members were informed that the Single Family SWS, Manufactured Housing SWS, and two variances were approved by DOE on January 9, 2019.

 - Technical Development Council (TDC)
 - Detailed the creation of the TDC. The TDC consists of WVVAP Field Monitors, and QCIs and EAs from the 11 WX subrecipients. The Council was created in the Fall of 2018 and meets quarterly to discuss field and technical issues to help with consistency and improved communication statewide. To date, WVCAD has received excellent feedback on topics covered and the benefit for those attending.

- Public Hearing:
 - Date announced: Thursday, April 18, 2019 in the same meeting room at 10:00 AM.
 - Solar United Neighbors of West Virginia. Weatherization Manager sought input into how to respond to any attendees of this organization if they decided to attend the Public Hearing. The background of solar and the WAP was discussed. The members thought it best to acknowledge the benefits of solar, and to then ask if anyone knew of additional funding opportunities due to the costs associated, especially since the WAP is a low-income program.

- Supplemental Funding:
 - Low-Income Home Energy Assistance Program (LIHEAP) – WV DHHR
 - Members were informed that the WVCAD had notified WV DHHR regarding a need for additional PY 2019 LIHEAP funds for the remainder of the PY. WVCAD requested an additional \$2,000,000 in LIHEAP funds to allocate to 9 subrecipients that requested additional funding. The WV DHHR is currently requesting the funds and working on getting the dollars expedited.
 - Utilities
 - Members were brought up to date on the current situation of the WVCAD Utilities programs. With the departure last year of the individual responsible for the leveraging utility programs, the Weatherization Manager has moved into the position. Assistance was sought from Ms. Stafford and Ms. Chipps to assist in obtaining contacts for the First Energy and Dominion Hope programs.

- Items to be Addressed – 2019-2020:
 - Allocation Spending and Production
 - Discussed continued concern over subrecipient spending and production. This discussion more on LIHEAP spending, considering the additional amount request. Ms. Chipps noted that the majority of the Wx providers needed the additional funds, but have expressed concern about the timing of receipt, and the production requirements associated. With the LIHEAP grant extended to December 31, the past two years, the weatherization manager requested she inform EDs/CEOs that another extension could be requested if it appears that subrecipients might now spend by the current end of grant year date of September 30, 2019.

- Challenges for 2019-2020:
 - Subrecipient Input per DOE WAP Memorandum 025
 - Input from members was requested in to how to continue to improve subrecipient input into the State Plan development and the WV WAP throughout the PY. Ms. Chipps reported that since the WAP/WAP Manager started attending the Quarterly WVCAP ED meetings that the communication and input has increased significantly. Also, members commented that with the development of the Technical Development Council, WVCAD is continually seeking input into the program. Members suggested returning to monthly conference calls with the subrecipients as another way to continue to improve communication.
 - Deferral Rate
 - Updates to the deferral rate and time on the Waitlist issues were provided, as WVWAP has seen a decrease in both due to the additional DHHR LIHEAP Wx funds received for FY 2017. Although both lists have decreased, subrecipients continue to have to defer many homes beyond

the scope of the weatherization program. With the anticipation of more additional DHHR LIHEAP Wx funds this FY, WVWAP is encouraged that both issues continue to decrease as more staff, newer equipment, and better trained crews become available.

- Training and Technical Assistance
 - Funding for Training and Technical Assistance was discussed, and input into how to get all the subrecipients to request additional trainings was sought. Members suggested making attendance to certain state-wide trainings mandatory, e.g., the WV CAP Conference, which has had a Wx tract the past two years.
- PY 2019 – 2020 WVWAP DOE State Plan:
 - Major Components - The draft state plan was provided. The discussion of the plan occurred throughout the meeting, highlighting challenges and topics mentioned above. A draft of the State Plan has been on the WVDO/WVCAD website since March 29, 2019.
 - Master File
 - Annual File
 - Budget
 - WVDO's plan is to submit the draft State Plan, with any public comments, to the DOE Project Officer by Friday, April 19, 2019 for review and input.

PY 2019 – 2020 WV WEATHERIZATION ASSISTANCE PROGRAM

State Plan

PUBLIC HEARING NOTICE: Availability of a federal grant plan for public review for the proposed use and distribution of funds. The purpose is to receive comment on the proposed use of funds for 2019. The grant reviewed will be the Department of Energy (US DOE) Weatherization Assistance Program. A public hearing will be held on Thursday, April 18, 2019 at 10:00 AM, at 1900 Kanawha Blvd., East, Capitol Complex, Building 3, Conference Room 703. All written comments must be received before 5:00 PM, on April 18, 2019. Copies of the plan are available March 29, 2019, by accessing the following website: www.wvcad.org/sustainability/weatherization-assistance-program or by writing: WV Development Office, 1900 Kanawha Blvd., East, Capitol Complex, Building 3, Suite 700, Charleston, WV, 25305. Limited copies will be available at the hearing. The public comment period will begin on March 29, 2019 and conclude on April 18, 2019. Anyone may submit written comments regarding the proposed use of these funds to Weatherization Manager, WVDO, 1900 Kanawha Blvd., East, Capitol Complex, Building 3, Suite 700, Charleston, WV 25305.

PUBLIC HEARING

**PY2019-2020 DEPARTMENT OF ENERGY STATE PLAN
WEATHERIZATION ASSISTANCE PROGRAM**

**APRIL 18, 2019
10:00 A.M.**

**WEST VIRGINIA DEVELOPMENT OFFICE
CAPITOL COMPLEX, BUILDING 3
CONFERENCE ROOM 701
1900 KANAWHA BOULEVARD, EAST
CHARLESTON, WEST VIRGINIA**

*Evalyn Garrett Bibbee
Certified Court Reporter*

GARRETT REPORTING SERVICE
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A P P E A R A N C E S

Mark A. Adams
Weatherization Manager
West Virginia Community Advancement
and Development
West Virginia Development Office
1900 Kanawha Boulevard, East
Building 3, Suite 700
Charleston, West Virginia 25305

Shelly woda, Unit Manager - WVCAD

David Dyer, Program Monitor

Jeremiah Ramsey, Environmental Specialist

1 MR. ADAMS: Good morning and welcome to the
2 Program Year 2019 US Department of Energy Weatherization
3 Assistance Program Public Hearing. A sign-in sheet is
4 being passed around and we ask you to please sign in and
5 note who you represent.

6 I'd like to call to order the Public Hearing
7 for the US Department of Energy, hereinafter referred to
8 as DOE, 2019 Weatherization Assistance Program State
9 Plan Application.

10 My name is Mark Adams, and I am the
11 Weatherization Manager of the Weatherization Assistance
12 Program, hereinafter referred to as WAP, for the West
13 Virginia Development Office and I will be conducting
14 this public hearing.

15 We are meeting this morning to hear
16 comments on West Virginia's 2019 DOE State Plan
17 application for the WAP. A draft of the plan has been
18 available since March 29th on the WV Community
19 Advancement and Development Office website and by mail
20 if requested. There is a limited amount of copies
21 available here today.

22 Title IV of the Energy Conservation
23 Production Act, as amended, authorizes the DOE to
24 administer the Low-Income WAP. All grant awards made

1 under the WAP program must comply with applicable law,
2 including regulations contained in 10 CFR Part 440, and
3 other procedures applicable to these regulations as DOE
4 may prescribe for the administration of the program as
5 well as OMB Circular 2 CFR 200 - Uniform Administrative
6 Requirements, Cost Principles, and Audit Requirements
7 for Federal Awards.

8 The West Virginia Development Office has
9 provided notice of this public hearing through
10 advertisement in eight newspapers throughout the state.
11 It has been posted on the West Virginia Secretary of
12 State's website in compliance with House Bill 2717. A
13 court reporter has been engaged to prepare a transcript
14 of the public hearing. Any written submission of views
15 and any questions or comments from any of the attendees
16 at the hearing will be recorded and made part of the
17 record.

18 I'd like to thank all of you for coming.

19 During this presentation, I will stop
20 periodically and ask for any questions and comments.
21 When making a comment, or asking a question, please
22 state your name and who you are representing. At the
23 end of my presentation there will be additional
24 opportunity for questions and comments. A transcript of

1 this meeting will be prepared and sent to the US DOE for
2 their review.

3 Are there any questions or comments on
4 anything that I've covered to this point?

5 Then I'll continue.

6 The Program Year 2019 - 2020 WV WAP State
7 Plan details how we plan to deliver the annual 2019 WAP
8 in West Virginia this coming program year, which runs
9 from July 1, 2019 to June 30, 2020. The plan is the
10 application package to DOE including but not limited to
11 production plans, our approach to a house considered for
12 weatherization, intake and eligibility procedures,
13 field/technical techniques used, training and technical
14 assistance activities, monitoring protocols, the health
15 and safety plan, budget and budget justification. It
16 provides the yardstick by which DOE will measure and
17 evaluate our performance in terms of production,
18 expenditures, training, oversight activities and special
19 projects.

20 The format of the plan is based on the DOE
21 application package. The required application components
22 are divided into three major sections; the Annual File,
23 Master File, and Budget File. Many pieces of the files
24 do not change significantly from year to year, while

1 others shift due to funding or DOE requirements.

2 The Annual File contains application
3 components such as subrecipient identification,
4 estimated program year allocation, production schedule,
5 energy savings estimates and leveraging activities.

6 The Master File contains the explanation as
7 to how the West Virginia WAP will meet all the major WAP
8 requirements, addressing items such as client
9 eligibility and income verification, priorities, types
10 of work to be done, including audit and inspection
11 procedures and oversight activities such as monitoring
12 and training and technical assistance.

13 The Budget File outlines the budget line
14 items and the justification of expenses for the Grantee
15 and subrecipient.

16 Are there any questions or comments?

17 First, I will discuss the funding and budget
18 for the 2019 DOE WAP Annual Grant as outlined in the
19 State Plan.

20 On September 21, 2018, President Donald
21 Trump signed the Energy and Water, Legislative Branch,
22 and Military Construction and Veterans Affairs
23 Appropriations Act of 2019, H.R. 5895, Pub. L. No. 115-
24 244, which provides fiscal year 2019 full-year

1 appropriations through September 30, 2019.

2 Under this act, the WAP was appropriated
3 \$257 million, to include \$500,000 to be made available
4 to current WAP grant recipients via the weatherization
5 Innovation Pilot Program to develop and implement
6 strategies to treat harmful substances, including
7 vermiculite, and \$3,000,000 for training and technical
8 assistance for activities at Headquarters.

9 An additional \$9 million of prior year
10 funds has been reallocated to the Grantees through the
11 formula for a total of \$262,500,000. The West Virginia
12 WAP was awarded \$3,587,126. This is an increase of
13 \$93,317 over the 2018 Program Year award.

14 The award is divided into two allocations:
15 Program Operations in the amount of \$2,983,301, and the
16 Training and Technical Assistance or T and TA Allowance
17 in the amount of \$603,825.

18 The Program Operations allocation is used
19 for the administration of the program and the delivery
20 of weatherization services.

21 In recent years, DOE has mandated required
22 certifications, such as Lead Renovator, Home Energy
23 Professional Quality Control Inspector, and Energy
24 Auditor certification. On March 1, 2019, the new

1 schemes determined by the certification scheme committee
2 went into effect, which has the Energy Audit remaining
3 as a full-scope, ANSI-accredited certification and the
4 QCI becomes a micro-credential.

5 with these revisions in the certifications,
6 and the demand for training and certifications conducted
7 only at accredited training centers throughout the
8 country, T&TA funds are allocated to cover the expenses
9 for training to lessen the burden on the local
10 subrecipients. T&TA funds are also utilized by the
11 Grantee to monitor the activities of the program.

12 DOE used the funding formula outlined in 10
13 CFR 440.10. The formula is based on several factors
14 such as the number of low income households,
15 heating/cooling degrees and the residential energy
16 expenditures for each state.

17 West Virginia will use census data from the
18 most recent census, 2010, in a funding formula including
19 the number of low income homes and the land area of each
20 county of a subrecipient's service area.

21 As stated in Weatherization Program Notice
22 regulations, if major program changes are made after the
23 initial public hearing for the State Plan, then an
24 additional hearing may be required.

1 As per DOE guidance, the State Plan includes
2 a redistribution provision to enable the Grantee to
3 actively manage the grant and move funds as necessary to
4 fully expend the monies during the budget period which
5 could include moving funds between subrecipients. All
6 budget alterations or revisions will be in accordance
7 with all other applicable Federal rules and regulations.

8 For program year 2019, the statutory 10
9 percent of administrative funds will be divided between
10 the subrecipients and the West Virginia Development
11 Office.

12 Again this year, the West Virginia
13 Development Office has provided relief to the
14 subrecipients by allowing for an Audit line item which
15 allows these charges to come off the top of the grant if
16 the subrecipient meets the threshold contained in 2 CFR
17 200, which all West Virginia WAP subrecipients do.

18 The cost of these audits was previously
19 charged to the already over-burdened administrative cost
20 category and sometimes resulted in financial audits of
21 lesser quality. These costs will be actual costs of the
22 weatherization portion of the audit.

23 The 2019 Grant is the third year of a
24 project period starting in Fiscal Year 2017. The West

1 Virginia Development Office anticipates all 2018 Grantee
2 and subrecipient funds to be expended by the end of the
3 grant year ending June 30, 2019. The West Virginia
4 Development Office will not request any carry-over funds
5 for Program Year 2018.

6 Are there any questions or comments on what
7 I've covered to this point?

8 Then I'll continue.

9 I will now discuss the network and
10 production. The service network will remain the same as
11 last year. Funds will be distributed to eleven
12 Community Action Agencies serving all fifty-five
13 counties in West Virginia.

14 Agency information and funding amounts can
15 be found in an attachment, referenced in the Annual File
16 Plan. Based on these funding figures, it is projected
17 that approximately 381 dwelling units will be
18 weatherized with the use of DOE funds during program
19 year 2019. The West Virginia WAP will give priority to
20 identifying and providing weatherization assistance to
21 elderly persons, those 60 years of age or older, persons
22 with disabilities, and households with children 18 years
23 of age or younger.

24 Priority can also be given to households

1 with a high energy burden, which has two components of
2 its definition in the West Virginia WAP.

3 Clients can be considered high energy burden
4 if:

5 (a.) 20 percent or more of the household
6 income is utilized to pay for energy usage and/or;

7 (b.) Clients are eligible for the Energy
8 Crisis Intervention Program, known as ECIP, a component
9 of the Low-Income Home Energy Assistance Program funding
10 the West Virginia WAP receives from the West Virginia
11 Department of Health and Human Resources, DHHR, that
12 supplements the West Virginia WAP.

13 Priority can also be given to clients
14 considered high energy users. Clients will be
15 considered high energy users if \$2,100 or more is
16 expended by the client on residential energy annually.

17 All of these priorities are weighted the
18 same with regards to the points they receive except for
19 ECIP eligibility allowing for comprehensive
20 weatherization services to be provided within a
21 reasonable amount of time from when the client received
22 ECIP services, increasing the efficiency and
23 cohesiveness between the programs.

24 Another factor considered when prioritizing

1 clients in order to have a reasonable and equitable
2 system is the time spent on the waitlist; however,
3 clients only receive one point per year and therefore it
4 will be ensured that time on the waitlist does not
5 outweigh other factors within the prioritization system
6 as per DOE instruction.

7 The West Virginia WAP has also incorporated
8 some priority features to enhance the DOE required
9 priority eligible population categories and allow for
10 reasonable, efficient and effective implementation of
11 the WAP. Such prioritization features allow for
12 services in consideration of timing of services provided
13 by other funding sources.

14 These additional features include priority
15 given to clients that qualify for utility funded
16 programs in order to blend the programs and expend funds
17 properly and clients living in a multi-dwelling building
18 so the project can be completed.

19 The West Virginia Development Office has
20 developed a point system to rank clients using the
21 prioritization criteria in the data management system
22 that tracks all clients, dwellings, and weatherization
23 work. In this way, DOE mandated target populations can
24 be prioritized to receive services. The West Virginia

1 Development Office may modify the prioritization system
2 throughout the program year within the parameters of the
3 program. The intent will be to conserve the maximum
4 amount of energy possible while serving the needs of the
5 state. By utilizing the data management point system,
6 clients can be served in a more efficient manner.

7 Are there any questions?

8 Then I'll continue.

9 West Virginia WAP plans to continue to
10 actively pursue non-Federal resources to supplement the
11 Program through the development of leveraging projects
12 and partnerships. The West Virginia WAP expects much
13 greater than the DOE-expected dollar return for every
14 dollar invested in leveraging project activity.
15 Weatherization leveraging activities in West Virginia
16 WAP since 2002 have consistently and successfully
17 produced a greater number of dollars leveraged than
18 expended every year on leveraging activities.

19 The West Virginia Development Office has a
20 staff member that will oversee leveraging activities.
21 For PY 2019-2020, the Development Office plans to
22 utilize \$1,979 or .0552 percent of the annual Training
23 and Technical Assistance DOE allocation for leveraging
24 activities.

1 It is anticipated that continued leveraging
2 activities will enable the West Virginia WAP to enhance
3 and expand comprehensive low-income weatherization
4 services and be viewed as a leader in energy
5 conservation technology and a viable partner in
6 conservation projects.

7 It is a goal of the West Virginia WAP to
8 continue to aggressively pursue all funding possible to
9 support and build upon the weatherization program in the
10 state of West Virginia. This pursuit may include but
11 not be limited to grants, foundation grants, and other
12 non-federal partnerships.

13 I will now discuss the current leveraged
14 funding or programs. The weatherization program will
15 continue to utilize Low-Income Home Energy Assistance
16 Program or LIHEAP funds from the West Virginia
17 Department of Health and Human Resources in the
18 operation of the program.

19 The West Virginia Development Office has
20 worked with the West Virginia DHHR to identify allowable
21 measures and costs that could be supported by LIHEAP
22 funding outside of DOE regulations and requirements.
23 The West Virginia Development Office worked with DHHR to
24 construct the LIHEAP agreement to provide more

1 flexibility within the program and the ability to
2 address issues that may not be able to be addressed with
3 DOE funding due to certain restrictions.

4 Currently, the most notable exceptions of
5 LIHEAP funding are the three Supplemental Components:
6 Electrical Upgrade, Weatherization Related Home Repair,
7 and the Energy Crisis Intervention Program, or ECIP,
8 which historically have been approved measures of the
9 West Virginia DHHR Grant Agreement with the West
10 Virginia Development Office.

11 DHHR has also approved additional funds for
12 Health and Safety measures through LIHEAP funding to
13 keep the West Virginia WAP Network in compliance with
14 the 15% threshold for Health and Safety with DOE funds.

15 Through participation of rate-case energy
16 advocacy intervention activity at the Public Service
17 Commission of West Virginia, the West Virginia Community
18 Action Partnership worked to advocate for utility
19 weatherization leveraging partnership initiatives.

20 Thanks to these efforts, the West Virginia
21 Development Office and the weatherization program
22 continue to partner with utility companies in West
23 Virginia to supplement and expand the weatherization
24 program.

1 For Program Year 2019, the weatherization
2 program will have several utility programs running
3 concurrently.

4 Dominion Hope Gas, will continue to provide
5 \$100,000 per year for the Company's next -- until the
6 Company's next rate case.

7 AEP, doing business as Appalachian Power
8 Company and Wheeling Power Company, provided \$767,350
9 for the program for 2019 for the APCO Low Income
10 Weatherization Demand Side Management Program.

11 The utility company, First Energy
12 Corporation, doing business as Mon Power Company and
13 Potomac Edison Company, will continue to have a
14 commitment for an Energy Efficiency Program of around
15 \$100,000 for program year 2019.

16 Another program called TRAILCO, which stands
17 for the Trans-Allegheny Interstate Line Company,
18 Electric Efficiency Partnership, will continue in 2019.

19 During the Program Year 2019-2020 the west
20 Virginia WAP will continue to spend carry-over funds
21 from previous years. \$350,000 would be available this
22 year from the TrAILCO Program.

23 Any questions or comments on anything I have
24 covered so far?

1 Then I'll continue.

2 The primary goal for the weatherization
3 program is to implement cost-effective weatherization
4 procedures to conserve energy and to assess and correct
5 related health and safety hazards for the well-being of
6 clients, their dwellings and weatherization personnel.

7 With more advanced diagnostics and
8 installation techniques utilized in the West Virginia
9 WAP, it is increasingly necessary to take steps to
10 ensure that program measures do not cause or exacerbate
11 health and safety problems for workers or clients. Each
12 home weatherized will be individually assessed to
13 determine the existence of potential hazards to
14 weatherization personnel or clients.

15 The weatherization program this year will
16 continue to incorporate a DOE mandated Health and Safety
17 Plan into our program.

18 When conditions within the home are such
19 that the health and safety of the client, crew, or
20 subcontractor will be jeopardized prior to providing
21 assistance, weatherization must not proceed until such
22 problems are remedied. In some cases, mitigation of
23 problems may be beyond the scope of the weatherization
24 program. In these instances, the client must be

1 notified in writing and referred to alternative
2 resources for resolution of the problem.

3 In those instances where the existing
4 conditions are perceived to pose a threat to the crew or
5 contractor's health and safety, the West Virginia WAP
6 allows for deferral of weatherization work until the
7 identified condition is made acceptable.

8 The West Virginia WAP will budget Health and
9 Safety in a separate category and thereby exclude such
10 costs from the DOE allowable maximum average per unit
11 cost for this year, which is \$7,541. For the 2019 -
12 2020 Program Year, West Virginia is requesting to
13 utilize up to 15% of the Program Operation funds for
14 Health and Safety expenditures.

15 This separate category will also allow these
16 costs to be isolated from energy efficiency costs in
17 program evaluation. West Virginia WAP will use its data
18 management system to implement a limit on Health and
19 Safety costs charged to DOE on a per job basis.

20 Any health and safety costs over 15% will be
21 charged to LIHEAP funding, as approved by the West
22 Virginia DHHR, the LIHEAP Grantee.

23 The West Virginia WAP has developed a
24 spreadsheet as an attachment to the Plan identifying

1 allowable measures to be installed under health and
2 safety and also providing a guidance as to when
3 materials/measures can be classified as energy
4 efficiency measures, incidental repairs, or ancillary
5 measures to weatherization measures.

6 Any questions on anything I've covered so
7 far?

8 I'll now continue with the Training and
9 Technical Assistance and Monitoring plan.

10 Training and Technical Assistance activities
11 are intended to maintain or increase the efficiency,
12 quality and effectiveness of the weatherization program
13 at all levels. The activities are designed to maximize
14 energy savings, minimize production costs, improve
15 program management and field "quality of work," and/or
16 reduce the potential for waste, fraud, abuse, and
17 mismanagement.

18 The state assesses training needs regularly
19 as part of a constant process as the Program Year
20 progresses. This process and the related training plan
21 are flexible, and the West Virginia Development Office
22 incorporates information from the process into the
23 training plan as needed.

24 The West Virginia Development Office

1 assesses the training needs of its subrecipients through
2 monitoring, grant application responses, trend analysis,
3 Biannual Training Needs Assessment Surveys,
4 communication with national experts, the West Virginia
5 DOE Project Officer, DOE contracted representatives, the
6 Office of Inspector General, and guidance as provided by
7 the US DOE.

8 WAP trainings and certifications have been
9 and will continue to be provided by Interstate Renewable
10 Energy Council or IREC accredited and certified
11 Weatherization Training Centers within close proximity
12 to West Virginia.

13 The major areas of focus this 2019 - 2020
14 Program Year for training are: HEP Energy Auditor
15 certifications and the HEP Quality Control Inspector
16 micro-credential network wide, West Virginia WAP
17 Standard Work Specifications (West Virginia WAP SWS)
18 functioning as the West Virginia Weatherization
19 Standards/Field Guide update training; ASHRAE rule 62.2
20 2016 Compliance in Weatherization, Continuing Education
21 Credits, or CEUs necessary for certain re-certifications,
22 including Healthy Homes Specialist and HEP
23 certifications, and the continued re-certification of
24 Energy Educators and Quality Control Inspectors.

1 Training on the newly developed WAPLINK
2 application is scheduled to start in June 2019 at the
3 Technical Development Council Quarterly meeting.
4 Additional training consisting of New Hire Requirements,
5 HVAC certification, coordination of licensing testing
6 through the West Virginia Fire Marshal's Office, and
7 weatherization Assistant will also be made available.

8 The West Virginia Development Office will
9 continue -- will work with subrecipients to fit
10 trainings into their production schedules. The West
11 Virginia Development Office also tracks all required
12 licenses needed by subrecipients to properly perform
13 work within the West Virginia WAP including West
14 Virginia HVAC Electrician License, West Virginia Single
15 Family Dwelling Electrician License, EPA Section 608
16 Refrigerant Transition Technician Certification, and
17 HVAC Contractor License and the West Virginia
18 Development Office will ensure all subrecipients remain
19 current with all West Virginia WAP required licenses.

20 The West Virginia Development Office places
21 great emphasis on maintaining workforce credentials for
22 both Grantee and subrecipient staff and build upon such
23 credentials. Credentials, certifications, and
24 certificates are all tracked for Grantee and

1 subrecipient staff in the database management system.
2 Credentials, certifications, and
3 certificates are reviewed and training, continuing
4 education, and re-testing is planned and performed as
5 necessary to ensure Grantee and subrecipient staffs
6 maintain all necessary credentials. This process will
7 also ensure that all subrecipient certified staff
8 achieve the proper skill levels to meet the core
9 competencies recommended for each position.

10 Are there any comments or questions on
11 anything covered so far?

12 Then I'll continue with Monitoring.

13 Monitoring is one of the most significant
14 and intricate procedures undertaken by the West Virginia
15 Development Office. The Development Office must adhere
16 to multiple funding bodies' guidelines as well as
17 construct and adhere to state-specific guidelines and
18 protocols structured in a way to facilitate successful
19 and functional program management throughout the state
20 of West Virginia.

21 Monitoring is a systematic process of
22 gathering and evaluating information, as well the
23 physical visitation of sites, in order to support and
24 assess the subrecipients and their programs in terms of

1 performance, capacity, and compliance.

2 As a pass-through entity of federal dollars,
3 the Development Office ensures that grant funds are
4 expended in accordance with applicable law, including
5 regulations contained in 10 CFR part 440; 2 CFR 200, 45
6 CFR Part 75, DOE Weatherization Program Notices, and
7 other policies and procedures that DOE may issue.

8 The West Virginia Development Office will
9 conduct a monitoring of each subrecipient at least once
10 a year, provide a written report to the subrecipient
11 within 30 days of the monitoring, and maintain both
12 electronic and physical files related to monitoring
13 which are accessible to DOE during its monitoring
14 visits.

15 The Development Office will also conduct
16 quarterly off-site, desk-top monitoring utilizing the
17 database management system used to track all
18 weatherization work, at times coupled with the
19 statistical management tool and related analytical
20 spreadsheets used to track production, expenditures, and
21 other performance indicators. This process will serve
22 as a pre-monitoring activity as well as routine review
23 and oversight as needed.

24 The desk-top monitoring activity is utilized

1 to confirm that measures are performed and tracked
2 according to program standards, and that diagnostic and
3 health and safety tests are performed and documented
4 correctly. It is also used to ensure all documentation
5 for a client and dwelling are maintained and completed
6 properly and accurately.

7 This process allows for the identification
8 of trends that may convey a training need, or specific
9 jobs that may need to be monitored due to documentation
10 of measures.

11 The monitoring performed by the West
12 Virginia Development Office will be broken down into
13 three components which may be performed at different
14 times if necessary and may have differing frequency
15 depending on quality of subrecipient performance in each
16 focus area. The three focus areas are: Programmatic
17 and Management Monitoring; Field or Technical
18 Monitoring; and Fiscal Monitoring.

19 The Development Office will monitor a sample
20 of completed subrecipient weatherized dwellings during
21 field monitoring visits. This sample will either be at
22 least 5% of completions or at least 10% of completions
23 as required by DOE, depending on the segregation of
24 energy auditing and quality control inspecting duties

1 within the structure of a subrecipient's weatherization
2 crew.

3 Our training and technical assistance plan,
4 projects, and monitoring procedures are explained in
5 greater detail in the State Plan.

6 Are there any comments or questions on
7 anything covered so far?

8 Then I'll continue.

9 As noted in DOE Weatherization Program
10 Notice 10-12, DOE in coordination with the Advisory
11 Council on Historic Preservation (ACHP) and the National
12 Conference of State Historic Preservation Officers
13 (NCSHPO), has developed a Prototype Programmatic
14 Agreement to address historic preservation requirements
15 for the WAP.

16 The West Virginia WAP is evaluating all
17 National Historic Preservation Act, Section 106 reviews,
18 utilizing guidelines set forth in a Letter of
19 Understanding with the West Virginia Division of Culture
20 and History State Historic Preservation Office. All
21 measures that fall outside the weatherization Assistance
22 Program exempt from NHPA Section 106 review are being
23 approved by West Virginia SHPO.

24 The West Virginia Development Office has two

1 staff members dedicated to Historic Preservation review,
2 approval, and guidance for West Virginia WAP
3 subrecipients.

4 The West Virginia Development Office is
5 currently working under a three-year Letter of
6 Understanding which runs from April 2017 through March
7 31, 2020. By working in conjunction with our State
8 Historic Office, this not only builds a strong
9 partnership that is advantageous to our respective
10 organizations but also to the West Virginia families
11 that we serve.

12 In the event of a declared Federal or State
13 disaster, DOE has allowed for expenditures under the
14 weatherization program. Weatherization crews may return
15 to a unit reported as a completion to DOE that has been
16 "damaged by fire, or act of God, to be reweatherized,
17 without regard to date of weatherization."

18 Local authorities must deem the dwelling
19 units salvageable as well as habitable and if the damage
20 to the materials is not covered by insurance or other
21 form of compensation.

22 Another aspect of the weatherization program
23 is Renewable Energy Systems. Assistance under the WAP
24 may be provided for renewable energy systems measures

1 with a SIR greater than 1. 10 CFR Part 440.18(b) and
2 (c), the expenditure of financial assistance provided
3 under WAP, incorporates the renewable energy system
4 provisions and specifies a ceiling of \$3,699 per
5 dwelling for labor, weatherization materials, and
6 related matters. Because the total average cost per
7 unit exceeds the renewable measures allowance, the major
8 effects of the regulation are to provide criteria and a
9 procedure for integrating renewables into the WAP, and
10 to establish a process for evaluating petitions to use
11 new or innovative renewable energy systems in the WAP.

12 Any renewable energy system measures
13 implemented by a subrecipient must have the West
14 Virginia Development Office written approval prior to
15 work being performed.

16 I have now concluded my formal presentation.
17 Are there any questions or comments on either the last
18 part of my presentation or any other part of the
19 presentation as well?

20 If there are no more comments, the hearing
21 is adjourned.

22 * * * * *

23 *(CONCLUDED AT 10:28 A.M.)*

24 * * * * *

REPORTER'S CERTIFICATE

STATE OF WEST VIRGINIA,
COUNTY OF KANAWHA, to wit:

I, Evalyn Garrett Bibbee, Certified Court Reporter, do hereby certify that the foregoing is a correct verbatim record of the proceedings held at the time and place set forth herein.

I certify that the transcript meets the requirements set forth within Article 27, Chapter 47 of the West Virginia Code.

Given under my hand this 3rd day of May, 2019.

Evalyn Garrett Bibbee, CCR
Notary Public

My commission expires June 8, 2023.

West Virginia Secretary of State — Online Data Services

Administrative Law

Online Data Services Help

Administrative Law

Meeting Notice Detail

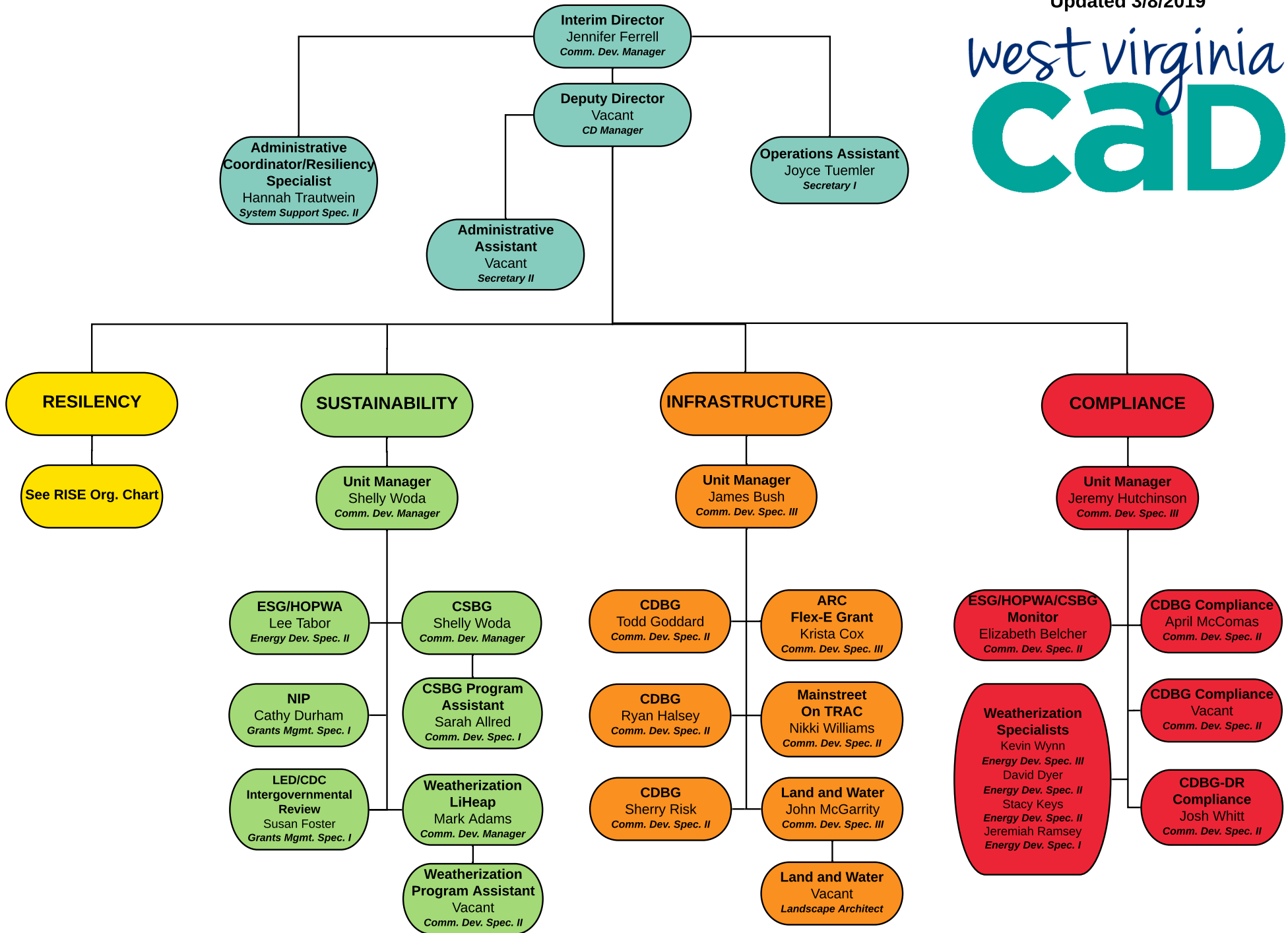
Back to Meeting Notices

WV Commerce Department WV Development Office Community Advancement & Development	
Date/Time: 4/18/2019 -- 10:00 AM	
Location: 1900 Kanawha Blvd., East Building 3, Conference Room 703 Charleston, WV 25305	
Purpose: To received comment on the proposed use of Department of Energy Weatherization Assistance Program Grant Funds.	
Notes:	
Meeting was approved : 3/22/2019 3:01:25 PM	

Back to Meeting Notices

Friday, March 22, 2019 — 3:02 PM

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LEGEND: TEAL Admin/Management YELLOW Resiliency GREEN Sustainability ORANGE Infrastructure RED Compliance





WEST VIRGINIA DEVELOPMENT OFFICE

1900 Kanawha Boulevard East • Charleston, WV 25305-0311
(304) 558-2234 • (800) 982-3386 • WVDO.org

April 17, 2019
File: PNRS-WVDO
SAI-WV190417-032

Mr. Mark A. Adams
Weatherization Manager
West Virginia Development Office
1900 Kanawha Blvd., East
Building 3, Suite 700
Charleston, West Virginia 25305

Dear Mr. Adams:

RE: CFDA # 81.042 Weatherization Assistance for Low-Income Persons

The State Clearinghouse has reviewed the West Virginia Development Office 's request to the U.S. Department of Energy (DOE) for financial assistance in the amount of three million, five hundred and eighty-seven thousand, one hundred and twenty-six dollars (\$3,587,126.00). The funding would come from the U. S. Department of Energy Annual Weatherization Assistance Program and would assist with PY 2019-2020 State of West Virginia Weatherization Assistance Program Grant.

Thank you so much for contacting us here in Community Development. We will assist you in every way possible. This will certify that the requirements of the State's Intergovernmental Review Process have been met, and the State Process is in concurrence with the project. Clearinghouse approval does not constitute approval of the application by the funding agency.

Sincerely yours,

A handwritten signature in blue ink that reads "Susan K. Foster".

Susan K. Foster
Grant Management Specialist
Community Development Division

cc: USDOE
All Regional PDCs

SAM Search Results
List of records matching your search for :

Record Status: Active
DUNS Number: 138838532

ENTITY	COMMERCE, WEST VIRGINIA DEPARTMENT OF	Status: Active
DUNS: 138838532	+4:	CAGE Code: 3UJB9 DoDAAC:
Expiration Date: 08/07/2019	Has Active Exclusion?: No	Debt Subject to Offset?: No
Address: 1900 Kanawha Blvd 3 ste 600	State/Province: WEST VIRGINIA	
City: Charleston	Country: UNITED STATES	
ZIP Code: 25305-0009		



West Virginia *Single Audit*

For the Year Ended June 30, 2018

STATE OF WEST VIRGINIA ***SINGLE AUDIT***

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AUDITORS'
REPORTS



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Report of Independent Auditors on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

The Honorable Jim Justice, Governor
of the State of West Virginia

We have audited, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of the State of West Virginia as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the State of West Virginia's basic financial statements, and have issued our report thereon dated December 21, 2018. Our report includes a reference to other auditors who audited the financial statements of certain entities within the governmental activities, the business-type activities, the aggregate discretely presented component units, certain major funds, and the aggregate remaining fund information as described in our report on the State of West Virginia's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors. The financial statements of the West Virginia Investment Management Board was not audited in accordance with *Government Auditing Standards*, the West Virginia Housing Development Fund, School Building Authority of West Virginia, and the following discretely presented component units of the Higher Education Fund discretely presented component unit: Big Green Scholarship Foundation, Inc.; Bluefield State College Foundation, Inc.; Bluefield State College Research and Development Corporation; Concord University Foundation, Inc.; Fairmont State Foundation, Inc.; The Glenville State College Foundation, Inc.; The Marshall University Foundation, Inc.; New River Community and Technical College Foundation, Inc.; Provident Group-Marshall Properties, LLC; The Shepherd University Foundation, Inc.; Southern West Virginia Community College Foundation, Inc.; West Liberty University Foundation, Inc.; West Virginia Northern Community College Foundation, Inc.; West Virginia School of Osteopathic Medicine Foundation, Inc.; The West Virginia State University Foundation, Inc.; WVU at Parkersburg Foundation, Inc; and BlueRidge Community and Technical College Foundation, Inc. were audited by other auditors and were not performed in accordance with *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State of West Virginia's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State of West Virginia's internal control. Accordingly, we do not express an opinion on the effectiveness of the State of West Virginia's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control described in the accompanying schedule of findings and questioned costs as item 2018-001 that we consider to be material weakness.

Compliance and Other Matters

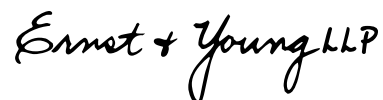
As part of obtaining reasonable assurance about whether the State of West Virginia's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

State of West Virginia's Response to Findings

The State of West Virginia's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The State of West Virginia's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



December 21, 2018



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Report of Independent Auditors on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance and Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

The Honorable Jim Justice, Governor
of the State of West Virginia

Report on Compliance for Each Major Federal Program

We have audited the State of West Virginia's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of the State of West Virginia's major federal programs for the year ended June 30, 2018. The State of West Virginia's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. We did not audit the State of West Virginia's compliance with the compliance requirements referred to above that are applicable to the Capitalization Grant for Clean Water Revolving Fund, that comprise expenditures of approximately \$20.7 million. These compliance requirements were audited by other auditors whose report thereon has been furnished to us. Our opinion on compliance, in so far as it relates to the major program referred to above is based solely upon the report of other auditors.

The State of West Virginia's basic financial statements include the operations of the West Virginia Housing Development Fund (a proprietary fund), and the following discretely presented component units; the West Virginia University Research Corporation, the West Virginia State University Research and Development Corporation, Marshall University Research Corporation, and West Virginia Drinking Water Treatment Revolving Loan Fund which expended \$314,655,185 collectively, in federal awards which are not included in the State of West Virginia's schedule of expenditures of federal awards during the year ended June 30, 2018. Our audit, described below, did not include the operations of this proprietary fund and these discretely presented component units, because they engaged other auditors to perform an audit of compliance in accordance with audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State of West Virginia's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State of West Virginia's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our adverse, qualified, and unmodified opinions on compliance for major federal programs. However, our audit does not provide a legal determination of the State of West Virginia’s compliance.

Basis for Adverse Opinion on Disaster Grants – Public Assistance (Presidentially Declared Disasters), Hazard Mitigation Grant (HMGP), and Emergency Management Performance Grants

As described in the accompanying schedule of findings and questioned costs, the State of West Virginia did not comply with requirements regarding the following, individually or in the aggregate:

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018–027	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2018–028	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2018–029	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring
2018–030	97.039	Hazard Mitigation Grant (HMGP)	Cash Management
2018–031	97.039	Hazard Mitigation Grant (HMGP)	Eligibility
2018–032	97.039	Hazard Mitigation Grant (HMGP)	Matching, Level of Effort and Earmarking
2018–033	97.039	Hazard Mitigation Grant (HMGP)	Reporting
2018–034	97.039	Hazard Mitigation Grant (HMGP)	Subrecipient Monitoring
2018–035	97.042	Emergency Management Performance Grants	Reporting
2018–036	97.042	Emergency Management Performance Grants	Activities Allowed or Unallowed and Allowable Cost/Cost Principles
2018–037	97.042	Emergency Management Performance Grants	Cash Management
2018–038	97.042	Emergency Management Performance Grants	Eligibility
2018–039	97.042	Emergency Management Performance Grants	Matching, Level of Effort and Earmarking
2018–040	97.042	Emergency Management Performance Grants	Matching, Level of Effort and Earmarking
2018–041	97.042	Emergency Management Performance Grants	Reporting
2018–042	97.042	Emergency Management Performance Grants	Subrecipient Monitoring
2018–043	97.042	Emergency Management Performance Grants	Special Tests and Provisions – Closeout Reporting

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-044	97.042	Emergency Management Performance Grants	Special Tests and Provisions – Training Exercise Plan Requirement

Compliance with such requirements is necessary, in our opinion, for the State of West Virginia to comply with requirements applicable to those programs.

Adverse Opinion on Disaster Grants – Public Assistance (Presidentially Declared Disasters), Hazard Mitigation Grant (HMGP), and Emergency Management Performance Grants

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph, the State of West Virginia did not comply, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on Disaster Grants – Public Assistance (Presidentially Declared Disasters), Hazard Mitigation Grant, and Emergency Management Performance Grants for the year ended June 30, 2018.

Basis for Qualified Opinion on National Guard Military Operations and Maintenance (O&M) Projects; Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii; Student Financial Assistance Cluster; Temporary Assistance For Needy Families (TANF) Cluster; Low-Income Home Energy Assistance; and Adoption Assistance

As described in the accompanying schedule of findings and questioned costs, the State of West Virginia did not comply with requirements regarding the following, individually or in the aggregate:

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-002	12.401	National Guard Military Operations and Maintenance (O&M) Projects	Period of Availability of Federal Funds/Period of Performance
2018-003	12.401	National Guard Military Operations and Maintenance (O&M) Projects	Program Income
2018-004	14.228	Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	Reporting
2018-005	14.228	Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	Activities Allowed or Unallowed and Procurement and Suspension and Debarment
2018-011	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Special Tests and Provisions – Disbursements to or on Behalf of Students
2018-012	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Special Tests and Provisions – Enrollment Reporting

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-018	93.558	Temporary Assistance for Needy Families (TANF) Cluster	Reporting
2018-020	93.558	Temporary Assistance for Needy Families (TANF) Cluster	Special Tests and Provisions – Child Support Non-Cooperation
2018-021	93.568	Low-Income Home Energy Assistance	Activities Allowed or Unallowed and Eligibility
2018-023	93.659	Adoption Assistance	Eligibility

Compliance with such requirements is necessary, in our opinion, for the State of West Virginia to comply with requirements applicable to those programs.

Qualified Opinion on National Guard Military Operations and Maintenance (O&M) Projects; Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii; Student Financial Assistance Cluster; Temporary Assistance For Needy Families (TANF) Cluster; Low-Income Home Energy Assistance; and Adoption Assistance

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the State of West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on National Guard Military Operations and Maintenance (O&M) Projects; Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii; Student Financial Assistance Cluster; Temporary Assistance For Needy Families (TANF) Cluster; Low-Income Home Energy Assistance; and Adoption Assistance for the year ended June 30, 2018.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State of West Virginia complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs that are identified in the summary of auditors results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2018.

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance, and which are described in the accompanying schedule of findings and questioned costs as items described and listed below:

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-006	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Period of Performance
2018-008	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Special Tests and Provisions – Wage Rate Requirements
2018-014	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Eligibility
2018-015	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Reporting

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-016	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Special Tests and Provisions – Completion of IPEs
2018-024	93.775/93.777/ 93.778	Medicaid Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Our opinion on each major federal program is not modified with respect to these matters.

The State of West Virginia’s responses to the noncompliance findings identified in our audit are described in the accompanying corrective action plan. The State of West Virginia’s response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control Over Compliance

Management of the State of West Virginia is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State of West Virginia’s internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State of West Virginia’s internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and as listed below to be material weaknesses.

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-002	12.401	National Guard Military Operations and Maintenance (O&M) Projects	Period of Availability of Federal Funds/Period of Performance
2018-004	14.228	Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	Reporting

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-005	14.228	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	Activities Allowed or Unallowed and Procurement and Suspension and Debarment
2018-006	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Period of Performance
2018-012	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Special Tests and Provisions – Enrollment Reporting
2018-017	93.558, 93.568, 93.575/93.596, 93.658, 93.659, 93.767, 93.775/ 93.777/93.778	Temporary Assistance for Needy Families (TANF) Cluster, Low-Income Home Energy Assistance, Child Care and Development Fund (CCDF) Cluster, Foster Care—Title IV-E, Adoption Assistance, Children's Health Insurance Program (CHIP), Medicaid Cluster	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility; Level of Effort, Special Tests and Provisions – Operation of a Foster Care Demonstration Project, Special Tests and Provisions – Payment Rate Setting and Application
2018-019	93.558	Temporary Assistance for Needy Families (TANF) Cluster	Special Tests and Provisions – Child Support Non-Cooperation, Penalty for Refusal to work, and Adult Custodial Parent of Child Under Six When Child Care Not Available
2018-021	93.568	Low-Income Home Energy Assistance	Activities Allowed or Unallowed and Eligibility
2018-022	93.575/93.596	Child Care and Development Fund (CCDF) Cluster	Special Tests and Provisions – Fraud Detection and Repayment Controls
2018-023	93.659	Adoption Assistance	Eligibility
2018-027	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2018-028	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Cash Management
2018-029	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Subrecipient Monitoring
2018-030	97.039	Hazard Mitigation Grant (HMGP)	Cash Management
2018-031	97.039	Hazard Mitigation Grant (HMGP)	Eligibility
2018-034	97.039	Hazard Mitigation Grant (HMGP)	Subrecipient Monitoring
2018-036	97.042	Emergency Management Performance Grants	Activities Allowed or Unallowed

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-037	97.042	Emergency Management Performance Grants	Cash Management
2018-038	97.042	Emergency Management Performance Grants	Eligibility
2018-039	97.042	Emergency Management Performance Grants	Matching, Level of Effort and Earmarking
2018-040	97.042	Emergency Management Performance Grants	Matching, Level of Effort and Earmarking
2018-041	97.042	Emergency Management Performance Grants	Reporting
2018-042	97.042	Emergency Management Performance Grants	Subrecipient Monitoring
2018-043	97.042	Emergency Management Performance Grants	Special Tests and Provisions – Closeout Reporting
2018-044	97.042	Emergency Management Performance Grants	Special Tests and Provisions – Training Exercise Plan Requirement

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs and as listed below to be significant deficiencies.

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-003	12.401	National Guard Military Operations and Maintenance (O&M) Projects	Program Income
2018-007	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Reporting
2018-008	20.205/20.219/ 20.224/23.003	Highways Planning and Construction Cluster	Special Tests and Provisions – Wage Rate Requirements
2018-009	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Reporting
2018-010	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Cash Management

Finding Number	CFDA Number	Program or Cluster Name	Compliance Requirement
2018-011	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Special Tests and Provisions – Disbursements to or on Behalf of Students
2018-013	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	Student Financial Assistance Cluster	Special Tests and Provisions – Borrower Data Transmission and Reconciliation
2018-014	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Eligibility
2018-015	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Reporting
2018-016	84.126	Rehabilitation Services—Vocational Rehabilitation Grants to State	Special Tests and Provisions – Completion of IPES
2018-018	93.558	Temporary Assistance for Needy Families (TANF) Cluster	Reporting
2018-024	93.775/93.777/ 93.778	Medicaid Cluster	Activities Allowed or Unallowed and Allowable Costs/Cost Principles
2018-025	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Reporting
2018-026	97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	Activities Allowed or Unallowed
2018-032	97.039	Hazard Mitigation Grant (HMGP)	Matching, Level of Effort and Earmarking
2018-033	97.039	Hazard Mitigation Grant (HMGP)	Reporting
2018-035	97.042	Emergency Management Performance Grants	Reporting

The State of West Virginia’s responses to the internal control over compliance findings identified in our audit are described in the accompanying schedule of findings and questioned costs and corrective action plan. The State of West Virginia’s responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the State of West Virginia as of and for the year ended June 30, 2018, and have issued our report thereon dated December 21, 2018, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Ernst + Young LLP

February 8, 2019



***SCHEDULE OF
EXPENDITURES
OF FEDERAL
AWARDS***

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2018

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF AGRICULTURE</u>				
10.025	PLANT AND ANIMAL DISEASE, PEST CONTROL, AND ANIMAL CARE	\$640,252	\$0	\$640,252
10.028	WILDLIFE SERVICES	\$8,908	\$0	\$8,908
10.072	WETLANDS RESERVE PROGRAM	\$8,738	\$0	\$8,738
10.117	BIOFUEL INFRASTRUCTURE PARTNERSHIP	\$0	\$1,059,374	\$1,059,374
10.170	SPECIALTY CROP BLOCK GRANT PROGRAM - FARM BILL	\$73,076	\$142,470	\$215,546
10.174	ACER ACCESS DEVELOPMENT PROGRAM	\$5,782	\$0	\$5,782
10.202***	COOPERATIVE FORESTRY RESEARCH PAYMENTS TO AGRICULTURAL EXPERIMENT STATIONS UNDER THE	\$654,977	\$0	\$654,977
10.203***	HATCH ACT	\$3,447,496	\$0	\$3,447,496
10.207***	ANIMAL HEALTH AND DISEASE RESEARCH	\$15,200	\$0	\$15,200
10.216	1890 INSTITUTION CAPACITY BUILDING GRANTS	\$291	\$0	\$291
10.304	HOMELAND SECURITY AGRICULTURAL	\$22,144	\$0	\$22,144
10.310	AGRICULTURAL AND FOOD RESEARCH INITIATIVE (AFRI) CROP PROTECTION AND PEST MANAGEMENT COMPETITIVE GRANTS PROGRAM	\$10,742	\$0	\$10,742
10.329	COOPERATIVE AGREEMENTS WITH STATES FOR INTRASTATE MEAT AND POULTRY INSPECTION	\$922	\$0	\$922
10.475	FOOD SAFETY COOPERATIVE AGREEMENTS	\$589,505	\$0	\$589,505
10.479	COOPERATIVE EXTENSION SERVICE	\$252,215	\$0	\$252,215
10.500	SNAP RECIPIENT INTEGRITY EDUCATION GRANT	\$4,671,402	\$75,951	\$4,747,353
10.535	PROFESSIONAL STANDARDS FOR SCHOOL NUTRITION EMPLOYEES	\$4,367	\$0	\$4,367
10.547	WIC SPECIAL SUPPLEMENTAL NUTRITION PROGRAM FOR WOMEN, INFANTS, AND CHILDREN	\$0	\$31,500	\$31,500
10.557	CHILD AND ADULT CARE FOOD PROGRAM	\$20,083,903	\$9,012,621	\$29,096,524
10.558	STATE ADMINISTRATIVE EXPENSES FOR CHILD NUTRITION	\$67,161	\$17,144,899	\$17,212,060
10.560	WIC FARMERS' MARKET NUTRITION PROGRAM (FMNP)	\$2,807,284	\$0	\$2,807,284
10.572	TEAM NUTRITION GRANTS	\$57,933	\$0	\$57,933
10.574	FARM TO SCHOOL GRANT PROGRAM	\$0	(\$25,034)	(\$25,034)
10.575	SENIOR FARMERS MARKET NUTRITION PROGRAM	\$13,022	\$0	\$13,022
10.576	CHILD NUTRITION DISCRETIONARY GRANTS LIMITED AVAILABILITY	\$463,279	\$0	\$463,279
10.579	FRESH FRUIT AND VEGETABLE PROGRAM	\$0	\$161,301	\$161,301
10.582	COOPERATIVE FORESTRY ASSISTANCE	\$41,264	\$1,652,597	\$1,693,861
10.664	SCHOOLS AND ROADS-GRANTS TO STATES AND FOREST SERVICE	\$919,629	\$139,675	\$1,059,304
10.665	SCHOOLS AND ROADS CLUSTER	\$1,685,549	\$0	\$1,685,549
10.676	FOREST LEGACY PROGRAM	\$38,570	\$0	\$38,570
10.678	FOREST STEWARDSHIP PROGRAM	\$22,640	\$0	\$22,640
10.680	FOREST HEALTH PROTECTION	\$356,044	\$0	\$356,044
10.684	INTERNATIONAL FORESTRY PROGRAMS	\$31,908	\$0	\$31,908
10.868	RURAL ENERGY FOR AMERICA PROGRAM	\$92,440	\$0	\$92,440
10.902	SOIL AND WATER CONSERVATION	\$218,097	\$0	\$218,097
10.903	SOIL SURVEY	\$2,752	\$0	\$2,752
10.912	ENVIRONMENTAL QUALITY INCENTIVES PROGRAM	\$248,535	\$0	\$248,535
10.913	FARM AND RANCH LANDS PROTECTION PROGRAM	\$33,323	\$0	\$33,323
10.916	WATERSHED REHABILITATION PROGRAM	\$3,505,943	\$0	\$3,505,943
<u>SNAP CLUSTER</u>				
10.551	SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM (SNAP) STATE ADMINISTRATIVE MATCHING GRANTS FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM	\$451,228,131	\$0	\$451,228,131
10.561	<u>TOTAL SNAP CLUSTER</u>	<u>\$17,071,522</u>	<u>\$3,890,256</u>	<u>\$20,961,778</u>
<u>CHILD NUTRITION CLUSTER</u>				
10.553	SCHOOL BREAKFAST PROGRAM (SBP)	\$146,445	\$41,713,600	\$41,860,045
10.555	NATIONAL SCHOOL LUNCH PROGRAM (NSLP)	\$10,306,632	\$79,529,197	\$89,835,829
10.556	SPECIAL MILK PROGRAM FOR CHILDREN (SMP)	\$0	\$11,992	\$11,992
10.559	SUMMER FOOD SERVICE PROGRAM FOR CHILDREN (SFSPC)	\$3,792	\$1,873,784	\$1,877,576
<u>TOTAL CHILD NUTRITION CLUSTER</u>				
		<u>\$10,456,869</u>	<u>\$123,128,573</u>	<u>\$133,585,442</u>
<u>FOOD DISTRIBUTION CLUSTER</u>				
10.565	COMMODITY SUPPLEMENTAL FOOD PROGRAM	\$1,255,783	\$370,655	\$1,626,438
10.568	EMERGENCY FOOD ASSISTANCE PROGRAM (ADMINISTRATIVE COSTS)	\$20,271	\$557,426	\$577,697
10.569	EMERGENCY FOOD ASSISTANCE PROGRAM (FOOD COMMODITIES)	\$3,857,467	\$0	\$3,857,467
<u>TOTAL FOOD DISTRIBUTION CLUSTER</u>				
		<u>\$5,133,521</u>	<u>\$928,081</u>	<u>\$6,061,602</u>

**STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2018**

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
10.U01	THE IMPACT OF CLIMATE CHANGE ON COASTAL ALASKA FOREST CARBON SEQUESTRATION	\$6,874	\$0	\$6,874
10.U02	NATIONAL VISITOR USE MONITORING	\$185,354	\$62,461	\$247,815
10.U03	REGION 6 ROUND 3 NVUM	\$1	\$0	\$1
TOTAL DEPARTMENT OF AGRICULTURE		\$525,177,565	\$157,404,725	\$682,582,290
DEPARTMENT OF COMMERCE				
11.307	ECONOMIC ADJUSTMENT ASSISTANCE AND ECONOMIC DEVELOPMENT CLUSTER	\$153,534	\$0	\$153,534
11.549	STATE AND LOCAL IMPLEMENTATION GRANT PROGRAM ARRA - STATE BROADBAND DATA AND DEVELOPMENT GRANT PROGRAM	\$134,223	\$0	\$134,223
11.558		\$4,574	\$0	\$4,574
11.620	SCIENCE, TECHNOLOGY, BUSINESS AND/OR EDUCATION OUTREACH	\$40,377	\$0	\$40,377
TOTAL DEPARTMENT OF COMMERCE		\$332,708	\$0	\$332,708
DEPARTMENT OF DEFENSE				
12.002	PROCUREMENT TECHNICAL ASSISTANCE FOR BUSINESS FIRMS STATE MEMORANDUM OF AGREEMENT PROGRAM FOR THE	\$919	\$0	\$919
12.113	REIMBURSEMENT OF TECHNICAL SERVICES	\$184,879	\$0	\$184,879
12.400	MILITARY CONSTRUCTION, NATIONAL GUARD NATIONAL GUARD MILITARY OPERATIONS AND MAINTENANCE (O&M) PROJECTS	\$582,383	\$0	\$582,383
12.401		\$25,604,542	\$0	\$25,604,542
12.404	NATIONAL GUARD CHALLENGE PROGRAM	\$5,478,352	\$0	\$5,478,352
12.617	ECONOMIC ADJUSTMENT ASSISTANCE FOR STATE GOVERNMENTS BASIC, APPLIED, AND ADVANCED RESEARCH IN SCIENCE AND ENGINEERING	\$235,193	\$184,313	\$419,506
12.630		\$95,653	\$0	\$95,653
12.900	LANGUAGE GRANT PROGRAM	\$22,308	\$67,414	\$89,722
12.902	INFORMATION SECURITY GRANT PROGRAM	\$49,045	\$0	\$49,045
TOTAL DEPARTMENT OF DEFENSE		\$32,253,274	\$251,727	\$32,505,001
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
14.110	MANUFACTURED HOME LOAN INSURANCE-FINANCING PURCHASE OF MANUFACTURED HOMES AS PRINCIPAL RESIDENCES OF BORROWERS COMMUNITY DEVELOPMENT BLOCK GRANTS/STATE'S PROGRAM AND	\$71,241	\$0	\$71,241
14.228	NON-ENTITLEMENT GRANTS IN HAWAII	\$1,991,044	\$14,079,770	\$16,070,814
14.231	EMERGENCY SOLUTIONS GRANT PROGRAM	\$36,793	\$1,338,393	\$1,375,186
14.241	HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS	\$7,293	\$351,709	\$359,002
14.400	EQUAL OPPORTUNITY IN HOUSING	\$45,059	\$0	\$45,059
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT		\$2,151,430	\$15,769,872	\$17,921,302
DEPARTMENT OF THE INTERIOR				
15.250	REGULATION OF SURFACE COAL MINING AND SURFACE EFFECTS OF UNDERGROUND COAL MINING	\$10,779,392	\$0	\$10,779,392
15.252	ABANDONED MINE LAND RECLAMATION (AMLR) SCIENCE AND TECHNOLOGY PROJECTS RELATED TO COAL MINING AND RECLAMATION	\$43,166,770	\$15,740,938	\$58,907,708
15.255		\$107,269	\$7,755	\$115,024
15.433	FLOOD CONTROL ACT LANDS	\$263,680	\$229	\$263,909
15.608	FISH AND WILDLIFE MANAGEMENT ASSISTANCE	\$38,845	\$0	\$38,845
15.615	COOPERATIVE ENDANGERED SPECIES CONSERVATION FUND	\$113,916	\$0	\$113,916
15.634	STATE WILDLIFE GRANTS ENDANGERED SPECIES CONSERVATION - RECOVERY IMPLEMENTATION FUNDS	\$635,573	\$0	\$635,573
15.657		\$47,353	\$0	\$47,353
15.808	U.S. GEOLOGICAL SURVEY - RESEARCH AND DATA COLLECTION	\$3,659	\$0	\$3,659
15.810	NATIONAL COOPERATIVE GEOLOGIC MAPPING	\$77,002	\$0	\$77,002
15.812	COOPERATIVE RESEARCH UNITS PROGRAM	\$50,160	\$0	\$50,160
15.814	NATIONAL GEOLOGICAL AND GEOPHYSICAL DATA PRESERVATION	\$2,301	\$0	\$2,301
15.904	HISTORIC PRESERVATION FUND GRANTS-IN-AID	\$672,403	\$192,962	\$865,365
15.916	OUTDOOR RECREATION-ACQUISITION, DEVELOPMENT AND PLANNING	\$2,301	\$674,447	\$676,748
15.922	NATIVE AMERICAN GRAVES PROTECTION AND REPATRIATION ACT	(\$26,600)	\$0	(\$26,600)
15.939	NATIONAL HERITAGE AREA FEDERAL FINANCIAL ASSISTANCE COOPERATIVE RESEARCH AND TRAINING PROGRAMS - RESOURCES OF THE NATIONAL PARK SYSTEM	\$243,469	\$0	\$243,469
15.945		\$7,100	\$0	\$7,100
15.981	WATER USE AND DATA RESEARCH	\$32,420	\$0	\$32,420

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2018

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
FISH AND WILDLIFE CLUSTER				
15.605	SPORT FISH RESTORATION	\$11,084,696	\$0	\$11,084,696
15.611	WILDLIFE RESTORATION AND BASIC HUNTER EDUCATION	\$4,075,123	\$0	\$4,075,123
	TOTAL FISH AND WILDLIFE CLUSTER	\$15,159,819	\$0	\$15,159,819
15.U04	WV COOPERATIVE FISH AND WILDLIFE RESEARCH UNIT	\$44,018	\$0	\$44,018
TOTAL DEPARTMENT OF THE INTERIOR		\$71,420,850	\$16,616,331	\$88,037,181
DEPARTMENT OF JUSTICE				
16.017	SEXUAL ASSAULT SERVICES FORMULA PROGRAM	\$4,947	\$362,402	\$367,349
	GRANTS TO REDUCE DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ON CAMPUS	\$158,928	\$0	\$158,928
16.540	JUVENILE JUSTICE AND DELINQUENCY PREVENTION	\$53,487	\$548,471	\$601,958
16.543	MISSING CHILDREN'S ASSISTANCE	\$333,555	\$0	\$333,555
16.550	STATE JUSTICE STATISTICS PROGRAM FOR STATISTICAL ANALYSIS CENTERS	\$45,362	\$71,280	\$116,642
16.554	NATIONAL CRIMINAL HISTORY IMPROVEMENT PROGRAM (NCHIP) CRIMINAL JUSTICE RESEARCH AND DEVELOPMENT-GRADUATE RESEARCH FELLOWSHIPS	\$653,095	\$0	\$653,095
16.562	CRIME VICTIM ASSISTANCE	\$105,398	\$0	\$105,398
16.575	CRIME VICTIM COMPENSATION	\$103,079	\$3,856,307	\$3,959,386
16.576	CRIME VICTIM ASSISTANCE/DISCRETIONARY GRANTS	\$1,159,000	\$0	\$1,159,000
16.582	DRUG COURT DISCRETIONARY GRANT PROGRAM	\$297,619	\$2,972,601	\$3,270,220
16.585	VIOLENCE AGAINST WOMEN FORMULA GRANTS	\$457,363	\$0	\$457,363
16.588	RURAL DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, AND STALKING ASSISTANCE PROGRAM	\$125,325	\$956,747	\$1,082,072
16.589	GRANTS TO ENCOURAGE ARREST POLICIES AND ENFORCEMENT OF PROTECTION ORDERS PROGRAM	\$6,407	\$159,686	\$166,093
16.590	RESIDENTIAL SUBSTANCE ABUSE TREATMENT FOR STATE PRISONERS	\$52,056	\$169,393	\$221,449
16.593	PUBLIC SAFETY PARTNERSHIP AND COMMUNITY POLICING GRANTS	\$47,669	\$43,346	\$91,015
16.710	PREA PROGRAM: STRATEGIC SUPPORT FOR PREA IMPLEMENTATION	\$52,820	\$0	\$52,820
16.735	EDWARD BYRNE MEMORIAL JUSTICE ASSISTANCE GRANT PROGRAM	\$410,522	\$47,899	\$458,421
16.738	DNA BACKLOG REDUCTION PROGRAM	\$214,697	\$297,564	\$512,261
16.741	PAUL COVERDELL FORENSIC SCIENCES IMPROVEMENT GRANT PROGRAM	\$427,065	\$0	\$427,065
16.742	NICS ACT RECORD IMPROVEMENT PROGRAM	\$49,126	\$62,843	\$111,969
16.813	JOHN R. JUSTICE PROSECUTORS AND DEFENDERS INCENTIVE ACT	\$1,847,798	\$0	\$1,847,798
16.816	INNOVATIONS IN COMMUNITY-BASED CRIME REDUCTION	\$33,002	\$0	\$33,002
16.817	NATIONAL SEXUAL ASSAULT KIT INITIATIVE	(\$3,799)	\$0	(\$3,799)
16.833	COMPREHENSIVE OPIOID ABUSE SITE-BASED PROGRAM	\$67,211	\$73,851	\$141,062
16.838	EQUITABLE SHARING PROGRAM	\$1,941	\$0	\$1,941
16.922	MISCELLANEOUS JUSTICE PROGRAMS	\$232	\$0	\$232
16.U05	EQUITABLE SHARING PROGRAM-JUSTICE	\$679,132	\$0	\$679,132
16.U06	PURDUE PHARMA SETTLEMENT	\$129,024	\$0	\$129,024
16.U07		\$155,503	\$0	\$155,503
TOTAL DEPARTMENT OF JUSTICE		\$7,667,564	\$9,622,390	\$17,289,954
DEPARTMENT OF LABOR				
17.002	LABOR FORCE STATISTICS	\$669,420	\$0	\$669,420
17.005	COMPENSATION AND WORKING CONDITIONS	\$87,624	\$0	\$87,624
17.225	UNEMPLOYMENT INSURANCE (NOTE 4)	\$360,863,179	\$0	\$360,863,179
17.235	SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM	\$35,737	\$768,695	\$804,432
17.245	TRADE ADJUSTMENT ASSISTANCE	\$2,621,649	\$0	\$2,621,649
17.260	WIA - DISLOCATED WORKERS	\$4,690	\$0	\$4,690
17.266	WORK INCENTIVE GRANTS	\$346	\$0	\$346
17.268	H-1B JOB TRAINING GRANTS	\$796,295	\$0	\$796,295
17.269	COMMUNITY BASED JOB TRAINING GRANTS	\$1,034,559	\$0	\$1,034,559
17.271	WORK OPPORTUNITY TAX CREDIT PROGRAM (WOTC)	\$83,192	\$0	\$83,192
17.273	TEMPORARY LABOR CERTIFICATION FOR FOREIGN WORKERS	\$39,957	\$0	\$39,957

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FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
17.277	WIOA NATIONAL DISLOCATED WORKER GRANTS/WIA NATIONAL EMERGENCY GRANTS	\$1,041,724	\$6,195,420	\$7,237,144
17.281	WIOA DISLOCATED WORKER NATIONAL RESERVE TECHNICAL ASSISTANCE AND TRAINING	\$1,578	\$0	\$1,578
17.282	TRADE ADJUSTMENT ASSISTANCE COMMUNITY COLLEGE AND CAREER TRAINING (TAACCCT) GRANTS	\$3,357,977	\$0	\$3,357,977
17.285	APPRENTICESHIP USA GRANTS	\$63,169	\$0	\$63,169
17.504	CONSULTATION AGREEMENTS	\$354,573	\$0	\$354,573
17.600	MINE HEALTH AND SAFETY GRANTS	\$488,713	\$0	\$488,713
17.U08	MISCELLANEOUS LABOR PROGRAMS	\$345,983	\$0	\$345,983
<u>EMPLOYMENT SERVICE CLUSTER</u>				
17.207	EMPLOYMENT SERVICE/WAGNER-PEYSER FUNDED ACTIVITIES	\$6,115,151	\$0	\$6,115,151
17.801	DISABLED VETERANS' OUTREACH PROGRAM (DVOP)	\$777,800	\$0	\$777,800
17.804	LOCAL VETERANS' EMPLOYMENT REPRESENTATIVE (LVER) PROGRAM	\$114,297	\$0	\$114,297
	<u>TOTAL EMPLOYMENT SERVICE CLUSTER</u>	<u>\$7,007,248</u>	<u>\$0</u>	<u>\$7,007,248</u>
<u>WIOA CLUSTER</u>				
17.258	WIA/WIOA ADULT PROGRAM	\$685,416	\$4,244,955	\$4,930,371
17.259	WIA/WIOA YOUTH ACTIVITIES	\$718,226	\$4,606,654	\$5,324,880
17.278	WIA/WIOA DISLOCATED WORKER FORMULA GRANTS	\$748,354	\$4,886,937	\$5,635,291
	<u>TOTAL WIOA CLUSTER</u>	<u>\$2,151,996</u>	<u>\$13,738,546</u>	<u>\$15,890,542</u>
<u>TOTAL DEPARTMENT OF LABOR</u>		<u>\$381,049,609</u>	<u>\$20,702,661</u>	<u>\$401,752,270</u>
<u>DEPARTMENT OF STATE</u>				
19.009	ACADEMIC EXCHANGE PROGRAMS - UNDERGRADUATE PROGRAMS	\$9,504	\$0	\$9,504
<u>TOTAL DEPARTMENT OF STATE</u>		<u>\$9,504</u>	<u>\$0</u>	<u>\$9,504</u>
<u>DEPARTMENT OF TRANSPORTATION</u>				
20.205*	HIGHWAY PLANNING AND CONSTRUCTION	\$372,529,181	\$4,049,462	\$376,578,643
20.218	MOTOR CARRIER SAFETY ASSISTANCE	\$2,124,039	\$0	\$2,124,039
20.219*	RECREATIONAL TRAILS PROGRAM	\$1,133,655	\$651,676	\$1,785,331
20.224*	FEDERAL LANDS ACCESS PROGRAM	\$14,635	\$0	\$14,635
20.232	COMMERCIAL DRIVER'S LICENSE PROGRAM IMPLEMENTATION GRANT	\$1,310,191	\$0	\$1,310,191
20.237	MOTOR CARRIER SAFETY ASSISTANCE HIGH PRIORITY GRANTS AND COOPERATIVE AGREEMENTS	\$9,869	\$0	\$9,869
20.505	METROPOLITAN TRANSPORTATION PLANNING AND STATE AND NON-METROPOLITAN PLANNING AND RESEARCH	\$3,593	\$41,387	\$44,980
20.509	FORMULA GRANTS FOR RURAL AREAS	\$1,003,519	\$7,033,521	\$8,037,040
20.513	ENHANCED MOBILITY FOR SENIORS AND INDIVIDUALS WITH DISABILITIES AND TRANSIT SERVICES PROGRAMS CLUSTER	\$1,465,302	\$1,320,707	\$2,786,009
20.514	PUBLIC TRANSPORTATION RESEARCH, TECHNICAL ASSISTANCE, AND TRAINING	\$11,627	\$10,058	\$21,685
20.528	RAIL FIXED GUIDEWAY PUBLIC TRANSPORTATION SYSTEM STATE SAFETY OVERSIGHT FORMULA GRANT PROGRAM	\$195,314	\$0	\$195,314
20.607	ALCOHOL OPEN CONTAINER REQUIREMENTS	\$3,386,194	\$34,893	\$3,421,087
20.614	NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION (NHTSA) DISCRETIONARY SAFETY GRANTS AND COOPERATIVE AGREEMENTS	\$52,466	\$0	\$52,466
20.700	PIPELINE SAFETY PROGRAM STATE BASE GRANT	\$650,144	\$0	\$650,144
20.703	INTERAGENCY HAZARDOUS MATERIALS PUBLIC SECTOR TRAINING AND PLANNING GRANTS	\$15,083	\$22,978	\$38,061
20.724	PIPELINE SAFETY RESEARCH COMPETITIVE ACADEMIC AGREEMENT PROGRAM (CAAP)	\$282,942	\$0	\$282,942
20.933	NATIONAL INFRASTRUCTURE INVESTMENTS	\$7,254,466	\$0	\$7,254,466
<u>FEDERAL TRANSIT CLUSTER</u>				
20.500	FEDERAL TRANSIT - CAPITAL INVESTMENT GRANTS	\$37,136	\$0	\$37,136
20.525	STATE OF GOOD REPAIR GRANTS PROGRAM	\$86,726	\$0	\$86,726
20.526	BUS AND BUS FACILITIES FORMULA PROGRAM	\$451,723	\$0	\$451,723
	<u>TOTAL FEDERAL TRANSIT CLUSTER</u>	<u>\$575,585</u>	<u>\$0</u>	<u>\$575,585</u>

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<u>HIGHWAY SAFETY CLUSTER</u>				
20.600	STATE AND COMMUNITY HIGHWAY SAFETY	\$972,889	\$1,133,123	\$2,106,012
	ALCOHOL IMPAIRED DRIVING COUNTERMEASURES INCENTIVE			
20.601	GRANTS I	\$409,655	\$0	\$409,655
20.609	SAFETY BELT PERFORMANCE GRANTS	\$0	\$33,678	\$33,678
	STATE TRAFFIC SAFETY INFORMATION SYSTEM IMPROVEMENTS			
20.610	GRANTS	\$0	\$90,160	\$90,160
20.612	INCENTIVE GRANT PROGRAM TO INCREASE MOTORCYCLIST SAFETY	\$26,519	\$1,551	\$28,070
20.613	CHILD SAFETY AND CHILD BOOSTER SEAT INCENTIVE GRANTS	\$1,309	\$0	\$1,309
20.616	NATIONAL PRIORITY SAFETY PROGRAMS	\$1,087,687	\$1,294,660	\$2,382,347
	<u>TOTAL HIGHWAY SAFETY CLUSTER</u>	<u>\$2,498,059</u>	<u>\$2,553,172</u>	<u>\$5,051,231</u>
20.U09	WV DOT PHASE III TRAILS PROJECT	\$25,551	\$0	\$25,551
20.U10	WV DOT PHASE II SCANNING PROJECT	\$125,331	\$0	\$125,331
<u>TOTAL DEPARTMENT OF TRANSPORTATION</u>		<u>\$394,666,746</u>	<u>\$15,717,854</u>	<u>\$410,384,600</u>
<u>APPALACHIAN REGIONAL COMMISSION</u>				
23.001	APPALACHIAN REGIONAL DEVELOPMENT	\$691,703	\$0	\$691,703
23.002	APPALACHIAN AREA DEVELOPMENT	\$252,010	\$329,806	\$581,816
23.003*	APPALACHIAN DEVELOPMENT HIGHWAY SYSTEM	\$13,048,788	\$0	\$13,048,788
	APPALACHIAN RESEARCH, TECHNICAL ASSISTANCE, AND			
	DEMONSTRATION PROJECTS	\$108,658	\$0	\$108,658
<u>TOTAL APPALACHIAN REGIONAL COMMISSION</u>		<u>\$14,101,159</u>	<u>\$329,806</u>	<u>\$14,430,965</u>
<u>EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>				
	EMPLOYMENT DISCRIMINATION-TITLE VII OF THE CIVIL RIGHTS ACT OF			
30.001	1964	\$88,716	\$0	\$88,716
<u>TOTAL EQUAL EMPLOYMENT OPPORTUNITY COMMISSION</u>		<u>\$88,716</u>	<u>\$0</u>	<u>\$88,716</u>
<u>GENERAL SERVICES ADMINISTRATION</u>				
39.003	DONATION OF FEDERAL SURPLUS PERSONAL PROPERTY	\$71,923	\$0	\$71,923
<u>TOTAL GENERAL SERVICES ADMINISTRATION</u>		<u>\$71,923</u>	<u>\$0</u>	<u>\$71,923</u>
<u>NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>				
43.001	SCIENCE	\$278,017	\$0	\$278,017
43.008	EDUCATION (NOTE 3)	\$16,805	\$0	\$16,805
<u>TOTAL NATIONAL AERONAUTICS AND SPACE ADMINISTRATION</u>		<u>\$294,822</u>	<u>\$0</u>	<u>\$294,822</u>
<u>INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>				
45.025	PROMOTION OF THE ARTS-PARTNERSHIP AGREEMENTS	\$320,425	\$190,970	\$511,395
	PROMOTION OF THE HUMANITIES - DIVISION OF PRESERVATION AND			
	ACCESS	\$5,994	\$0	\$5,994
45.163	PROMOTION OF THE HUMANITIES-PROFESSIONAL DEVELOPMENT	\$144,247	\$0	\$144,247
45.310	GRANTS TO STATES	\$747,616	\$394,217	\$1,141,833
<u>TOTAL INSTITUTE OF MUSEUM AND LIBRARY SERVICES</u>		<u>\$1,218,282</u>	<u>\$585,187</u>	<u>\$1,803,469</u>
<u>NATIONAL SCIENCE FOUNDATION</u>				
47.041***	ENGINEERING GRANTS	\$7,250	\$0	\$7,250
47.049***	MATHEMATICAL AND PHYSICAL SCIENCES	\$11,854	\$0	\$11,854
47.076***	EDUCATION AND HUMAN RESOURCES	\$457,681	\$0	\$457,681
	OFFICE OF EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE			
	RESEARCH	\$413,541	\$3,729,423	\$4,142,964
47.083***	OFFICE OF INTEGRATIVE ACTIVITIES	\$19,099	\$0	\$19,099
<u>TOTAL NATIONAL SCIENCE FOUNDATION</u>		<u>\$909,425</u>	<u>\$3,729,423</u>	<u>\$4,638,848</u>
<u>SMALL BUSINESS ADMINISTRATION</u>				
59.037	SMALL BUSINESS DEVELOPMENT CENTERS	\$804,423	\$0	\$804,423
59.061	STATE TRADE EXPANSION	\$53,000	\$110,817	\$163,817
<u>TOTAL SMALL BUSINESS ADMINISTRATION</u>		<u>\$857,423</u>	<u>\$110,817</u>	<u>\$968,240</u>
<u>DEPARTMENT OF VETERANS AFFAIRS</u>				
64.015	VETERANS STATE NURSING HOME CARE	\$10,984,343	\$0	\$10,984,343
64.028	POST-9/11 VETERANS EDUCATIONAL ASSISTANCE	\$302,318	\$0	\$302,318
64.124	ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE	\$160,502	\$0	\$160,502
	PREVENTABLE HOSPITALIZATIONS AMONG VETERANS WITH DIABETES	\$86,970	\$0	\$86,970
<u>TOTAL DEPARTMENT OF VETERANS AFFAIRS</u>		<u>\$11,534,133</u>	<u>\$0</u>	<u>\$11,534,133</u>

**STATE OF WEST VIRGINIA
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<u>ENVIRONMENTAL PROTECTION AGENCY</u>				
66.001	AIR POLLUTION CONTROL PROGRAM SUPPORT	\$1,430,024	\$0	\$1,430,024
66.032	STATE INDOOR RADON GRANTS	\$20,047	\$52,708	\$72,755
66.034	SURVEYS, STUDIES, RESEARCH, INVESTIGATIONS, DEMONSTRATIONS, AND SPECIAL PURPOSE ACTIVITIES RELATING TO THE CLEAN AIR ACT	\$354,110	\$0	\$354,110
66.204	MULTIPURPOSE GRANTS TO STATES AND TRIBES	\$160,811	\$0	\$160,811
66.419	WATER POLLUTION CONTROL STATE, INTERSTATE, AND TRIBAL PROGRAM SUPPORT	\$2,069,591	\$40,000	\$2,109,591
66.432	STATE PUBLIC WATER SYSTEM SUPERVISION	\$608,461	\$0	\$608,461
66.433	STATE UNDERGROUND WATER SOURCE PROTECTION	\$157,151	\$0	\$157,151
66.454	WATER QUALITY MANAGEMENT PLANNING	\$149,859	\$35,012	\$184,871
66.458	CAPITALIZATION GRANTS FOR CLEAN WATER STATE REVOLVING FUNDS AND CLEAN WATER STATE REVOLVING FUND CLUSTER	\$0	\$20,668,000	\$20,668,000
66.460	NONPOINT SOURCE IMPLEMENTATION GRANTS	\$892,409	\$577,166	\$1,469,575
66.461	REGIONAL WETLAND PROGRAM DEVELOPMENT GRANTS	\$180,345	\$0	\$180,345
66.466	CHESAPEAKE BAY PROGRAM	\$1,367,118	\$385,168	\$1,752,286
66.468	CAPITALIZATION GRANTS FOR DRINKING WATER STATE REVOLVING FUNDS AND DRINKING WATER STATE REVOLVING FUND CLUSTER	\$2,673,257	\$304,264	\$2,977,521
66.605	PERFORMANCE PARTNERSHIP GRANTS	\$344,096	\$0	\$344,096
66.608	ENVIRONMENTAL INFORMATION EXCHANGE NETWORK GRANT PROGRAM AND RELATED ASSISTANCE	\$2,613	\$0	\$2,613
66.701	TOXIC SUBSTANCES COMPLIANCE MONITORING COOPERATIVE AGREEMENTS	\$121,626	\$0	\$121,626
66.707	TSCA TITLE IV STATE LEAD GRANTS CERTIFICATION OF LEAD-BASED PAINT PROFESSIONALS	\$99,024	\$0	\$99,024
66.708	POLLUTION PREVENTION GRANTS PROGRAM	\$89,143	\$0	\$89,143
66.801	HAZARDOUS WASTE MANAGEMENT STATE PROGRAM SUPPORT	\$1,832,932	\$0	\$1,832,932
66.802	SUPERFUND STATE, POLITICAL SUBDIVISION, AND INDIAN TRIBE SITE- SPECIFIC COOPERATIVE AGREEMENTS	\$344,715	\$0	\$344,715
66.804	UNDERGROUND STORAGE TANK PREVENTION, DETECTION AND COMPLIANCE PROGRAM	\$435,882	\$0	\$435,882
66.805	LEAKING UNDERGROUND STORAGE TANK TRUST FUND CORRECTIVE ACTION PROGRAM	\$355,838	\$0	\$355,838
66.809	SUPERFUND STATE AND INDIAN TRIBE CORE PROGRAM COOPERATIVE AGREEMENTS	\$129,530	\$0	\$129,530
66.817	STATE AND TRIBAL RESPONSE PROGRAM GRANTS	\$487,761	\$0	\$487,761
66.818	BROWNFIELD ASSESSMENT AND CLEANUP COOPERATIVE AGREEMENTS	\$147,054	\$0	\$147,054
66.U12	OPERATIONALIZING WETLAND FUNCTIONAL ASSESSMENT IN WV	\$46,589	\$0	\$46,589
66.U13	MISC. FEDERAL AWARD PROGRAMS	(\$934,395)	\$0	(\$934,395)
<u>ENVIRONMENTAL PROTECTION AGENCY</u>		\$13,565,591	\$22,062,318	\$35,627,909
<u>DEPARTMENT OF ENERGY</u>				
81.041	STATE ENERGY PROGRAM	\$507,538	\$10,939	\$518,477
81.042	WEATHERIZATION ASSISTANCE FOR LOW-INCOME PERSONS	\$189,393	\$2,888,800	\$3,078,193
81.057	UNIVERSITY COAL RESEARCH	\$75,382	\$0	\$75,382
81.086	CONSERVATION RESEARCH AND DEVELOPMENT	\$19,676	\$0	\$19,676
81.087	RENEWABLE ENERGY RESEARCH AND DEVELOPMENT	\$7,988	\$0	\$7,988
81.089***	FOSSIL ENERGY RESEARCH AND DEVELOPMENT (NOTE 3) ENERGY EFFICIENCY AND RENEWABLE ENERGY INFORMATION DISSEMINATION, OUTREACH, TRAINING AND TECHNICAL	\$96,069	\$0	\$96,069
81.117	ANALYSIS/ASSISTANCE	\$206,434	\$0	\$206,434
81.119	STATE ENERGY PROGRAM SPECIAL PROJECTS	\$48,090	\$47,301	\$95,391
<u>TOTAL DEPARTMENT OF ENERGY</u>		\$1,150,570	\$2,947,040	\$4,097,610
<u>DEPARTMENT OF EDUCATION</u>				
84.002	ADULT EDUCATION - BASIC GRANTS TO STATES FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS	\$976,496	\$2,946,053	\$3,922,549
84.007**	(FSEOG)	\$3,423,531	\$0	\$3,423,531
84.010	TITLE I GRANTS TO LOCAL EDUCATIONAL AGENCIES	\$731,543	\$81,979,527	\$82,711,070
84.013	TITLE I STATE AGENCY PROGRAM FOR NEGLECTED AND DELINQUENT CHILDREN AND YOUTH	\$843,853	\$0	\$843,853

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84.031	HIGHER EDUCATION-INSTITUTIONAL AID	\$4,377,142	\$0	\$4,377,142
84.033**	FEDERAL WORK-STUDY PROGRAM (FWS)	\$3,452,078	\$0	\$3,452,078
84.038**	FEDERAL PERKINS LOAN (FPL) - FEDERAL CAPITAL CONTRIBUTIONS	\$45,808,627	\$0	\$45,808,627
84.048	CAREER AND TECHNICAL EDUCATION-BASIC GRANTS TO STATES	\$3,473,321	\$5,708,405	\$9,181,726
84.063**	FEDERAL PELL GRANT PROGRAM (PELL)	\$113,928,606	\$0	\$113,928,606
84.126	REHABILITATION SERVICES-VOCATIONAL REHABILITATION GRANTS TO STATES	\$30,070,708	\$236,639	\$30,307,347
84.169	INDEPENDENT LIVING-STATE GRANTS	\$0	\$332,458	\$332,458
84.177	INDEPENDENT LIVING SERVICES FOR OLDER INDIVIDUALS WHO ARE BLIND	\$441,279	\$0	\$441,279
84.181	SPECIAL EDUCATION - GRANTS FOR INFANTS AND FAMILIES SUPPORTED EMPLOYMENT SERVICES FOR INDIVIDUALS WITH THE MOST SIGNIFICANT DISABILITIES	\$1,772,469	\$419,887	\$2,192,356
84.187	EDUCATION FOR HOMELESS CHILDREN AND YOUTH	\$213,152	\$0	\$213,152
84.196	FEDERAL DIRECT STUDENT LOANS	\$58,468	\$283,403	\$341,871
84.268**	TWENTY-FIRST CENTURY COMMUNITY LEARNING CENTERS	\$450,828,066	\$0	\$450,828,066
84.287	SPECIAL EDUCATION-TECHNICAL ASSISTANCE AND DISSEMINATION TO IMPROVE SERVICES AND RESULTS FOR CHILDREN WITH DISABILITIES	\$287,090	\$6,307,079	\$6,594,169
84.326	ADVANCED PLACEMENT PROGRAM (ADVANCED PLACEMENT TEST FEE; ADVANCED PLACEMENT INCENTIVE PROGRAM GRANTS)	\$76,889	\$26,845	\$103,734
84.330	GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS	\$0	\$55,489	\$55,489
84.334	CHILD CARE ACCESS MEANS PARENTS IN SCHOOL	\$1,668,144	\$601,384	\$2,269,528
84.335	RURAL EDUCATION	\$65,821	\$0	\$65,821
84.358	ENGLISH LANGUAGE ACQUISITION STATE GRANTS	\$24,819	\$1,820,953	\$1,845,772
84.365	MATHEMATICS AND SCIENCE PARTNERSHIPS	\$141,722	\$535,805	\$677,527
84.366	SUPPORTING EFFECTIVE INSTRUCTION STATE GRANT	\$759,881	\$304,874	\$1,064,755
84.367	GRANTS FOR STATE ASSESSMENTS AND RELATED ACTIVITIES	\$466,246	\$14,942,965	\$15,409,211
84.369	NATIONAL SCIENCE AND MATHEMATICS ACCESS TO RETAIN TALENT (SMART) GRANTS (SMART GRANTS)	\$2,043,654	\$0	\$2,043,654
84.376	SCHOOL IMPROVEMENT GRANTS	\$65,870	\$0	\$65,870
84.377	TEACHER EDUCATION ASSISTANCE FOR COLLEGE AND HIGHER EDUCATION GRANTS (TEACH GRANTS)	\$28,361	\$949,961	\$978,322
84.379**	STUDENT SUPPORT AND ACADEMIC ENRICHMENT PROGRAM	\$475,032	\$0	\$475,032
84.424		\$57,048	\$397,003	\$454,051
	<u>SPECIAL EDUCATION CLUSTER (IDEA)</u>			
84.027	SPECIAL EDUCATION-GRANTS TO STATES (IDEA, PART B)	\$6,885,131	\$67,003,787	\$73,888,918
84.173	SPECIAL EDUCATION-PRESCHOOL GRANTS (IDEA PRESCHOOL)	\$434,552	\$2,754,883	\$3,189,435
	<u>TOTAL SPECIAL EDUCATION CLUSTER (IDEA)</u>	<u>\$7,319,683</u>	<u>\$69,758,670</u>	<u>\$77,078,353</u>
	<u>TRIO CLUSTER</u>			
84.042	TRIO-STUDENT SUPPORT SERVICES	\$1,571,584	\$0	\$1,571,584
84.044	TRIO-TALENT SEARCH	\$207,223	\$0	\$207,223
84.047	TRIO-UPWARD BOUND	\$1,700,897	\$0	\$1,700,897
84.066	TRIO-EDUCATIONAL OPPORTUNITY CENTERS	\$156,115	\$0	\$156,115
84.217	TRIO-MCNAIR POST-BACCALAUREATE ACHIEVEMENT	\$294,501	\$0	\$294,501
	<u>TOTAL TRIO CLUSTER</u>	<u>\$3,930,320</u>	<u>\$0</u>	<u>\$3,930,320</u>
84.U14	NATIONAL ASSESSMENT OF EDUCATIONAL PROGRESS	\$127,295	\$0	\$127,295
	<u>TOTAL DEPARTMENT OF EDUCATION</u>	<u>\$677,937,214</u>	<u>\$187,607,400</u>	<u>\$865,544,614</u>
	<u>ELECTION ASSISTANCE COMMISSION</u>			
90.401	HELP AMERICA VOTE ACT REQUIREMENTS PAYMENTS	\$221,001	\$0	\$221,001
	<u>TOTAL ELECTION ASSISTANCE COMMISSION</u>	<u>\$221,001</u>	<u>\$0</u>	<u>\$221,001</u>
	<u>DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>			
93.003	PUBLIC HEALTH AND SOCIAL SERVICES EMERGENCY FUND	\$138	\$0	\$138
93.041	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 3-PROGRAMS FOR PREVENTION OF ELDER ABUSE, NEGLECT, AND EXPLOITATION	\$564	\$25,000	\$25,564
93.042	SPECIAL PROGRAMS FOR THE AGING-TITLE VII, CHAPTER 2-LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS	\$86,036	\$11,488	\$97,524

**STATE OF WEST VIRGINIA
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93.043	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART D-DISEASE PREVENTION AND HEALTH PROMOTION SERVICES	\$23,245	\$97,982	\$121,227
93.048	SPECIAL PROGRAMS FOR THE AGING-TITLE IV AND TITLE II - DISCRETIONARY PROJECTS	\$49,345	\$110,567	\$159,912
93.051	ALZHEIMER'S DISEASE DEMONSTRATION GRANTS TO STATES	\$48,516	\$116,000	\$164,516
93.052	NATIONAL FAMILY CAREGIVER SUPPORT, TITLE III, PART E	\$57,516	\$869,620	\$927,136
93.069	PUBLIC HEALTH EMERGENCY PREPAREDNESS	\$12,236	\$60,000	\$72,236
93.070	ENVIRONMENTAL PUBLIC HEALTH AND EMERGENCY RESPONSE	\$71,060	\$0	\$71,060
93.071	MEDICARE ENROLLMENT ASSISTANCE PROGRAM	\$45	\$238,772	\$238,817
93.073	BIRTH DEFECTS AND DEVELOPMENTAL DISABILITIES - PREVENTION AND SURVEILLANCE	\$67,831	\$190,150	\$257,981
93.074	HOSPITAL PREPAREDNESS PROGRAM (HPP) AND PUBLIC HEALTH EMERGENCY PREPAREDNESS (PHEP) ALIGNED COOPERATIVE AGREEMENTS	\$2,542,469	\$4,133,310	\$6,675,779
93.079	COOPERATIVE AGREEMENTS TO PROMOTE ADOLESCENT HEALTH THROUGH SCHOOL-BASED HIV/STD PREVENTION AND SCHOOL-BASED SURVEILLANCE	\$48,191	\$3,546	\$51,737
93.090	GUARDIANSHIP ASSISTANCE	\$1,236,487	\$0	\$1,236,487
93.092	AFFORDABLE CARE ACT (ACA) PERSONAL RESPONSIBILITY EDUCATION PROGRAM	\$14,720	\$187,328	\$202,048
93.094	WELL-INTEGRATED SCREENING AND EVALUATION FOR WOMEN ACROSS THE NATION	\$391,001	\$146,612	\$537,613
93.103	FOOD AND DRUG ADMINISTRATION-RESEARCH	\$976,023	\$0	\$976,023
93.110	MATERNAL AND CHILD HEALTH FEDERAL CONSOLIDATED PROGRAMS PROJECT GRANTS AND COOPERATIVE AGREEMENTS FOR	\$99,702	\$105,309	\$205,011
93.116	TUBERCULOSIS CONTROL PROGRAMS	\$144,920	\$0	\$144,920
93.127	EMERGENCY MEDICAL SERVICES FOR CHILDREN	\$107,348	\$29,497	\$136,845
93.130	COOPERATIVE AGREEMENTS TO STATES/TERRITORIES FOR THE COORDINATION AND DEVELOPMENT OF PRIMARY CARE OFFICES	\$224,749	\$45,000	\$269,749
93.135	CENTERS FOR RESEARCH AND DEMONSTRATION FOR HEALTH PROMOTION AND DISEASE PREVENTION	\$10,172	\$0	\$10,172
93.136	INJURY PREVENTION AND CONTROL RESEARCH AND STATE AND COMMUNITY BASED PROGRAMS	\$805,755	\$912,611	\$1,718,366
93.150	PROJECTS FOR ASSISTANCE IN TRANSITION FROM HOMELESSNESS (PATH)	\$2,824	\$230,663	\$233,487
93.165	GRANTS TO STATES FOR LOAN REPAYMENT PROGRAM	\$0	\$77,500	\$77,500
93.217	FAMILY PLANNING SERVICES	\$2,386,669	\$0	\$2,386,669
93.234	TRAUMATIC BRAIN INJURY STATE DEMONSTRATION GRANT PROGRAM	\$281,669	\$0	\$281,669
93.235	TITLE V STATE SEXUAL RISK AVOIDANCE EDUCATION (TITLE V STATE SRAE) PROGRAM	\$5,771	\$400,125	\$405,896
93.236	GRANTS TO STATES TO SUPPORT ORAL HEALTH WORKFORCE ACTIVITIES	\$74,465	\$584,005	\$658,470
93.241	STATE RURAL HOSPITAL FLEXIBILITY PROGRAM	\$120,382	\$330,639	\$451,021
93.243	SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES_PROJECTS OF REGIONAL AND NATIONAL SIGNIFICANCE	\$520,508	\$5,652,332	\$6,172,840
93.251	UNIVERSAL NEWBORN HEARING SCREENING	\$68,210	\$28,291	\$96,501
93.264**	NURSING FACULTY LOAN PROGRAM (NFLP)	\$170,015	\$0	\$170,015
93.268	IMMUNIZATION COOPERATIVE AGREEMENTS	\$547,055	\$135,083	\$682,138
93.270	VIRAL HEPATITIS PREVENTION AND CONTROL	\$132,637	\$0	\$132,637
93.279	DRUG ABUSE AND ADDICTION RESEARCH PROGRAMS	\$14,412	\$0	\$14,412
93.283	CENTERS FOR DISEASE CONTROL AND PREVENTION_INVESTIGATIONS AND TECHNICAL ASSISTANCE	\$292,187	\$388,252	\$680,439
93.301	SMALL RURAL HOSPITAL IMPROVEMENT GRANT PROGRAM	\$0	\$107,697	\$107,697
93.305	PPHF 2018: OFFICE OF SMOKING AND HEALTH - NATIONAL STATE BASED TOBACCO CONTROL PROGRAMS - FINANCED IN PART BY 2018 PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$264,902	\$88,572	\$353,474
93.319	OUTREACH PROGRAMS TO REDUCE THE PREVALENCE OF OBESITY IN HIGH RISK RURAL AREAS	\$428,863	\$33,842	\$462,705
93.323	EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	\$751,443	\$0	\$751,443

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93.342**	HEALTH PROFESSIONS STUDENT LOANS, INCLUDING PRIMARY CARE			
93.359	LOANS AND LOANS FOR DISADVANTAGED STUDENTS (HPSL/PCL/LDS)	\$7,791,144	\$0	\$7,791,144
93.364**	NURSE EDUCATION, PRACTICE QUALITY AND RETENTION GRANTS	\$442,062	\$0	\$442,062
	NURSING STUDENT LOANS (NSL)	\$739,915	\$0	\$739,915
93.424	NON-ACA/PPHF - BUILDING CAPACITY OF THE PUBLIC HEALTH SYSTEM TO IMPROVE POPULATION HEALTH THROUGH NATIONAL NONPROFIT ORGANIZATIONS	\$2,093	\$84,469	\$86,562
93.506	ACA NATIONWIDE PROGRAM FOR NATIONAL AND STATE BACKGROUND CHECKS FOR DIRECT PATIENT ACCESS EMPLOYEES OF LONG TERM CARE FACILITIES AND PROVIDERS	\$1,526,936	\$0	\$1,526,936
93.511	AFFORDABLE CARE ACT (ACA) GRANTS TO STATES FOR HEALTH INSURANCE PREMIUM REVIEW	\$720	\$0	\$720
93.521	THE AFFORDABLE CARE ACT: BUILDING EPIDEMIOLOGY, LABORATORY, AND HEALTH INFORMATION SYSTEMS CAPACITY IN THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASE (ELC) AND EMERGING INFECTIONS PROGRAM (EIP)	\$228,038	\$180,273	\$408,311
93.524	COOPERATIVE AGREEMENTS;PPHF BUILDING CAPACITY OF THE PUBLIC HEALTH SYSTEM TO IMPROVE POPULATION HEALTH THROUGH NATIONAL, NON-PROFIT ORGANIZATIONS- FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$0	\$5,708	\$5,708
93.539	PPHF CAPACITY BUILDING ASSISTANCE TO STRENGTHEN PUBLIC HEALTH IMMUNIZATION INFRASTRUCTURE AND PERFORMANCE	\$573,801	\$604,091	\$1,177,892
93.556	FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS PROMOTING SAFE AND STABLE FAMILIES	\$1,116,775	\$725,840	\$1,842,615
93.558	TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)	\$92,121,332	\$9,644,993	\$101,766,325
93.560	FAMILY SUPPORT PAYMENTS TO STATES-ASSISTANCE PAYMENTS	(\$8,347)	\$0	(\$8,347)
93.563	CHILD SUPPORT ENFORCEMENT	\$24,695,138	\$0	\$24,695,138
93.566	REFUGEE AND ENTRANT ASSISTANCE STATE/REPLACEMENT DESIGNEE ADMINISTERED PROGRAMS	\$5,054	\$75,000	\$80,054
93.568	LOW-INCOME HOME ENERGY ASSISTANCE	\$19,864,755	\$7,700,299	\$27,565,054
93.569	COMMUNITY SERVICES BLOCK GRANTS	\$259,481	\$6,970,229	\$7,229,710
93.586	STATE COURT IMPROVEMENT PROGRAM	\$278,755	\$0	\$278,755
93.590	COMMUNITY-BASED CHILD ABUSE PREVENTION GRANTS	\$0	\$235,903	\$235,903
93.597	GRANTS TO STATES FOR ACCESS AND VISITATION PROGRAMS	\$117,870	\$0	\$117,870
93.599	CHAFEE EDUCATION AND TRAINING VOUCHERS PROGRAM (ETV)	\$478,648	\$39,785	\$518,433
93.600	HEAD START	\$14,737	\$60,482	\$75,219
93.603	ADOPTION AND LEGAL GUARDIANSHIP INCENTIVE PAYMENTS	\$49,568	\$124,204	\$173,772
93.609	THE AFFORDABLE CARE ACT - MEDICAID ADULT QUALITY GRANTS DEVELOPMENTAL DISABILITIES BASIC SUPPORT AND ADVOCACY GRANTS	\$304,247	\$0	\$304,247
93.630		\$204,762	\$378,780	\$583,542
93.643	CHILDREN'S JUSTICE GRANTS TO STATES	\$133,031	\$0	\$133,031
93.645	STEPHANIE TUBBS JONES CHILD WELFARE SERVICES PROGRAM	\$1,686,400	\$0	\$1,686,400
93.658	FOSTER CARE-TITLE IV-E	\$52,935,362	\$2,577,749	\$55,513,111
93.659	ADOPTION ASSISTANCE	\$39,121,456	\$116,508	\$39,237,964
93.667	SOCIAL SERVICES BLOCK GRANT	\$19,967,868	\$0	\$19,967,868
93.669	CHILD ABUSE AND NEGLECT STATE GRANTS	\$38,035	\$105,615	\$143,650
93.671	FAMILY VIOLENCE PREVENTION AND SERVICES/DOMESTIC VIOLENCE SHELTER AND SUPPORTIVE SERVICES	\$0	\$878,957	\$878,957
93.674	CHAFEE FOSTER CARE INDEPENDENCE PROGRAM	\$996,478	\$713,103	\$1,709,581
93.701***	ARRA - TRANS-NIH RECOVERY ACT RESEARCH SUPPORT (NOTE 3)	\$15,550	\$0	\$15,550
93.713	ARRA - CHILD CARE AND DEVELOPMENT BLOCK GRANT	(\$1,397)	\$0	(\$1,397)
93.732	MENTAL AND BEHAVIORAL HEALTH EDUCATION AND TRAINING GRANTS	\$24,058	\$0	\$24,058
93.733	CAPACITY BUILDING ASSISTANCE TO STRENGTHEN PUBLIC HEALTH IMMUNIZATION INFRASTRUCTURE AND PERFORMANCE - FINANCED IN PART BY THE PREVENTION AND PUBLIC HEALTH FUND (PPHF)	\$9,318	\$0	\$9,318
93.735	STATE PUBLIC HEALTH APPROACHES FOR ENSURING QUITLINE CAPACITY - FUNDED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$36,643	\$0	\$36,643

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93.745	PPHF: HEALTH CARE SURVEILLANCE/HEALTH STATISTICS- SURVEILLANCE PROGRAM ANNOUNCEMENT: BEHAVIORAL RISK FACTOR SURVEILLANCE SYSTEM FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$195,472	\$0	\$195,472
93.753	CHILD LEAD POISONING PREVENTION SURVEILLANCE FINANCED IN PART BY PREVENTION AND PUBLIC HEALTH (PPHF) PROGRAM	\$164,058	\$0	\$164,058
93.757	STATE AND LOCAL PUBLIC HEALTH ACTIONS TO PREVENT OBESITY, DIABETES, HEART DISEASE, AND STROKE (PPHF)	\$226,772	\$211,375	\$438,147
93.758	PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT FUNDED SOLELY WITH PREVENTION AND PUBLIC HEALTH FUNDS (PPHF)	\$654,051	\$437,661	\$1,091,712
93.767	CHILDREN'S HEALTH INSURANCE PROGRAM	\$68,660,487	\$10,190	\$68,670,677
93.779	CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) RESEARCH, DEMONSTRATIONS AND EVALUATIONS	\$79,596	\$314,495	\$394,091
93.788	OPIOID STR	\$18,119	\$2,379,689	\$2,397,808
93.791	MONEY FOLLOWS THE PERSON REBALANCING DEMONSTRATION ORGANIZED APPROACHES TO INCREASE COLORECTAL CANCER SCREENING	\$1,890,793	\$1,222,625	\$3,113,418
93.800	DOMESTIC EBOLA SUPPLEMENT TO THE EPIDEMIOLOGY AND LABORATORY CAPACITY FOR INFECTIOUS DISEASES (ELC)	\$484,781	\$73,700	\$558,481
93.815	HOSPITAL PREPAREDNESS PROGRAM (HPP) EBOLA PREPAREDNESS AND RESPONSE ACTIVITIES	\$107,541	\$114,177	\$221,718
93.817	BIOMEDICAL RESEARCH AND RESEARCH TRAINING (NOTE 3)	\$0	\$339,337	\$339,337
93.859***	HEALTH CARE AND OTHER FACILITIES	\$849,603	\$0	\$849,603
93.887	CANCER PREVENTION AND CONTROL PROGRAMS FOR STATE, TERRITORIAL AND TRIBAL ORGANIZATIONS	\$828	\$0	\$828
93.898	GRANTS TO STATES FOR OPERATION OF STATE OFFICES OF RURAL HEALTH	\$1,516,889	\$268,216	\$1,785,105
93.913	HIV CARE FORMULA GRANTS	\$109,264	\$0	\$109,264
93.917	SCHOLARSHIPS FOR HEALTH PROFESSIONS STUDENTS FROM DISADVANTAGED BACKGROUNDS	\$3,490,226	\$1,720,132	\$5,210,358
93.925**	HIV PREVENTION ACTIVITIES-HEALTH DEPARTMENT BASED	\$617,837	\$0	\$617,837
93.940	HUMAN IMMUNODEFICIENCY VIRUS (HIV)/ACQUIRED IMMUNODEFICIENCY VIRUS SYNDROME (AIDS) SURVEILLANCE ASSISTANCE PROGRAMS FOR CHRONIC DISEASE PREVENTION AND CONTROL	\$628,127	\$5,310	\$633,437
93.944	COOPERATIVE AGREEMENTS TO SUPPORT STATE-BASED SAFE MOTHERHOOD AND INFANT HEALTH INITIATIVE PROGRAMS	\$169,449	\$0	\$169,449
93.945	BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES	\$367,264	\$64,369	\$431,633
93.946	BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE	\$89,957	\$0	\$89,957
93.958	COAL MINERS RESPIRATORY IMPAIRMENT TREATMENT CLINICS AND SERVICES	\$251,104	\$2,499,830	\$2,750,934
93.959	SEXUALLY TRANSMITTED DISEASES (STD) PREVENTION AND CONTROL GRANTS	\$366,311	\$7,759,202	\$8,125,513
93.965	MENTAL HEALTH DISASTER ASSISTANCE AND EMERGENCY MENTAL HEALTH	\$134,415	\$1,085,482	\$1,219,897
93.977	MATERNAL AND CHILD HEALTH SERVICES BLOCK GRANT TO THE STATES	\$388,846	\$0	\$388,846
93.982		\$0	\$545,600	\$545,600
93.994		\$3,096,093	\$1,827,021	\$4,923,114
<u>AGING CLUSTER</u>				
93.044	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART B-GRANTS FOR SUPPORTIVE SERVICES AND SENIOR CENTERS	\$109,951	\$2,414,145	\$2,524,096
93.045	SPECIAL PROGRAMS FOR THE AGING-TITLE III, PART C-NUTRITION SERVICES	\$246,711	\$4,556,918	\$4,803,629
93.053	NUTRITION SERVICES INCENTIVE PROGRAM	\$0	\$1,414,805	\$1,414,805
<u>TOTAL AGING CLUSTER</u>		<u>\$356,662</u>	<u>\$8,385,868</u>	<u>\$8,742,530</u>
<u>MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u>				
93.505	AFFORDABLE CARE ACT (ACA) - MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING PROGRAM	\$17,842	\$2,161,787	\$2,179,629
93.870	MATERNAL, INFANT AND EARLY CHILDHOOD HOME VISITING GRANT PROGRAM	\$394,576	\$4,938,084	\$5,332,660
<u>TOTAL MATERNAL, INFANT, AND EARLY CHILDHOOD HOME VISITING CLUSTER</u>		<u>\$412,418</u>	<u>\$7,099,871</u>	<u>\$7,512,289</u>

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<u>CCDF CLUSTER</u>				
93.575	CHILD CARE AND DEVELOPMENT BLOCK GRANT	\$10,940,108	\$9,491,830	\$20,431,938
93.596	CHILD CARE MANDATORY AND MATCHING FUNDS OF THE CHILD CARE AND DEVELOPMENT FUND	\$18,014,471	\$2,461,728	\$20,476,199
<u>TOTAL CCDF CLUSTER</u>		<u>\$28,954,579</u>	<u>\$11,953,558</u>	<u>\$40,908,137</u>
<u>MEDICAID CLUSTER</u>				
93.775	STATE MEDICAID FRAUD CONTROL UNITS	\$776,426	\$0	\$776,426
93.777	STATE SURVEY AND CERTIFICATION OF HEALTH CARE PROVIDERS AND SUPPLIERS (TITLE XVIII) MEDICARE	\$3,953,499	\$0	\$3,953,499
93.778	MEDICAL ASSISTANCE PROGRAM	\$3,044,705,576	\$1,890,893	\$3,046,596,469
ARRA 93.778	ARRA - MEDICAL ASSISTANCE PROGRAM	\$5,066,667	\$0	\$5,066,667
<u>TOTAL MEDICAID CLUSTER</u>		<u>\$3,054,502,168</u>	<u>\$1,890,893</u>	<u>\$3,056,393,061</u>
93.U15	WAIVED LABS	(\$12)	\$0	(\$12)
93.U16	CLINICAL LABORATORY IMPROVEMENT AMENDMENTS	\$141,501	\$0	\$141,501
93.U17	PTD BUSINESS CASE (IPA ASSIGNMENT)	\$11,960	\$0	\$11,960
93.U18	NTDI EY2010	\$45	\$0	\$45
93.U19	VITAL STATISTICS COOP PROGRAM	\$224,218	\$0	\$224,218
93.U20	FOOD INSPECTIONS	\$30,478	\$0	\$30,478
93.U21	MAMMOGRAPHY QUALITY ACT	\$21,197	\$0	\$21,197
93.U22	DEATH RECORDS	(\$58)	\$0	(\$58)
93.U23	TOBACCO WORKPLAN	\$382,230	\$173,429	\$555,659
93.U24	MEDICAID 1115 SUD WAIVER EVALUATION RESEARCH AND ANALYSIS OF POTENTIAL SECTION 1115 WAIVER OPTIONS	\$43,453	\$0	\$43,453
93.U25		\$19,965	\$0	\$19,965
93.U26	DHHR HEALTH PROMOTION AND CHRONIC DISEASE STRATEGIC PLANNING AND EVALUATION COORDINATION INDEPENDENT VERIFICATION AND VALIDATION	\$47,359	\$0	\$47,359
93.U27		\$60,321	\$0	\$60,321
93.U28	FEDERAL FOOD, DRUG AND COSMETIC ACT	\$1,025	\$0	\$1,025
93.U29	NATIONAL HEALTH INFORMATION NETWORK II (NHIN2) EVALUATION OF PERSONAL RESPONSIBILITY EDUCATION PROGRAM (PREP)	\$1	\$0	\$1
93.U30		\$20,345	\$0	\$20,345
<u>TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>		<u>\$3,448,638,105</u>	<u>\$96,943,811</u>	<u>\$3,545,581,916</u>
<u>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>				
94.003	STATE COMMISSIONS	\$273,064	\$0	\$273,064
94.006	AMERICORPS	(\$1,640)	\$3,587,666	\$3,586,026
94.009	TRAINING AND TECHNICAL ASSISTANCE	\$68,805	\$0	\$68,805
94.013	VOLUNTEERS IN SERVICE TO AMERICA	\$45,313	\$0	\$45,313
94.021	VOLUNTEER GENERATION FUND	\$18,013	\$2,943	\$20,956
<u>TOTAL CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</u>		<u>\$403,555</u>	<u>\$3,590,609</u>	<u>\$3,994,164</u>
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>				
95.001	HIGH INTENSITY DRUG TRAFFICKING AREAS PROGRAM (NOTE 3)	\$767,097	\$0	\$767,097
<u>EXECUTIVE OFFICE OF THE PRESIDENT</u>		<u>\$767,097</u>	<u>\$0</u>	<u>\$767,097</u>
<u>SOCIAL SECURITY ADMINISTRATION</u>				
96.001	SOCIAL SECURITY-DISABILITY INSURANCE (DI) AND DISABILITY INSURANCE/SSI CLUSTER	\$18,329,033	\$0	\$18,329,033
96.008	SOCIAL SECURITY - WORK INCENTIVES PLANNING AND ASSISTANCE PROGRAM	\$0	\$103,100	\$103,100
96.U31	DEATH RECORDS	\$4,378	\$0	\$4,378
96.U32	ENUMERATION AT BIRTH	\$68,738	\$0	\$68,738
<u>TOTAL SOCIAL SECURITY ADMINISTRATION</u>		<u>\$18,402,149</u>	<u>\$103,100</u>	<u>\$18,505,249</u>

STATE OF WEST VIRGINIA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FEDERAL GRANTOR LISTING
FOR THE YEAR ENDING JUNE 30, 2018

FEDERAL CFDA / GRANT/ CONTRACT NUMBER	NAME OF PROGRAM	STATE OF WEST VIRGINIA EXPENDITURES	TOTAL SUBRECIPIENT EXPENDITURES	TOTAL FEDERAL EXPENDITURES
<u>DEPARTMENT OF HOMELAND SECURITY</u>				
97.012	BOATING SAFETY FINANCIAL ASSISTANCE COMMUNITY ASSISTANCE PROGRAM STATE SUPPORT SERVICES	\$580,073	\$0	\$580,073
97.023	ELEMENT (CAP-SSSE)	\$66,429	\$0	\$66,429
97.032	CRISIS COUNSELING DISASTER GRANTS - PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS)	\$0	(\$98,192)	(\$98,192)
97.036	DECLARED DISASTERS)	\$17,294,818	\$15,164,213	\$32,459,031
97.039	HAZARD MITIGATION GRANT	\$593,036	\$4,735,620	\$5,328,656
97.041	NATIONAL DAM SAFETY PROGRAM	\$68,036	\$0	\$68,036
97.042	EMERGENCY MANAGEMENT PERFORMANCE GRANTS	\$1,826,127	\$3,245,967	\$5,072,094
97.044	ASSISTANCE TO FIREFIGHTERS GRANT	\$501,354	\$0	\$501,354
97.045	COOPERATING TECHNICAL PARTNERS	\$52,870	\$2,549	\$55,419
97.047	PRE-DISASTER MITIGATION	\$195,868	\$0	\$195,868
97.056	PORT SECURITY GRANT PROGRAM	\$200,631	\$0	\$200,631
97.067	HOMELAND SECURITY GRANT PROGRAM	\$583,441	\$2,811,462	\$3,394,903
97.088	DISASTER ASSISTANCE PROJECTS	\$47,548	\$2,070,684	\$2,118,232
<u>TOTAL DEPARTMENT OF HOMELAND SECURITY</u>		<u>\$22,010,231</u>	<u>\$27,932,303</u>	<u>\$49,942,534</u>
<u>TOTAL EXPENDITURES OF FEDERAL AWARDS</u>		<u>\$5,626,900,646</u>	<u>\$582,027,374</u>	<u>\$6,208,928,020</u>

* HIGHWAY PLANNING AND CONSTRUCTION CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$386,726,259
TOTAL SUBRECIPIENT EXPENDITURES \$4,701,138 AND TOTAL FEDERAL EXPENDITURES \$391,427,397.

** STUDENT FINANCIAL ASSISTANCE CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$627,234,851
TOTAL SUBRECIPIENT EXPENDITURES \$0 AND TOTAL FEDERAL EXPENDITURES \$627,234,851.

*** RESEARCH AND DEVELOPMENT CLUSTER, TOTAL STATE OF WEST VIRGINIA EXPENDITURES \$5,988,320
TOTAL SUBRECIPIENT EXPENDITURES \$3,729,423, AND TOTAL FEDERAL EXPENDITURES \$9,717,743.

The accompanying notes are an integral part of this schedule.

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 1. BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards (the Schedule) has been prepared on the cash basis of accounting. The federal awards are listed in the Schedule under the federal agency supplying the award. The individual Catalog of Federal Domestic Assistance (CFDA) numbers are listed first, then clusters, and then federal contract numbers. Federal contract numbers are used if the CFDA number is not available.

The Schedule includes noncash items such as Food Stamps (CFDA number 10.551), State Administrative Expense for Child Nutrition (CFDA number 10.560), and Donation of Federal Surplus Personal Property (CFDA number 39.003). All items are valued based on amounts as established by the federal grantor agency. The Schedule also includes Federal Direct Student Loans (CFDA number 84.268) that are made directly to individual students.

NOTE 2. REPORTING ENTITY

The Schedule includes various departments, agencies, boards and commissions governed by the legislature, judiciary and/or constitutional officers of the State of West Virginia (the State). The reporting entity also includes the State's institutions of public higher education. Certain institutions of higher education within the State maintain separate research corporations. These corporations receive various federal awards for research and development and other programs. Each of the research corporations has a separate audit performed in accordance with the Uniform Guidance, and accordingly, a separate submission has been made (see Note 8).

The Schedule does not include federal funds received and expended by certain independent authorities and other organizations included in the reporting entity under the criteria of the Governmental Accounting Standards Board, as described in Note 1 to the State's basic financial statements published in the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2018. The West Virginia Housing Development Fund and the West Virginia Drinking Water Treatment Revolving Loan Fund, which is a discretely presented component unit and a proprietary fund, respectively, elected to have their own single audit; therefore, their expenditures of federal awards are excluded from the State's schedule of expenditures of federal awards. This component unit and proprietary fund are required to submit their own single audit report to the federal audit clearinghouse (see Note 8).

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 3. INDIRECT/PASS-THROUGH FEDERAL FUNDS

The United States Office of Drug Control Policy provides funds to the Laurel County Fiscal Court of London, Kentucky. A portion of these funds are passed through from the Fiscal Court to the State with identifying numbers HDTA17 and HDTA18.

The West Virginia Research Corporation passed funds to the West Virginia School of Osteopathic Medicine for CFDA Number 93.859 with pass-through entity identifying numbers 12-303-WVSOM-4 and 12-303-WVSOM-5, and also to Shepherd University for CFDA Number 43.008 with pass-through identifying number 91-175C-SU and for CFDA Number 93.859 with pass-through identifying numbers 01-054B-SU6 and 01-054B-SU-7. The West Virginia Research Corporation also passed funds to the West Virginia Geological and Economic Survey for CFDA Number 81.087 with pass-through identifying number 17-463-WVGES.

The Marshall University Research Corporation passed funds to the West Virginia School of Osteopathic Medicine for CFDA Number 93.859 with pass-through identifying numbers P1800873 and P1801984.

The Battelle Research Institute and Tetra Tech passed funds to the West Virginia Geological and Economic Survey for CFDA Number 81.089 with identifying numbers 354860, 3377572, 507700, and 1137982.

The Emmes Corporation pass funds to West Virginia University for CFDA Number 93.701 with identifying number 1 U01 NS062835-01A1.

NOTE 4. UNEMPLOYMENT INSURANCE PROGRAM (UI) (CFDA NUMBER 17.225)

The U.S. Department of Labor, in consultation with the Office of Management and Budget officials, has determined that for the purpose of audits and reporting under the Uniform Guidance, state UI funds as well as federal funds should be considered federal awards for determining Type A programs. The State receives federal funds for administrative purposes. State unemployment taxes must be deposited to a state account in the Federal Unemployment Trust Fund, used only to pay benefits under the federally approved state law. State UI funds as well as federal funds are included on the Schedule.

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

The following schedule provides a breakdown of the state and federal portions of the total expended under CFDA number 17.225:

	<u>Beginning Balance</u> <u>July 1, 2017</u> <u>As Adjusted</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Ending Balance</u> <u>June 30, 2018</u>
State UI Funds	\$ (319,385)	\$346,976,395	\$347,144,413	\$ (487,403)
Federal UI Funds	<u>428,761</u>	<u>14,144,314</u>	<u>13,718,766</u>	<u>854,309</u>
Total	<u>\$ 109,376</u>	<u>\$361,120,709</u>	<u>\$360,863,179</u>	<u>\$ 366,906</u>

NOTE 5. LOANS OUTSTANDING

Loans outstanding as of June 30, 2018, with continuing compliance requirements, are as follows:

<u>CFDA</u>		<u>Ending Balance</u>
<u>Number</u>	<u>Name of Program</u>	
84.038	Federal Perkins Loan (FPL) – Federal Capital Contribution	\$38,632,545
93.264	Nurse Faculty Loan Program (NFLP)	163,997
93.342	Health Professions Student Loans, Including Primary Care Loans and Loans for Disadvantaged Students (HPSL/PCL/LDS)	6,951,878
93.364	Nursing Student Loans (NSL)	<u>652,380</u>
	Total Loans Outstanding	<u>\$46,400,800</u>

NOTE 6. APPROVED PROJECT WORKSHEETS

The State incurred eligible expenditures in FY 2017 and the Federal Emergency Management Agency (FEMA) approved the State's project worksheets in FY 2018. The State recorded the eligible expenditures of \$2,153,175 in CFDA 97.036 on this year's SEFA.

NOTE 7. INDIRECT COST RATE

Per Uniform Guidance 2 CFR § 200.510(b)(6), auditees are required to disclose whether or not they elect to use the 10 percent de minimis cost rate that 2 CFR§ 200.414(f) allows for nonfederal entities that have never received a negotiated indirect cost rate. The State does not elect to use the 10 percent de minimis cost rate.

**STATE OF WEST VIRGINIA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

NOTE 8. COMPONENT UNITS / PROPRIETARY FUND

The following is a summary of federal awards at the various component units and a proprietary fund that have separate Uniform Guidance audits and submissions. These awards have been excluded from the State's Schedule.

West Virginia University Research Corporation	<u>\$ 96,668,381</u>
Marshall University Research Corporation	<u>\$ 17,229,934</u>
West Virginia State University Research and Development Corporation	<u>\$ 12,513,853</u>
West Virginia Housing Development Fund	<u>\$ 186,054,123</u>
West Virginia Drinking Water Treatment Revolving Loan Fund	<u>\$ 2,188,894</u>

***SCHEDULE OF
FINDINGS
AND
QUESTIONED
COSTS***

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

Section I. Summary of Auditor’s Results

Financial statements:

Type of report the auditors issued on whether the financial statements audited were prepared in accordance with GAAP (unmodified, qualified, adverse or disclaimer):	Unmodified, with reference to other auditors			
Internal control over financial reporting:				
Material weakness(es) identified?	<u> X </u>	Yes	<u> </u>	No
Significant deficiency(ies) identified?	<u> </u>	Yes	<u> X </u>	None reported
Noncompliance material to financial statements noted?	<u> </u>	Yes	<u> X </u>	No

Federal awards:

Internal control over major federal programs:				
Material weakness(es) identified?	<u> X </u>	Yes	<u> </u>	No
Significant deficiency(ies) identified?	<u> X </u>	Yes	<u> </u>	None reported
Type of auditors’ report issued on compliance for major federal programs (unmodified, qualified, adverse or disclaimer):	Unmodified for all major programs except for the National Guard Military Operations and Maintenance (O&M) Projects; Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii; Student Financial Assistance Cluster; Temporary Assistance For Needy Families (TANF) Cluster; Low-Income Home Energy Assistance; and Adoption Assistance, which were qualified and the Disaster Grants – Public Assistance (Presidentially Declared Disasters), Hazard Mitigation Grant (HMPG), and Emergency Management Performance Grants, which were adverse			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> X </u>	Yes	<u> </u>	No

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

Identification of Major Federal Programs:

Audited by Ernst & Young:

CFDA Number(s)	Reportable Findings	Name of Federal Program or Cluster
10.551/10.561	None	Supplemental Nutrition Assistance Program (SNAP) Cluster
12.401	2018-002, 003	National Guard Military Operations and Maintenance (O&M) Projects
14.228	2018-004, 005	Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii
15.252	None	Abandoned Mine Land Reclamation (AMLR) Program
20.205/20.219/ 20.224/23.003	2018-006, 007, 008	Highway Planning and Construction Cluster
84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925	2018-009, 010, 011, 012, 013	Student Financial Assistance Cluster
84.010	None	Title I Grants to Local Educational Agencies
84.126	2018-014, 015, 016	Rehabilitation Services—Vocational Rehabilitation Grants to States
93.558	2018-017, 018, 019, 020	Temporary Assistance for Needy Families (TANF) Cluster
93.563	None	Child Support Enforcement
93.568	2018-017, 021	Low-Income Home Energy Assistance
93.575/93.596	2018-017, 022	Child Care and Development Fund (CCDF) Cluster
93.658	2018-017	Foster Care—Title IV-E
93.659	2018-017, 023	Adoption Assistance
93.767	2018-017	Children's Health Insurance Program (CHIP)
93.775/93.777/ *93.778 & ARRA	2018-017, 024	Medicaid Cluster

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

Identification of Major Federal Programs (continued):

Audited by Ernst & Young:

CFDA Number(s)	Reportable Findings	Name of Federal Program or Cluster
97.036	2018-025, 026, 027, 028, 029	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
97.039	2018-030, 031, 032, 033, 034	Hazard Mitigation Grant (HMGP)
97.042	2018-035, 036, 037, 038, 039, 040, 041, 042, 043, 044	Emergency Management Performance Grants

Audited by other auditors:

66.458	None	Capitalization Grants for Clean Water State Revolving Funds
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Dollar threshold used to distinguish between Type A and B programs: \$ 18,626,784

Auditee qualified as low-risk auditee Yes X No

* CFDA number includes federally identifiable American Recovery and Reinvestment Act Funds.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

Section II. Financial Statement Findings

Reference Number	Findings	Questioned Costs
2018-001	Financial Statement Close Process	N/A

Section III. Federal Award Findings and Questioned Costs

Reference Number	Findings	Questioned Costs
2018-002	Period of Performance	\$28,478
2018-003	Program Income Monitoring	\$376,693
2018-004	Reporting	N/A
2018-005	Internal Controls Over Allowability and Procurement	\$880,658
2018-006	Federal Highways Administration Period of Performance	\$3,664,218
2018-007	Internal Controls Over Schedule of Expenditures and Federal Awards	N/A
2018-008	Wage Rate Requirements	\$2,877,461
2018-009	Internal Controls Over Schedule of Expenditures of Federal Awards	N/A
2018-010	Internal Controls Over Cash Management	N/A
2018-011	Special Tests and Provisions – Disbursements to or on Behalf of Students	N/A
2018-012	Special Tests and Provisions – Enrollment Reporting	N/A
2018-013	Special Tests and Provisions – Internal Controls Over Borrower Data Transmission and Reconciliation	N/A
2018-014	Eligibility	N/A
2018-015	Reporting	N/A
2018-016	Special Tests and provisions – Completion of Individual Plan for Employment (IPEs)	Unknown
2018-017	DHHR Information System and Related Business Process Controls	N/A
2018-018	Reporting	Unknown
2018-019	Special Tests and Provisions – Internal Controls Over Child Support Non-cooperation, Penalty for Refusal to Work, and Adult Custodial Parent of Child Under Six When Child Care Not Available	N/A
2018-020	Special Tests and Provisions – Child Support Non-Cooperation	Unknown
2018-021	Allowability and Eligibility	\$1,930
2018-022	Special Tests and Provisions – Fraud Detection and Repayment Controls	N/A

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

Section III. Federal Award Findings and Questioned Costs

(continued):

Reference Number	Findings	Questioned Costs
2018-023	Eligibility Documentation	\$2,431
2018-024	Activities Allowed or Unallowed and Allowable Costs/Cost Principles	\$0.26
2018-025	Internal Controls Over Reporting	N/A
2018-026	Internal Control Over Allowability	N/A
2018-027	Cash Management	Unknown
2018-028	Subrecipient Cash Management	N/A
2018-029	Subrecipient Monitoring	Unknown
2018-030	Subrecipient Cash Management	N/A
2018-031	Subrecipient Eligibility	\$1,578,214
2018-032	Matching	\$104,117
2018-033	Reporting	\$143,369
2018-034	Subrecipient Monitoring	Unknown
2018-035	Schedule of Expenditures of Federal Awards	N/A
2018-036	Allowability	\$922,168
2018-037	Subrecipient Cash Management	N/A
2018-038	Eligibility for Subrecipients	\$901,411
2018-039	Earmarking	Unknown
2018-040	Matching	\$40,203
2018-041	Reporting	\$1,914
2018-042	Subrecipient Monitoring	Unknown
2018-043	Special Tests and Provisions – Closeout Reporting Requirements	N/A
2018-044	Special Tests and Provisions – Training and Exercise Plan Requirements	N/A

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-001 FINANCIAL STATEMENT CLOSE PROCESS

Federal Program Information: **State Agency and Department Name**
Department of Administration Financial Accounting and Reporting Section
(FARS)

Criteria: Critical elements of an entity’s internal control is its ability to record, process, and summarize accounting transactions in a timely manner and to prepare financial reports that give a true and accurate assessment of the entity’s financial status. Timely and accurate financial information is crucial to effective decision-making by management.

Further, a fundamental concept of effective internal control is supervision and review of general ledger activities, including journal entries.

Condition: Significant accounting adjustments were identified as a result of our audit procedures in the following accounts: Medicaid drug rebate receivable, Medicaid liability, and the related expense accounts related to the government-wide and the general fund financial statements. Reclassification adjustments were identified related to fund balance on the government-wide statement of net position. Significant adjustments were identified related to the implementation of GASB 75, *Accounting and Financial Reporting for Post-Employment Benefits other than Pensions*.

Questioned Costs: N/A

Context: Management recorded significant audit adjustments in order to prepare accurate financial statements as of June 30, 2018 and for the year then ended.

Cause: Management indicated that the deficiency noted above is due to the timing of obtaining information from the respective agencies.

Effect: Management recorded significant audit adjustments in order to prepare accurate financial statements as of June 30, 2018, and for the year then ended.

Recommendation: Management should work closely with the respective agencies to understand the information provided and determine the accounting implications. In addition, management should evaluate new GASB pronouncements earlier and determine their impact on the financial statements.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–002 PERIOD OF PERFORMANCE

Federal Program Information:	Federal Agency and Program Name U.S. Department of Defense National Guard Military Operations and Maintenance (O&M) Projects	CFDA # 12.401
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b states that the DHHR is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.309 states that “a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance.”

2 CFR 200.343(b) requires that “unless the Federal awarding agency or pass-through entity authorizes an extension, a non-Federal entity must liquidate all obligations incurred under the Federal award not later than 90 calendar days after the end date of the period of performance as specified in the terms and conditions of the Federal award.”

A-102 Common Rule (§____.23) states that “where a funding period is specified, a grantee may charge to the award only costs resulting from obligations of the funding period unless carryover of unobligated balances is permitted, in which case the carryover balances may be charged for costs resulting from obligations of the subsequent funding period.”

Condition: Three of the sixteen transactions tested from grants with performance period beginning dates during the audit period were incorrectly charged to the grant. Expenditures were incurred prior to the period of performance beginning. One of the twenty-one transactions tested from grants with performance period ending dates during the audit period were not liquidated within the 90-day period.

Questioned Costs: \$28,478 – CFDA #12.401; \$9,163 related to Grant Award W912L8-18-2-1001 and \$19,315 related to Grant Award W912L8-18-2-1002

Context: Total federal expenditures for National Guard Military Operations and Maintenance (O&M) Projects program were \$25,604,542 for the year ended June 30, 2018. The four transactions incurred outside the period of performance or the liquidation period represent \$28,478 of total expenditures tested for period of performance and liquidation of \$152,124.

Cause: The National Guard Military Operations and Maintenance (O&M) does not have adequate internal controls and policies and procedures in place to ensure that expenditures are being incurred within the period of performance and liquidated within the period of liquidation.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-002 PERIOD OF PERFORMANCE
(continued)**

Effect: O&M is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. Expenditures were charged to the grant that are not allowable.

Recommendation: We recommend that the National Guard Military Operations and Maintenance (O&M) implement internal controls and policies and procedures to ensure that expenditures are incurred within the period of performance and liquidated within 90 days after the period of performance.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–003 PROGRAM INCOME MONITORING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Defense National Guard Military Operations and Maintenance (O&M) Projects	12.401

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2 CFR 200.307(e)(1) states that “ordinarily program income must be deducted from total allowable costs to determine the net allowable costs. Program income must be used for current costs unless the Federal awarding agency authorizes otherwise. Program income that the non-Federal entity did not anticipate at the time of the Federal award must be used to reduce the Federal award and non-Federal entity contributions rather than to increase the funds committed to the project.”

Condition: According to a monitoring report from the Office of the United States Property and Fiscal Officer for West Virginia, the West Virginia Army National Guard (WVARNG) did not track, report, or remit program income earned through the operation of the Full Time Dining Operations Cooperative Agreement (the Agreement) in accordance with the Agreement and applicable regulations.

Questioned Costs: \$376,693 – CFDA #12.401 related to Grant Award W9128L8-18-2-1008

Context: The program income related to the operation of the Full Time Dining Operation Cooperative Agreement was \$376,693 for fiscal 2018. Total federal expenditures for National Guard Military Operations and Maintenance (O&M) Projects program were \$25,604,542 for the year ended June 30, 2018.

Cause: WVARNG does not have adequate internal controls and policies and procedures in place to ensure that program income is being tracked, reported and used to offset future program draws.

Effect: WVARNG is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. Program income earned and not identified timely and returned to the federal program.

Recommendation: We recommend that WVARNG implement internal controls and policies and procedures to ensure that program income was being tracked, reported, and remitted back to the federal government as required in a timely manner.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-003 PROGRAM INCOME MONITORING
(continued)**

Views of Responsible Officials and Planned Corrective Actions:	Management acknowledges the finding. See corrective action plan.
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**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-004 REPORTING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Housing and Urban Development Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228
	Grant Award B14DC540001	
	Grant Award B15DC540001	
	Grant Award B16DC540001	
	Grant Award B17DC540001	
	Grant Award B16DL540001	

Criteria: CFR 200.303 requires that the West Virginia Community Advancement and Development Office (WV CAD) must "(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the comptroller General of the United States and the "Internal Control Integrated Framework", issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO)."

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining "internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs."

Per 29 CFR section 97.20, "Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income."

Condition: Management of the West Virginia Community Advancement and Development Office (WV CAD) prepared and submitted the Consolidated Annual Performance and Evaluation Report (CAPER) and the HUD 60002 Section 3 Summary Report without going through an appropriate review and approval process. We identified a difference between the supporting documentation and the Amount Expended During the Program Year for CDBG in the CAPER, Section CR-15-Resources and Investments 91.520(a). CDBG reported \$9,588,462 and provided supporting documentation for \$14,659,530.

Questioned Costs: N/A

Context: Total federal expenditures for the Community Development Block Grants program were \$16,070,814, for the year ended June 30, 2018.

Cause: WV CAD does not have adequate internal controls policies and procedures in place over the reporting process.

Effect: WV CAD is not in compliance with the federal rules and regulations regarding reporting. Reports could be filed with errors or lack of supporting documentation and not be identified by management.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-004 REPORTING
(continued)**

Recommendation: We recommend that WV CAD implement more robust internal controls over the report submission process. At a minimum, such controls should include a documented review and approval process that ensures reported amounts agree with supporting documentation. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–005 INTERNAL CONTROLS OVER ALLOWABILITY AND PROCUREMENT

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Housing and Urban Development Community Development Block Grants/State’s Program and Non-Entitlement Grants in Hawaii	14.228
	Grant Award B14DC540001	
	Grant Award B15DC540001	
	Grant Award B16DC540001	
	Grant Award B17DC540001	
	Grant Award B16DL540001	

Criteria: CFR 200.303 requires that the West Virginia Community Advancement and Development Office (WV CAD) must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

2 CFR 200.320(b) requires that “Procurement by small purchase procedures. Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than the Simplified Acquisition Threshold. If small purchase procedures are used, price or rate quotations must be obtained from an adequate number of qualified sources.”

Condition: During our testing of 60 expenditures for allowability, we noted that for 1 of the 60 payments there was a lack of supporting documentation for price or rate quotations from qualified sources resulting in an invalid task order. Additionally, WV CAD is required to file HUD Form 7015.15 and receive back HUD Form 7015.16 prior to entering into any contracts. Seven contracts were entered into committing Disaster Recovery funding prior to the date upon which WV CAD received HUD Form 7015.16, Authority to use Grant Funds.

Questioned Costs: \$880,658 – CFDA #14.228 related to Grant Award B16DL540001

Context: Total federal expenditures for the Community Development Block Grants program were \$16,070,814, of which total nonsubrecipient federal expenditures were \$1,991,044, for the year ended June 30, 2018.

Cause: WV CAD does not have adequate internal controls and policies and procedures in place to ensure that payments are made only when a valid task order is in place.

Effect: Task orders may not be properly approved resulting in disallowed costs.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-005 INTERNAL CONTROLS OVER ALLOWABILITY AND PROCUREMENT
(continued)**

Recommendation: We recommend that WV CAD implement internal controls over the disbursement process to ensure that all task orders and other supporting documentation are obtained prior to payments being made. Additionally, they should ensure that all task orders are valid.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–006 FEDERAL HIGHWAYS ADMINISTRATION PERIOD OF PERFORMANCE

Federal Program Information:	Federal Agency and Program Name U.S. Department of Transportation Highways Planning and Construction Cluster	CFDA # 20.205/20.219/ 20.224/23.003
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2 CFR 200.309 requires that “a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.”

Condition: The West Virginia Division of Highways “Division” had project agreements that had no end dates in the award agreements. Thus, it cannot be determined whether costs incurred pursuant to those agreements were incurred within the period of performance.

Questioned Costs: \$3,664,218 – CFDA #20.205

Context: Total federal expenditures for the Highways Planning and Construction Cluster were \$391,427,397 for the year ended June 30, 2018. Management identified program agreements from fiscal 2015 through fiscal 2018 that did not have end dates. Total federal expenditures related to project agreements without end dates for fiscal year 2018 was \$3,664,218.

Cause: The Division does not have adequate internal controls and policies and procedures in place to ensure that all projects had end dates.

Effect: The Division was not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award including period of performance requirements.

Recommendation: We recommend that the Division implement internal controls and policies and procedures to ensure that all project agreements have end dates and that no additional costs are incurred after such dates.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–007 INTERNAL CONTROLS OVER SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS

Federal Program Information:	Federal Agency and Program Name U.S. Department of Transportation Highways Planning and Construction Cluster	CFDA # 20.205/20.219/ 20.224/23.003
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: The Division is not reconciling wvOASIS expenditures to the underlying expenditures in the detail system, REMIS. The West Virginia Division of Highways (Division) is currently using two systems for financial reporting. The Advanced Solution with Integrated Systems (wvOASIS) is the State’s ERP accounting system and is used by the Division to process revenue and expenditure transactions of \$391,427,397. The Remote Entry Management Information System (REMIS) is used by the Division for project accounting which includes job cost, payroll, and billing. REMIS is also used by the Division for the preparation of the schedule of expenditures and federal awards.

Questioned Costs: N/A

Context: Total expenditures for the Highways Planning and Construction Cluster were \$391,427,397 for the year ended June 30, 2018.

Cause: The Division has not established internal controls or policies or procedures to reconcile the expenditures reported in the two systems for the year ended June 30, 2018.

Effect: Differences between the two systems could exist and may not be timely detected or corrected leading to misstatements in the schedule of expenditures of federal awards.

Recommendation: We recommend that reconciliations between the two systems be performed, reviewed and approved to ensure completeness and accuracy of the schedule of expenditures of federal awards.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–008 WAGE RATE REQUIREMENTS

Federal Program Information:	Federal Agency and Program Name U.S. Department of Transportation Highways Planning and Construction Cluster	CFDA # 20.205/20.219/ 20.224/23.003
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

40 USC 3141-3144 requires that all laborers and mechanics employed by contractors or subcontractors to work on construction contracts in excess of \$2,000 financed by Federal assistance funds must be paid wages not less than those established for the locality of the project (prevailing wage rates) by the Department of Labor (DOL). The contractor or subcontractor must submit the required certified payrolls.

Condition: For two of the twenty-five projects selected for testing, there was no documentation that the certified payrolls were received or reviewed by an individual at the West Virginia Division of Highways (the Division).

Questioned Costs: \$2,877,461 – CFDA #20.205

Context: Total federal payroll expenditures and total federal expenditures for the Highways Planning and Construction Cluster program were \$19,437,813 and \$391,427,397, respectively, for the year ended June 30, 2018. The two projects without certified payroll represent \$2,877,461 of expenditures out of a total population tested for wage rate requirements of \$32,780,066.

Cause: The Division does not have adequate internal controls and policies and procedures in place to ensure that certified payrolls are being submitted and reviewed timely.

Effect: The Division is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. Laborers may not be paid wages at the DOL prevailing wage rate.

Recommendation: We recommend that the Division implement policies and procedures to ensure that certified payrolls are being submitted and reviewed timely by program personnel.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–009 INTERNAL CONTROLS OVER SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
(Prior Year Finding 2017–004)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: New River Community and Technical College’s internal controls are not adequate to ensure that the Schedule of Expenditures of Federal Awards (SEFA) accurately reports all federal student financial assistance. The institution did not have adequate segregation of duties over the process; the preparer of the SEFA was also the reviewer.

Questioned Costs: N/A

Context: Total Student Financial Assistance (SFA) cluster expenditures for the State of West Virginia were \$627,234,851 for the year ended June 30, 2018. Total SFA cluster expenditures for New River Community and Technical College were \$4,609,194 for the year ended June 30, 2018.

Cause: New River Community and Technical College does not have adequate internal controls to ensure the SEFA is accurate.

Effect: New River Community and Technical College is not properly reviewing their SEFA and errors and/or misstatements could go undetected. This could result in not charging SFA awards correctly.

Recommendation: We recommend that New River Community and Technical College ensure staff responsible for the preparation of the SEFA have the resources needed to accurately prepare the SEFA and that there are segregation of duties in the preparation and review of the SEFA.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–010 INTERNAL CONTROLS OVER CASH MANAGEMENT

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: For the seven cash drawdowns selected from West Liberty University and the five cash drawdowns selected from West Virginia Northern Community and Technical College in our internal control testing, no evidence of review and approval of the drawdown was maintained.

Questioned Costs: N/A

Context: Total Student Financial Assistance (SFA) cluster expenditures were \$627,234,851 for the year ended June 30, 2018. SFA cluster expenditures for West Liberty University and West Virginia Northern Community and Technical College were \$20,556,015 and \$5,226,315, for the year ended June 30, 2018.

Cause: Internal controls and policies and procedures relating to cash management are not robust enough to ensure a second level review and approval are performed.

Effect: The institution could drawdown incorrect or excess cash amounts resulting in noncompliance with federal regulations.

Recommendation: We recommend that the institution strengthen their procedures to ensure drawdown requests are properly reviewed and approved.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–011 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

Criteria: 2 CFR 200.303 requires a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

34 CFR 668.165(a)(2), requires that, “Except in the case of a post-withdrawal disbursement made in accordance with §668.22(a)(5), if an institution credits a student ledger account with Direct Loan, Federal Perkins Loan, or TEACH Grant program funds, the institution must notify the student or parent of— (i) The anticipated date and amount of the disbursement; (ii) The student's or parent's right to cancel all or a portion of that loan, loan disbursement, TEACH Grant, or TEACH Grant disbursement and have the loan proceeds or TEACH Grant proceeds returned to the Secretary; and (iii) The procedures and time by which the student or parent must notify the institution that he or she wishes to cancel the loan, loan disbursement, TEACH Grant, or TEACH Grant disbursement. (3) The institution must provide the notice described in paragraph (a)(2) of this section in writing”

Condition: For the two disbursement notifications selected for testing at West Virginia State University, the institution did not provide the following in writing: the anticipated date and the amount of disbursement. For one of the disbursement notifications selected for testing at Shepherd University and one selected for West Virginia University at Parkersburg, the institution could not provide documentation of the letter sent to the student. The total sample selected for testing was 60.

Questioned Costs: N/A

Context: Total Direct Loan, Federal Perkins Loan, and TEACH Grant expenditures for the SFA cluster were \$497,111,725 for the year ended June 30, 2018. The total Direct Loan, Federal Perkins Loan, and TEACH Grant expenditures for West Virginia State University, Shepherd University, and West Virginia University at Parkersburg were \$12,223,418, \$18,317,661, and \$5,465,483, respectively for the year ended June 30, 2018.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–011 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS

Cause: Internal controls and policies and procedures related to the institutions' disbursement notifications did not encompass all of the required elements.

Effect: Institutions were not in compliance with the requirements related to disbursement notification. Policies and procedures related to the institutions' disbursement notifications did not encompass all of the required elements.

Recommendation: We recommend that the institutions implement internal controls and policies and procedures to ensure that all required information is part of the disbursement notifications sent to students and that supporting documentation for disbursement notifications is maintained and archived to allow for evidence of the institution's compliance with federal guidelines.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–012 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING
(Prior Year Findings 2017–006, 2016–008, 2015–015, 2014–011, 2013–028, 2012–43, 2012–47,
2012–49, 2011–22)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education Office of Student Financial Assistance Office of Post-Secondary Education	
	U.S. Department of Health and Human Services Health Resources and Services Administration Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

34 CFR section 685.309(b) requires that institutions must “(1) Upon receipt of an enrollment report from the Secretary, a school must update all information included in the report and return the report to the Secretary - (i) In the manner and format prescribed by the Secretary; and (ii) Within the timeframe prescribed by the Secretary. (2) Unless it expects to submit its next updated enrollment report to the Secretary within the next 60 days, a school must notify the Secretary within 30 days after the date the school discovers that - (i) A loan under title IV of the Act was made to or on behalf of a student who was enrolled or accepted for enrollment at the school, and the student has ceased to be enrolled on at least a half-time basis or failed to enroll on at least a half-time basis for the period for which the loan was intended; or (ii) A student who is enrolled at the school and who received a loan under title IV of the Act has changed his or her permanent address.

Condition: For one student selected from West Liberty University, one student selected from Fairmont State University, and one student selected from Pierpont Community and Technical College in our compliance sample of 60 students who withdrew, graduated, or enrolled but never attended, the respective institutions did not promptly notify the appropriate entities of a change in the student’s status in a timely and accurate manner.

For the students noted above, there were timing and status discrepancies between the information reported by the institution to the Clearinghouse and their subsequent reporting of enrollment detail to National Student Loan Data System (NSLDS).

Further the following institutions did not have internal controls in place surrounding the enrollment reporting process for the selections made: West Virginia State University and West Virginia University at Parkersburg.

Questioned Costs: N/A

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–012 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING
(Prior Year Findings 2017–006, 2016–008, 2015–015, 2014–011, 2013–028, 2012–43, 2012–47,
2012–49, 2011–22) (continued)**

Context: Total Direct Loan and Pell expenditures for the SFA cluster in total were \$564,756,672 for the year ended June 30, 2018. The total Direct Loan and Pell expenditures for West Liberty University, Fairmont State University, Pierpont Community and Technical College, West Virginia State University and West Virginia University at Parkersburg were \$17,804,943, \$24,674,202, \$8,567,902, \$17,195,181, and \$10,802,530, respectively for the year ended June 30, 2018.

Cause: Furthermore, the following institutions did not have internal controls in place surrounding the enrollment reporting process for the selections made: West Virginia State University and West Virginia University at Parkersburg.

Effect: The institutions are not promptly notifying the NSLDS of changes in student status in an accurate manner; thus, inaccurate information is reported to the NSLDS.

Recommendation: This is a repeat finding. Management should develop an effective corrective action plan to address this matter in a timely manner. As institutions are responsible for timely reporting whether they report directly or via a third-party servicer, we recommend that the institutions implement a review process to ensure they are promptly notifying the U.S. Department of Education and NSLDS of changes in a student’s status in a timely and accurate manner.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–013 SPECIAL TESTS AND PROVISIONS – INTERNAL CONTROLS OVER BORROWER DATA
TRANSMISSION AND RECONCILIATION
(Prior Year Findings 2017–007, 2016–006)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education	
	Office of Student Financial Assistance	
	Office of Post-Secondary Education	
	U.S. Department of Health and Human Services	
	Health Resources and Services Administration	
	Student Financial Assistance (SFA) Cluster	84.007/84.033/ 84.038/84.063/ 84.268/84.379/ 93.264/93.342/ 93.364/93.925

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: For the two months selected for testing of Direct Loan School Account Statement (SAS) reconciliation requirements at both West Liberty University and West Virginia University at Parkersburg, proper reconciliations were completed by the institutions; however, there were no policies or procedures in place to review the SAS reconciliations.

Questioned Costs: N/A

Context: Total Direct Loan expenditures for the SFA cluster in total were \$450,828,066 for the year ended June 30, 2018. The total Direct Loan expenditures for West Liberty University and West Virginia University at Parkersburg were \$13,903,587 and \$5,465,483, respectively for the year ended June 30, 2018.

Cause: Written procedures detailing the process to reconcile loans from Common Origination and Disbursement (COD) records to Banner exist, as provided in narrative form during the audit. However, management represented that a formal reconciliation review process has not been successfully implemented.

Effect: The absence of proper reconciliations could result in the institution’s financial records for Direct Loan expenditures to be improperly stated.

Recommendation: We recommend that management implement a reconciliation process that monthly reconciliations are performed and saved as documented in the institution’s written procedure, including documentation of supervisor review and approval. In addition, management needs to ensure that all data received from COD is maintained within their records to facilitate audit procedures.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–013 SPECIAL TESTS AND PROVISIONS – INTERNAL CONTROLS OVER BORROWER DATA
TRANSMISSION AND RECONCILIATION
(Prior Year Findings 2017–007, 2016–006) (continued)**

Views of Responsible Officials and Planned Corrective Actions:	Management acknowledges the finding. See corrective action plan.
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**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–014 ELIGIBILITY

(Prior Year Findings 2017–008, 2016–012)

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Education	
	Rehabilitation Services—Vocational Rehabilitation	
	Grants to State	84.126
	Grant Award H126A180073	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

29 USC §722(a)(6), states that the West Virginia Division of Rehabilitation Services (WVDRS) must determine whether an individual is eligible for Vocational Rehabilitation (VR) services within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless (a) exceptional and unforeseen circumstances beyond the control of the State VR agency preclude making an eligibility determination within 60 days and the State agency and the individual agree to a specific extension of time; or (b) the State VR Agency is exploring an individual’s abilities, capabilities, and capacity to perform in work situations through trial work experiences.

Condition: During testing of the Case Service Report (RSA-911), a performance report that provides various data elements to the U.S. Department of Education, it was noted that 138 individuals out of the 12,256 individuals reported did not have an eligibility determination performed within the required 60 days from the date of application. A sample of 10 individuals were selected from the 138, of those individuals 7 did not have an authorized extension on file.

Questioned Costs: N/A

Context: Total federal expenditures for the Vocational Rehabilitation Grant were \$30,307,347 for the year ended June 30, 2018.

Cause: WVDRS appears to have policies and procedures in place to address eligibility; however, it has failed to actively enforce those procedures.

Effect: Federal expenditures could be made for individuals who were potentially ineligible.

Recommendation: We recommend that WVDRS strengthen the existing internal controls and policies and procedures surrounding the approval of eligible participants and ensure the appropriate completion of all eligibility determinations on a timely basis.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–015 REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Education Rehabilitation Services—Vocational Rehabilitation Grants to State Grant Award H126A180073	CFDA # 84.126
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

2 CFR 200.302(b)(2) required that financial management system of each non-federal entity must provide “Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§200.327 Financial reporting and 200.328 Monitoring and reporting program performance. If a Federal awarding agency requires reporting on an accrual basis from a recipient that maintains its records on other than an accrual basis, the recipient must not be required to establish an accrual accounting system. This recipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.”

Condition: The West Virginia Division of Rehabilitation Services (WVDRS) is responsible for preparing the SF-425, Federal Financial Report, semiannually. The SF-425 is used to track the status of financial data tied to a particular Federal Grant Award. The SF-425 report should be complete, accurate, and prepared in accordance with the required accounting basis. There was an error in reporting the amount of cash receipts on the March 31, 2018, report. The amount of a cash draw down on April 6, 2018 of \$3,038,948, was erroneously included as part of cash receipts for the quarter ended March 31, 2018.

Questioned Costs: N/A

Context: Total federal expenditures for the Vocational Rehabilitation Grant were \$30,307,347 for the year ended June 30, 2018.

Cause: WVDRS appears to have policies and procedures in place to review the SF-425 prior to submission; however, it has failed to actively enforce those procedures.

Effect: The cumulative amount of actual cash received from the Federal agency as of the reporting period end date was overstated \$3,038,948.

Recommendation: We recommend that WVDRS enforce the existing policies and procedures surrounding the review and approval of the SF-425 report prior to submission.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-015 REPORTING
(continued)**

Views of Responsible Officials and Planned Corrective Actions:	Management acknowledges the finding. See corrective action plan.
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**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–016 SPECIAL TESTS AND PROVISIONS – COMPLETION OF INDIVIDUAL PLAN FOR
EMPLOYMENT (IPES)**

Federal Program Information:	Federal Agency and Program Name U.S. Department of Education Rehabilitation Services—Vocational Rehabilitation Grants to State Grant Award H126A180073	CFDA # 84.126
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

29 USC §722(b)(3)(F), states that if an individual is determined eligible for Vocational Rehabilitation (VR) services, the West Virginia Division of Rehabilitation Services (WVDRS) and the eligible individual must develop an Individualized Plan for Employment (IPE) as soon as possible, but not later than a deadline of 90 days after the date of the determination of eligibility, unless WVDRS and the eligible individual agree to an extension of that deadline to a specific date by which the individualized plan for employment shall be completed.

Condition: Two of the 40 eligible individual IPEs tested were not completed within 90 days or within the period of extension.

Questioned Costs: Unknown

Context: Total federal expenditures for the Vocational Rehabilitation Grant were \$30,307,347 for the year ended June 30, 2018.

Cause: WVDRS appears to have policies and procedures in place to address completion of IPEs; however, it has failed to actively monitor the compliance of those policies and procedures.

Effect: Federal expenditures could be made for individuals who do not meet the requirements of the program.

Recommendation: We recommend that WVDRS monitor and enforce the existing policies and procedures surrounding the timely completion of IPEs for eligible participants.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–017 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Prior Year Findings 2017–002, 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46,
2010–43, 2009–43, 2008–55)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF) Cluster	93.558
	Grant Awards 2016G996115, 2017G996115, and 2018G996115	
	Low-Income Home Energy Assistance	93.568
	Grant Awards G-16B1WVLIEA, G-17B1WVLIEA, G-1701WVLIE4, and G-18B1WVLIEA	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596
	Grant Awards G1701WVCCDF and G1801WVCCDF	
	Foster Care—Title IV-E	93.658
	Grant Awards 1701WVFOST and 1801WVFOST	
	Adoption Assistance	93.659
	Grant Awards 1701WVADPT and 1801WVADPT	
	Children’s Health Insurance Program (CHIP)	93.767
	Grant Awards 1705WV5021 and 1805WV5021	
	Medicaid Cluster	93.775/93.777/ 93.778
	Grant Awards 1705WV5MAP, 1705WV5ADM, 1705WVIMPL, 1705WVINCT, 1805WV5MAP, 1805WV5ADM, 1805WVIMPL, and 1805WVINCT	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: **Family and Children Tracking System (FACTS):** (West Virginia Department of Health and Human Resources (DHHR) operates a wide variety of computer applications, many of which affect federal and State programs’ data. Our review of the information system controls noted that adequate segregation of duties does not exist for the FACTS information system. Certain users have the ability to both create and approve cases. We noted that management implemented a mitigating detect control for the Foster Care program during fiscal year 2012 in response to this repeat finding; however, it was not designed to encompass the Adoption Assistance program or automatic payments in the Foster Care program. Additionally, no supervisory review is required for provider payment information input into the system.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–017 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Prior Year Findings 2017–002, 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46,
2010–43, 2009–43, 2008–55) (continued)**

Recipient Automated Payment Information Data System (RAPIDS) Application Suite: Our testing of the controls surrounding eligibility determination noted that adequate segregation of duties does not exist for the RAPIDS system. No supervisory review is required for case information input into the system. Further, it was noted that approval of disbursements only occurs at the batch level, which does not allow the approval worker to review each transaction individually.

Questioned Costs: N/A

Context: Total federal expenditures for these programs can be located in the Schedule of Expenditures of Federal Awards.

The table below identifies the programs and federal compliance requirements impacted.

Federal Program	System	Compliance Requirements Impacted
Children’s Health Insurance Program (CHIP)	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility; Level of Effort
Temporary Assistance for Needy Families (TANF) Cluster	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Low-Income Home Energy Assistance	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Medicaid Cluster	RAPIDS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Adoption Assistance	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility
Foster Care – Title IV-E	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility, Special Tests and Provisions – Operation of a Foster Care Demonstration Project, Special Tests and Provisions – Payment Rate Setting and Application
Child Care and Development Fund (CCDF) Cluster	FACTS	Activities Allowed or Unallowed, Allowable Costs/Cost Principles, Eligibility

Cause: Policies and procedures have not been adequately updated for changes in the processing of eligibility. Furthermore, management indicated that a lack of personnel resources contributes to the improper segregation of duties issue.

Effect: Without proper segregation of duties or adequate detect controls, the ability exists for certain information system users to create and approve cases and demand payments within the FACTS application. Information can be input into the FACTS application or modified within the application without supervisory review, which could lead to payments being made to ineligible applicants, for the improper amount, or for an improper length of time.

Without proper segregation of duties or adequate detect controls, the ability exists for case workers to input unsupported information into an applicant’s eligibility calculation within RAPIDS. Further, without supervisory review at the transactional level, disbursements for unallowable costs or activities could occur.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018–017 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS
(Prior Year Findings 2017–002, 2016–017, 2015–025, 2014–016, 2013–034, 2012–51, 2011–46,
2010–43, 2009–43, 2008–55) (continued)

Recommendation: This is a repeat finding, and management should develop an effective corrective action plan to address this matter in a timely manner. We recommend that access to various FACTS system applications be restricted to a limited number of users. Controls should be established to ensure that an individual is limited to either creating or approving cases or payments. A detect control should be implemented that would require a review of all individual cases and payments with the same request and approval worker to ensure that cases and payments created and approved were appropriate.

Further, we recommend that a formal review process be implemented to ensure that information input into FACTS and RAPIDS is properly reviewed by authorized individuals prior to payment.

**Views of
Responsible
Officials and
Planned Corrective
Actions:**

Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–018 REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF) Cluster Grant Award 2018 – 2017G996115 Grant Award 2017 – 2016G996115	CFDA # 93.558
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

45 CFR section 265.9(c)(5) requires “each State must provide the average monthly total number or the total number of eligible families served for which the state claims Maintenance of Effort (MOE) expenditures at the end of the fiscal year.”

Condition: In the ACF 204 report submitted to the federal government for the federal fiscal year ended September 30, 2018, the key line item “Total Number of Families Served under the Program with MOE Funds” was overstated by 6,079 cases by using actual caseload, rather than using average caseload throughout the year.

Questioned Costs: Unknown

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2018, were \$101,766,325. The total amount of State MOE for the federal fiscal year ended September 30, 2018, was \$34,446,446.

Cause: Formula errors in supporting documentation resulted in an incorrect submission to the federal government which was not identified during the review process.

Effect: The TANF program is not in compliance with federal requirements regarding the accuracy of number of families served under the program that are to be reported on the ACF 204 report.

Recommendation: Management should refine their precision of review to include a review of the formulas in the supporting spreadsheets related to specific program requirements.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–019 SPECIAL TESTS AND PROVISIONS – INTERNAL CONTROLS OVER CHILD SUPPORT
NON-COOPERATION, PENALTY FOR REFUSAL TO WORK, AND ADULT CUSTODIAL
PARENT OF CHILD UNDER SIX WHEN CHILD CARE NOT AVAILABLE
(Prior Year Findings 2017–010, 2016–016, 2015–024, 2014–018, 2013–036, 2012–56, 2011–44,
2010–41)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Health and Human Services	
	Temporary Assistance for Needy Families (TANF)	
	Cluster	93.558
	Grant Award 2018–2017G996115	
	Grant Award 2017–2016G996115	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: The West Virginia Department of Health and Human Resources (DHHR) has policies and procedures in place surrounding the issuance or removal of sanctions, however, DHHR could not provide adequate documentation that the control was operating effectively.

Questioned Costs: N/A

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2018, were \$101,766,325.

Cause: There is lack of sufficient documentary evidence to support that the controls are operating as designed related to the issuance or removal of sanctions against TANF recipients.

Effect: Recipient benefits may potentially be reduced or increased in error or without appropriate cause.

Recommendation: We recommend that DHHR management maintain sufficient documentation to evidence its internal control over the issuance or removal of sanctions.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–020 SPECIAL TESTS AND PROVISIONS – CHILD SUPPORT NON-COOPERATION

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Temporary Assistance for Needy Families (TANF) Cluster Grant Award 2018–2017G996115	CFDA # 93.558
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Criteria: 2 CFR Section 200.608 (d) states the auditee must “provide the auditor with access to personnel, accounts, books, records, supporting documentation and other information as needed for the auditor to perform the audit required by this part.”

Condition: For 1 of the 40 cases tested for child support non-cooperation, the benefit recipient had no sanction for child support during the year and should not have been included in the population for this compliance requirement. This conflicting data caused the auditor to be unable to determine if population was complete and accurate to test the compliance requirement.

Questioned Costs: Unknown

Context: Total federal expenditures for TANF for the fiscal year ended June 30, 2018, were \$101,766,325.

Cause: There are insufficient internal controls in place surrounding the generation and review of populations provided to the auditor.

Effect: The auditor was unable to determine if the auditee was in compliance with the specified compliance requirement.

Recommendation: We recommend that management implement policies and procedures to ensure that complete and accurate population data can be generated from RAPIDS for the compliance area.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–021 ALLOWABILITY AND ELIGIBILITY

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Low-Income Home Energy Assistance Grant Award G–16B1WVLIEA Grant Award G–17B1WVLIEA Grant Award G–1701WVLIEA Grant Award G–18B1WVLIEA	CFDA # 93.568
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

The eligibility compliance requirements of LIHEAP require the West Virginia Department of Health and Human Resources (DHHR) to determine whether federal monies are spent in accordance with the eligibility guidelines promulgated by 42 USC 8624(b)(2).

Condition: During our testing of 60 benefit payments for eligibility and allowability, we noted the following:

For two of the 60 cases reviewed, there was not adequate documentation surrounding the caseworker’s verification of the recipient’s income.

For one of the 60 cases, there was conflicting information between the case records and electronic records regarding heat source and calculation.

For four of the 60 cases, there was not adequate documentation surrounding the caseworker’s verification of the recipient’s utility bill or wood/coal receipt.

Questioned Costs: \$1,930 – CFDA #93.568; \$1,641 related to Grant Award G–18B1WVLIEA and \$289 related to Grant Award G–17B1WVLIEA

Context: The seven instances represent \$1,930 of benefit payments out of total benefit payments \$16,715. Total payments for benefit assistance for the LIHEAP program for the fiscal year ended June 30, 2018, were \$18,330,558. The federal expenditures for the LIHEAP program for the fiscal year ended June 30, 2018, were \$27,565,054.

Cause: The program has internal controls and policies and procedures in place, however, the control is not robust enough to identify benefit payment issues including that supporting documentation is maintained.

Effect: Payments have been made for ineligible recipients and some payments were not properly approved and/or supported with appropriate documentation.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–021 ALLOWABILITY AND ELIGIBILITY
(continued)**

Recommendation: We recommend that DHHR evaluate the effectiveness of the current training programs for the LIHEAP program to ensure adequate technical training is provided. Furthermore, DHHR should follow established policies and procedures to ensure that necessary review and approvals are obtained and the appropriate documentation is maintained in the recipient case files.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–022 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION AND REPAYMENT CONTROLS
(Prior Years Findings 2017–014, 2016–021)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Health and Human Services	
	Child Care and Development Fund (CCDF) Cluster	93.575/93.596
	Grant Award G1601WVCCDF	
	Grant Award G1701WVCCDF	

Criteria: 2 CFR 200.303 states that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: Child Care payments resulting from fraud are identified and documented within quarterly reconciliation spreadsheets. The current year quarterly reconciliation spreadsheets identified two fraudulent claims established in the previous fiscal year but were not reported until fiscal year 2018.

Questioned Costs: N/A

Context: Total federal expenditures for the CCDF Cluster for fiscal year ended June 30, 2018, were \$40,908,137.

Cause: DHHR experienced significant staff turnover during the fiscal year which caused a lack of timeliness in the way fraudulent claims were identified and reported.

Effect: Payments resulting from fraud may not be identified and recovered in a reasonable amount of time.

Recommendation: DHHR should ensure its internal controls and policies and procedures are robust enough to ensure fraudulent claims are identified and tracked through the reconciliation process beginning in the year of identification. In addition, should adequately train new staff on the processes and controls surrounding the fraud detection and recovery reconciliation process to ensure that all fraudulent claims are identified in the appropriate fiscal year.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–023 ELIGIBILITY DOCUMENTATION

(Prior Year Findings 2017–015, 2016–022, 2015–029, 2014–024, 2013–040, 2012–59)

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Health and Human Services	
	Adoption Assistance	93.659
	Grant Awards 1701WVADPT and 1801WVADPT	

Criteria: 2 CFR 200.303 requires that the DHHR must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Section 473 of the Social Security Act requires that the Adoption Assistance Agreement must be in effect prior to the adoptive parents’ receipt of the Adoption Subsidy. Also, 45 CFR 1356.40 requires the Adoption Assistance Agreement must be signed and in effect at the time of or prior to the final decree of adoption, and a copy of the signed agreement must be given to each party. Further, the eligibility compliance requirements of the Adoption Assistance program require the West Virginia Department of Health and Human Resources (DHHR) to determine whether federal monies are spent in accordance with the eligibility guidelines promulgated by the Adoption Assistance and Child Welfare Act of 1980. West Virginia State Code §49-3-1 states that consent by an agency or department to adopt a child must be given and a statement of relinquishment and termination of parental rights must be obtained from the birth parents. The Adoption Assistance Policy Manual states that an Adoption Placement Agreement (SSADP48) must be completed and signatures obtained as part of the preliminary adoption procedures after the parental rights have been terminated if the child is not registered on the Adoption Resource Network (ARN).

Condition: Five of the 60 cases reviewed for eligibility did not have documents on file to determine eligibility:

- One case had an Adoption Placement Agreement signed after the Adoption Assistance Agreement. The total payment amount associated with this case was \$600, charged to Grant Award 1801WVADPT.
- Two cases were missing the Adoption Placement Agreement, Adoption Assistance Agreement, Release and Consent form, and the IV-E eligibility determination form. The total payment amount associated with these cases was \$631 (\$315.52 each), charged to Grant Award 1801WVADPT.
- One case did not specify a subsidy amount in the Adoption Assistance Agreement, and the Adoption Placement Agreement was not signed or dated by the Social Worker. The total payment amount associated with this case was \$600, charged to Grant Award 1701WVADPT.
- One case was missing the Adoption Placement Agreement and the Adoption Assistance Agreement. The total payment amount associated with this case was \$600, charged to Grant Award 1701WVADPT.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–023 ELIGIBILITY DOCUMENTATION

(Prior Year Findings 2017–015, 2016–022, 2015–029, 2014–024, 2013–040, 2012–59) (continued)

Questioned Costs: \$2,431 – CFDA #93.659; \$1,231 related to Grant Award 1801WVADPT and \$1,200 related to Grant Award 1701WVADPT

Context: The five instances represent \$2,431 of adoption payments out of a total population of benefit payments tested for eligibility of \$34,705. Total federal expenditures for the Adoption Assistance program were \$39,237,964 for the year ended June 30, 2018.

Cause: Management indicated that the lack of inclusion of the proper forms in the case files and inconsistency in the timing of sign-offs were oversights by the caseworker.

Effect: Documentation supporting the original eligibility determination could not be located. Potentially ineligible claims were paid using federal funds.

Recommendation: We recommend that DHHR review the current staffing and training programs of the Adoption Assistance Office to ensure sufficient staff levels are maintained and adequate technical training is provided. Furthermore, the DHHR should establish policies and procedures to ensure that necessary documentation is filed in the adoption case files.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–024 ACTIVITIES ALLOWED OR UNALLOWED AND ALLOWABLE COSTS/COST PRINCIPLES

Federal Program Information:	Federal Agency and Program Name U.S. Department of Health and Human Services Medicaid Cluster Grant Awards 1705WV5MAP;1705WV5ADM;1705WVIMPL; 1705WVINCT;1805WV5MAP;1805WV5ADM; 1805WVINCT;1805WVIMPL	CFDA # 93.775/93.777/ 93.778
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

42 CFR 435.10 requires a “State plan must (a) Provide that the requirements of this part are met; and (b) Specify the groups to whom Medicaid is provided, as specified in subparts B, C, D of this part, and the conditions of eligibility for individuals in those groups. Per the Medicaid State Plan, “the Bureau for Medical Services, the single State agency, is the Office of State Government responsible for the administration of the plan under Title XIX of the Social Security Act. The Bureau for Medical Services has the authority to make rules and regulations that it follows in administering the plan or that are binding upon local agencies that administer the plan.” Per the Bureau of Medical Services manual, chapter 800 section 2, the Rate Setting Division sets payment rates for services provided by hospitals, physicians, and other health care providers participating in the West Virginia Medicaid program. Rates are set annually for more than 35,000 covered services. Additionally, the Unit is responsible for setting rates for the Bureau’s supplemental payments.”

Condition: One of the 60 transactions tested was not calculated and paid using the correct resource-based related value scale (RBRVS) fee schedule.

Questioned Costs: \$0.26 – CFDA #93.778 related to Grant Award 1805WV5MAP

Context: The exception represented \$0.26 of the total \$16,381 sampled. Total federal expenditures for the Medicaid program were \$3,056,393,061 for the year ended June 30, 2018.

Cause: One of the indices included in the rate calculation of Resource Based Relative Value Scale (RBRVS Fee schedule) was omitted. It was not updated to reflect the “West Virginia specific” index. The omitted index applied to claims with a date of service January 1, 2018, through April 30, 2018. The error resulted in an overpayment to providers. Because the WV DHHR discovered its own error, the RBRVS fee schedule was changed on May 1, 2018, to correct the error in the calculation. If a claim with a date of service from January 1, 2018, to April 30, 2018, was submitted for payment after May 1, 2018, the new fee schedule was applied.

Effect: Medicaid providers were overpaid for Medicaid services.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–024 ACTIVITIES ALLOWED OR UNALLOWED AND ALLOWABLE COSTS/COST PRINCIPLES
(continued)**

Recommendation: We recommend that management implement internal controls and policies and procedures to require a review the RBRVS fee schedule for any updates before they are input into production calculations for errors prior to adopting the rate schedules.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–025 INTERNAL CONTROLS OVER REPORTING
(Prior Year Findings 2017–020, 2016–025)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR–WV	
	Grant Award FEMA–4071-DR–WV	
	Grant Award FEMA–4236-DR–WV	
	Grant Award FEMA–4210-DR–WV	
	Grant Award FEMA–4093-DR–WV	
	Grant Award FEMA–4221-DR–WV	
	Grant Award FEMA–4220-DR–WV	
	Grant Award FEMA–4219-DR–WV	
	Grant Award FEMA–4132-DR–WV	
	Grant Award FEMA–4059-DR–WV	
	Grant Award FEMA–4273-DR–WV	
	Grant Award FEMA–4331-DR–WV	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

Condition: Management of the West Virginia Division of Homeland Security and Emergency Management (DHSEM) prepared and submitted revisions to SF-425, *Federal Financial Reports*, without going through an appropriate review and approval process. Additionally, the required quarterly performance reports, the FEMA Form 009-0-111, are not reviewed and approved.

Questioned Costs: N/A

Context: Total federal expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$32,459,031 for the year ended June 30, 2018.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the reporting process to require an appropriate review and approval.

Effect: Federal reports may be submitted with errors or lack of supporting documentation and not be identified on a timely basis.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-025 INTERNAL CONTROLS OVER REPORTING
(Prior Year Findings 2017-020, 2016-025) (continued)**

Recommendation: We recommend that DHSEM internal controls and policies and procedures over the report preparation and submission process. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–026 INTERNAL CONTROL OVER ALLOWABILITY

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–4059-DR-WV	
	Grant Award FEMA–4273-DR-WV	
	Grant Award FEMA–4331-DR-WV	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

Condition: One of the forty payroll transactions and one of the forty nonpayroll transactions selected for testing from the West Virginia Division of Highways (the Division) expenditures were not properly reviewed and approved.

Questioned Costs: N/A

Context: Total federal expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$32,459,031, for the year ended June 30, 2018.

Cause: The Division does not have adequate policies and procedures in place to ensure all transactions are reviewed and approved.

Effect: The Division may not identify noncompliance with federal statutes, regulations, and the terms of the conditions of the federal award including allowability. Expenditures may be paid that are not allowable.

Recommendation: We recommend that the Division implement internal controls and policies and procedures to ensure that expenditures are properly reviewed and approved before being charged to a federal award.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-026 INTERNAL CONTROL OVER ALLOWABILITY
(continued)**

Views of Responsible Officials and Planned Corrective Actions:	Management acknowledges the finding. See corrective action plan.
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**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–027 CASH MANAGEMENT

(Prior Year Finding 2017–017)

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–4059-DR-WV	
	Grant Award FEMA–4273-DR-WV	
	Grant Award FEMA–4331-DR-WV	

Criteria: 2 CFR 200.305(b)(8) requires that a non-Federal entity must “maintain advance payments of Federal awards in interest-bearing accounts, unless the following apply.

- i. The non-Federal entity receives less than \$120,000 in Federal awards per year.
- ii. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
- iii. 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.
- iv. A foreign government or banking system prohibits or precludes interest bearing accounts.”

2 CFR 200.305(b)(9) states that “interest earned on Federal advance funds deposited in interest-bearing accounts must be remitted annually to the Department of Health and Human Services, Payment Management System.”

Condition: The West Virginia School Building Authority (SBA) was not holding their advance payments of federal awards in interest-bearing accounts during fiscal year 2018. Beginning in February 2018, the SBA began transferring the advance payments to interest-bearing accounts. By June 30, 2018, the SBA had transferred all funds to interest bearing accounts. In addition, interest earned in excess of \$500 for fiscal 2018 was not remitted back to the Department of Health and Human Services, Payment Management System.

Questioned Costs: Unknown

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018–027 CASH MANAGEMENT

(Prior Year Finding 2017–017) (continued)

- Context:** Total advance payments of federal awards held in non-interest-bearing accounts until February 2018 for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$6,238,757, which originated in the prior fiscal years. Beginning in February 2018, the SBA began transferring the advance payments to interest-bearing accounts. By June 30, 2018, the SBA had transferred all funds to interest bearing accounts. As of June 30, 2018, interest earned on the interest-bearing accounts was \$17,657. However, interest earned in excess of \$500 was not remitted back to the Department of Health and Human Services, Payment Management System.
- Cause:** The SBA was not aware of the requirement to hold advance payments in interest-bearing accounts until the middle of fiscal year 2018. Furthermore, the SBA failed to remit interest earned on the unexpended amounts to the WV Department of Homeland Security (DHSEM); therefore, DHSEM did not remit the interest earned to the US Department of Homeland Security Emergency Management on an annual basis.
- Effect:** The DHSEM is not in compliance with the federal rules and regulations regarding cash management.
- Recommendation:** We recommend that the DHSEM develop internal controls and policies and procedures to ensure that all advance payments of federal awards be held in interest-bearing accounts and to ensure that interest earned on cash advances is tracked and remitted to the Federal government on an annual basis.
- Views of Responsible Officials and Planned Corrective Actions:** Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–028 SUBRECIPIENT CASH MANAGEMENT

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–4059-DR-WV	
	Grant Award FEMA–4273-DR-WV	
	Grant Award FEMA–4331-DR-WV	

Criteria: 2 CFR 200.303 requires that Institutions must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.305(b) requires that “payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity.”

Additionally, 2 CFR 200.305(b)(3) states that “when the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.”

OMB Circular A-110 requires that procedures be implemented to ensure that subrecipients minimize the time elapsing between the transfer of Federal funds from the recipient and the disbursement of funds for program purposes.

Condition: For eight of the forty subrecipient payments selected for testing, the West Virginia Division of Homeland Security and Emergency Management (DHSEM) failed to reimburse the subrecipients within 30 calendar days after receipt of the billing.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–028 SUBRECIPIENT CASH MANAGEMENT
(continued)**

Questioned Costs: N/A

Context: Total federal and subrecipient expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$32,459,031 and 15,164,213, respectively, for the year ended June 30, 2018. The eight instances represent \$938,299 of expenditures out of a total population tested for subrecipient cash management of \$5,614,185.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over subrecipient payment requests to ensure federal funds are being reimbursed timely for expenditures incurred.

Effect: DHSEM is not in compliance with the cash management requirements of this program. DHSEM is not reimbursing subrecipients on a timely basis.

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures over the subrecipient payment process to ensure that reimbursements are made within 30 calendar days after receipt of the billing.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018–029 SUBRECIPIENT MONITORING
(Prior Years Findings 2017–018, 2016–024)**

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–4059-DR-WV	
	Grant Award FEMA–4273-DR-WV	
	Grant Award FEMA–4331-DR-WV	

Criteria: 2 CFR 200.331 establishes pass-through entity responsibilities which include (1) monitoring “the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved,” and (2) ensuring that subrecipients expending \$750,000 or more in Federal awards during the subrecipient's fiscal year have met the audit requirements for that fiscal year.

OMB Circular No. A-133, Subpart D §400 requires a pass-through entity to “monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.” Pass-through entities are required to develop monitoring procedures including programmatic and financial monitoring to ensure subrecipients have used federal funds for authorized purposes.

Condition: DHSEM did not monitor the activities of the subrecipients as necessary, nor was a review completed on Uniform Guidance audit reports posted to the State Auditor’s website until June 2018.

Questioned Costs: Unknown

Context: Total federal expenditures for the thirty-nine subrecipients and total federal expenditures for the Disaster Grants – Public Assistance (Presidentially Declared Disasters) program were \$15,164,213 and \$32,459,031, respectively, for the year ended June 30, 2018.

Cause: Management did not have effective internal control and policies and procedures in place during the fiscal year. Management did not have adequate staff with appropriate training to complete the monitoring process during the fiscal year.

Effect: Subrecipients may not be in compliance with the terms of the subrecipient grant agreement, have unallowable expenditures and or audit findings that are not identified timely and corrected.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-029 SUBRECIPIENT MONITORING

(Prior Years Findings 2017-018, 2016-024) (continued)

Recommendation: DHSEM should continue to follow their formalized policies implemented at year-end for developing and tracking subrecipient monitoring reports, for receiving and tracking subrecipient audit reports, and for following up on any instances of subrecipient compliance or internal control findings to ensure they are resolved in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-030 SUBRECIPIENT CASH MANAGEMENT

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Hazard Mitigation Grant (HMGP)	97.039
	Grant Award FEMA-4061-DR-WV	
	Grant Award FEMA-4071-DR-WV	
	Grant Award FEMA-4236-DR-WV	
	Grant Award FEMA-4210-DR-WV	
	Grant Award FEMA-4093-DR-WV	
	Grant Award FEMA-4221-DR-WV	
	Grant Award FEMA-4220-DR-WV	
	Grant Award FEMA-4219-DR-WV	
	Grant Award FEMA-4132-DR-WV	
	Grant Award FEMA-4059-DR-WV	
	Grant Award FEMA-4273-DR-WV	
	Grant Award FEMA-4331-DR-WV	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.305(b) requires that “payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity.”

Additionally, 2 CFR 200.305(b)(3) states that “when the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.”

OMB Circular A-110 requires that procedures be implemented to ensure that subrecipients minimize the time elapsing between the transfer of Federal funds from the recipient and the disbursement of funds for program purposes.

Condition: For eight of the sixteen subrecipient payments selected for testing, the West Virginia Division of Homeland Security and Emergency Management (DHSEM) failed to reimburse the subrecipients within 30 calendar days after receipt of the billing.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-030 SUBRECIPIENT CASH MANAGEMENT
(continued)**

Questioned Costs: N/A

Context: Total federal expenditures for subrecipients and total federal expenditures for the Hazard Mitigation Grant program were \$4,735,620 and \$5,328,656, respectively, for the year ended June 30, 2018. The eight instances represent \$787,913 of expenditures out of a total population tested for subrecipient cash management of \$1,282,255.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over subrecipient payment requests to ensure federal funds are being reimbursed timely for expenditures incurred.

Effect: DHSEM is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. By not reimbursing subrecipients for expenditures incurred timely, the completion of projects may be delayed and vendors may not be paid timely.

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures over the subrecipient payment process to ensure that reimbursements are made within 30 calendar days after receipt of the billing.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-031 SUBRECIPIENT ELIGIBILITY

Federal Program Information:	Federal Agency and Program Name U.S. Department of Homeland Security Hazard Mitigation Grant (HMGP) Grant Award FEMA-4061-DR-WV Grant Award FEMA-4071-DR-WV Grant Award FEMA-4236-DR-WV Grant Award FEMA-4210-DR-WV Grant Award FEMA-4093-DR-WV Grant Award FEMA-4221-DR-WV Grant Award FEMA-4220-DR-WV Grant Award FEMA-4219-DR-WV Grant Award FEMA-4132-DR-WV Grant Award FEMA-4059-DR-WV Grant Award FEMA-4273-DR-WV Grant Award FEMA-4331-DR-WV	CFDA # 97.039
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

2 CFR 200.508(d) says an auditee must “provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.”

Condition: DHSEM did not provide timely supporting documentation to the auditors. Missing supporting documentation includes:

Eligibility for Subrecipients

- For 6 of the 8 subrecipients selected for testing, DHSEM did not provide the FEMA Approved Mitigation Plan to allow the auditors to determine if eligibility requirements were met. Total federal expenditures for these subrecipients were \$1,578,214.
- For 8 of the 8 subrecipients selected for testing, DHSEM did not provide the signed grant agreement with the subrecipient.

Subrecipient Monitoring

- For 8 of the 8 subawards selected for testing, DHSEM did not provide documentation to show that the subrecipient was made aware of the award information required by 2 CFR section 200.331(a).

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018–031 AUDIT DOCUMENTATION
(continued)

Questioned Costs: \$1,578,214 – CFDA #97.039; \$3,261 related to Grant Award FEMA–4132-DR–WV, \$1,203,187 related to Grant Award FEMA–4210-DR–WV, \$281,024 related to Grant Award FEMA–4220-DR–WV, \$50,451 related to Grant Award FEMA–4221-DR–WV, and \$40,291 related to Grant Award FEMA–4273-DR–WV

Context: Total federal expenditures for subrecipients and total federal expenditures for the Hazard Mitigation Grant program were \$4,735,620 and \$5,328,656, respectively, for the year ended June 30, 2018.

Cause: DHSEM was not able to provide timely supporting documentation to the auditors.

Effect: Critical data supporting all compliance requirements is not adequately maintained by DHSEM for use by the auditors.

Recommendation: We recommend that DHSEM ensure that all documentation supporting transactions or compliance requirements subject to audit be maintained and readily available if requested. Timely receipt of supporting documentation is crucial for the completion of the audit.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-032 MATCHING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Homeland Security Hazard Mitigation Grant (HMGP) Grant Award FEMA-4061-DR-WV Grant Award FEMA-4071-DR-WV Grant Award FEMA-4236-DR-WV Grant Award FEMA-4210-DR-WV Grant Award FEMA-4093-DR-WV Grant Award FEMA-4221-DR-WV Grant Award FEMA-4220-DR-WV Grant Award FEMA-4219-DR-WV Grant Award FEMA-4132-DR-WV Grant Award FEMA-4059-DR-WV Grant Award FEMA-4273-DR-WV Grant Award FEMA-4331-DR-WV	CFDA # 97.039
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

44 CFR 206.432(c) states that “all mitigation measures approved under the State’s grant will be subject to the cost sharing provisions established in the FEMA-State Agreement. FEMA may contribute up to 75 percent of the cost of measures approved for funding under the Hazard Mitigation Grant Program for major disasters declared on or after June 10, 1993” and “FEMA will not contribute to costs above the Federally approved estimate.”

Condition: For 4 of the 23 transactions selected for matching, the West Virginia Division of Homeland Security and Emergency Management (DHSEM) failed to properly match 25 percent of the expenditure incurred.

Questioned Costs: \$104,117 – CFDA #97.039; \$1,214 related to Grant Award FEMA-4273-DR-WV and \$102,903 related to Grant Award FEMA-4331-DR-WV

Context: Total federal expenditures for the Hazard Mitigation Grant program were \$5,328,656 for the year ended June 30, 2018. The four instances represent \$104,117 of expenditures out of a total population tested for matching of \$2,183,922.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-032 MATCHING
(continued)**

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the matching to ensure that the matching requirement is being met.

Effect: DHSEM is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award.

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures over the matching process to ensure that the proper state match is being applied to all expenditures incurred.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-033 REPORTING

Federal Program Information:	Federal Agency and Program Name U.S. Department of Homeland Security Hazard Mitigation Grant (HMGP) Grant Award FEMA-4061-DR-WV Grant Award FEMA-4071-DR-WV Grant Award FEMA-4236-DR-WV Grant Award FEMA-4210-DR-WV Grant Award FEMA-4093-DR-WV Grant Award FEMA-4221-DR-WV Grant Award FEMA-4220-DR-WV Grant Award FEMA-4219-DR-WV Grant Award FEMA-4132-DR-WV Grant Award FEMA-4059-DR-WV Grant Award FEMA-4273-DR-WV Grant Award FEMA-4331-DR-WV	CFDA # 97.039
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Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

Per 29 CFR section 97.20, “Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.”

Condition: For three of the nine SF-425, *Federal Financial Reports*, and both of the Quarterly Performance Reports selected for testing, management of the West Virginia Division of Homeland Security and Emergency Management (DHSEM) prepared and submitted the reports, without going through an appropriate review and approval process. In addition, there was no documentation to support the amounts reported in one SF-425 report, for the reporting period July 1, 2017 to September 30, 2017, selected for testing.

Questioned Costs: \$143,369 – CFDA #97.039 related to Grant Award FEMA-4273-WV

Context: Total federal expenditures for the Hazard Mitigation Grant program were \$5,328,656 for the year ended June 30, 2018.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018-033 REPORTING
(continued)

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the reporting process.

Effect: DHSEM is not in compliance with the federal rules and regulations regarding reporting. Reporting errors could occur and not be identified on a timely basis.

Recommendation: We recommend that DHSEM review its internal controls and policies and procedures over the report review and approval process. At a minimum, such controls should include a documented review and approval process that ensures reported amounts agree with supporting documentation. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–034 SUBRECIPIENT MONITORING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Hazard Mitigation Grant (HMGP)	97.039
	Grant Award FEMA–4061-DR-WV	
	Grant Award FEMA–4071-DR-WV	
	Grant Award FEMA–4236-DR-WV	
	Grant Award FEMA–4210-DR-WV	
	Grant Award FEMA–4093-DR-WV	
	Grant Award FEMA–4221-DR-WV	
	Grant Award FEMA–4220-DR-WV	
	Grant Award FEMA–4219-DR-WV	
	Grant Award FEMA–4132-DR-WV	
	Grant Award FEMA–4059-DR-WV	
	Grant Award FEMA–4273-DR-WV	
	Grant Award FEMA–4331-DR-WV	

Criteria: 2 CFR 200.303 requires that the West Virginia Division of Homeland Security and Emergency Management must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

OMB Circular A-133 section 300b requires that the West Virginia Division of Homeland Security and Emergency Management is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.331 establishes pass-through entity responsibilities which include evaluating (b) each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring, (d) monitoring “the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved,” and (f) Verify that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.

OMB Circular No. A-133, Subpart D §400 requires a pass-through entity to “monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.” Pass-through entities are required to develop monitoring procedures including programmatic and financial monitoring to ensure subrecipients have used federal funds for authorized purposes.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018-034 SUBRECIPIENT MONITORING
(continued)

Condition: We noted the following issues related to subrecipient monitoring for the West Virginia Division of Homeland Security and Emergency Management (DHSEM) for the Hazard Mitigation Grant Program:

- DHSEM is not completing subrecipient risk assessments.
- Management indicated that they review completed auditor's reports posted to the State Auditor's website; however, there is no evidence of this review or documentation regarding resolution of any issues identified.

Questioned Costs: Unknown

Context: Total federal expenditures for subrecipients and total federal expenditures for the Hazard Mitigation Grant program were \$4,735,620 and \$5,328,656, respectively, for the year ended June 30, 2018.

Cause: Management of DHSEM implemented monitoring policies and procedures in June 2018, but did not have adequate staff with appropriate training to complete the monitoring process during the fiscal year.

Effect: Subrecipients may not be in compliance with the terms of the subrecipient grant agreement, have unallowable expenditures and or audit findings that are not identified timely and corrected.

Recommendation: DHSEM should implement their formalized policies developed at year-end for developing and tracking subrecipient monitoring reports, for receiving and tracking subrecipient audit reports, and for following up on any instances of subrecipient compliance or internal control findings to ensure they are resolved in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–035 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.508(b) states, “The auditee must prepare appropriate financial statements, including the schedule of expenditures of Federal awards.” The Federal Office of Management and Budget issues instructions on how to prepare this schedule.

2 CFR 200.303(a) requires that a non-Federal entity must “establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award.”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

Condition: The West Virginia Division of Homeland Security and Emergency Management’s (DHSEM) internal controls are not adequate to ensure the that the Schedule of Expenditures of Federal Awards (SEFA) accurately reports all federal assistance. Our review of the SEFA for fiscal year 2018 identified that various transactions occurring in 2017 were improperly excluded from the 2017 SEFA and included on the 2018 SEFA. The total amount of 2017 expenditures reported on the 2018 SEFA was \$103,342.

Questioned Costs: N/A

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018.

Cause: DHSEM has not implemented adequate internal controls to ensure the SEFA is accurate.

Effect: DHSEM is improperly reporting their federal expenditures and federal awards may not be accurately charged.

Recommendation: We recommend that DHSEM ensure staff responsible for the preparation of the SEFA have the resources needed to accurately prepare the SEFA.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–036 ALLOWABILITY

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.508(d) says an auditee must “provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by this part.”

Condition: Six of the 40 payroll transactions selected for testing were not properly reviewed and approved. Additionally, for 38 of the 40 payroll transactions selected for testing, the amount charged to the program was not able to be reconciled back to the employee’s pay stub for the period selected for testing. Further, support was not provided for \$848,870 in expenditures listed on the SEFA.

Questioned Costs: \$922,168 – CFDA #97.042

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018. The 38 instances represent \$73,298 of payroll expenditures out of a total population tested of \$77,421. Total payroll for the year for the program was \$209,222. Additionally, support was not provided for \$848,870 in expenditures listed of the SEFA.

Cause: The West Virginia Division of Homeland Security and Emergency Management (DHSEM) does not have adequate internal controls and policies and procedures in place to ensure all transactions are reviewed and approved and that supporting documentation is retained.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-036 ALLOWABILITY
(continued)**

Effect: DHSEM is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. Expenditures were paid that were not supported by the DHSEM.

Recommendation: We recommend that DHSEM implement controls to ensure that expenditures are properly reviewed and approved before being charged to a federal award and that supporting documentation is retained.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–037 SUBRECIPIENT CASH MANAGEMENT

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grant	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.305(b) requires that “payments methods must minimize the time elapsing between the transfer of funds from the United States Treasury or the pass-through entity and the disbursement by the non-Federal entity.”

Additionally, 2 CFR 200.305(b)(3) states that “when the reimbursement method is used, the Federal awarding agency or pass-through entity must make payment within 30 calendar days after receipt of the billing, unless the Federal awarding agency or pass-through entity reasonably believes the request to be improper.”

OMB Circular A-110 requires that procedures be implemented to ensure that subrecipients minimize the time elapsing between the transfer of Federal funds from the recipient and the disbursement of funds for program purposes.

Condition: For nine of the ten subrecipient payments selected for testing, the West Virginia Division of Homeland Security and Emergency Management (DHSEM) failed to reimburse the subrecipients within 30 calendar days after receipt of the billing.

Questioned Costs: N/A

Context: Total federal expenditures for subrecipients and total federal expenditures for the Emergency Management Performance Grant program were \$3,245,967 and \$5,072,094, respectively, for the year ended June 30, 2018. The nine instances represent \$406,953 of expenditures out of a total population tested for subrecipient cash management of \$433,622.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-037 SUBRECIPIENT CASH MANAGEMENT
(continued)**

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over subrecipient payment requests to ensure federal funds are being reimbursed timely for expenditures incurred.

Effect: DHSEM is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award. By not reimbursing subrecipients for expenditures incurred timely, the completion of projects may be delayed and vendors may not be paid timely.

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures over the subrecipient payment process to ensure that reimbursements are made within 30 calendar days after receipt of the billing.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–038 ELIGIBILITY FOR SUBRECIPIENTS

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.333 requires “Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.”

Condition: The West Virginia Division of Homeland Security and Emergency Management (DHSEM) did not obtain and/or maintain documentation of subrecipient Emergency Operations Plans Grants (EMPG) as required to determine that the subrecipient is eligible for any of the 19 subrecipients selected for testing.

Questioned Costs: \$901,411 – CFDA #97.042; \$273,157 related to Grant Award EMW-2014-EP-00044 and \$628,254 related to Grant Award EMW-2015-EP-00050

Context: Total federal expenditures for subrecipients and total federal expenditures for the Emergency Management Performance Grant program were \$3,245,967 and \$5,072,094, respectively, for the year ended June 30, 2018. Total expenditures for subrecipients tested were \$901,411.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the subrecipient eligibility process.

Effect: DHSEM may not be in compliance with the federal statutes and regulations regarding subrecipient eligibility. Funding may be awarded to subrecipients who have not complied with EMPG funding guidelines.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-038 ELIGIBILITY FOR SUBRECIPIENTS
(continued)**

Recommendation: We recommend that DHSEM review its internal controls and policies and procedures regarding the subrecipient eligibility process. At a minimum, DHSEM should implement a tracking system with a documented review and approval process that ensures an eligibility determination for each potential subrecipient. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-039 EARMARKING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

The U.S. Department of Homeland Security’s Notice of Funding Opportunity for the Emergency Management Performance Grant (EMPG) allows that a State Emergency Management Agency “may use up to five percent (5%) of the EMPG award for M&A purposes.” Management and Administration (M&A) activities are those directly related to managing and administering the EMPG award.

Condition: The West Virginia Division of Homeland Security and Emergency Management (DHSEM) charged M&A expenditures to EMPG grants, but DHSEM management did not track these expenditures to ensure compliance with applicable earmarking requirements noted in the award.

Questioned Costs: Unknown

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the earmarking process.

Effect: DHSEM may not be in compliance with the federal statutes and regulations regarding earmarking. M&A expenditures could exceed maximum allowable thresholds.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-039 EARMARKING
(continued)**

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures regarding earmarking and M&A tracking process. At a minimum, DHSEM should implement a tracking system with a documented review and approval process that ensures M&A expenditure amounts do not exceed maximum allowable thresholds. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-040 MATCHING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

The U.S. Department of Homeland Security’s Notice of Funding Opportunity for the Emergency Management Performance Grant (EMPG) states that “the Federal share that is used towards the EMPG budget shall not exceed 50 percent of the total budget. The state must equally match (cash or in-kind) the Federal contribution pursuant to Sections 611(j) and 613 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. No. 93-288), as amended, (42 U.S.C. §§ 5121et seq.). Unless otherwise authorized by law, Federal funds cannot be matched with other Federal funds.”

Condition: For 1 of the 36 transactions selected for testing, the West Virginia Division of Homeland Security and Emergency Management (DHSEM) failed to properly match 50 percent of the expenditure incurred as required per the grant agreement.

Questioned Costs: \$40,203 – CFDA #97.042 related to Grant Award EMP-2016-EP-00002

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018. The one instance represents \$40,203 of expenditures out of a total population tested for matching of \$561,238.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the matching to ensure that the matching requirement is being met.

Effect: DHSEM is not in compliance with federal statutes, regulations, and the terms of the conditions of the federal award.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-040 MATCHING
(continued)**

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures over the matching process to ensure that the proper state match is being applied to all expenditures incurred.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–041 REPORTING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grant	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

Per 29 CFR section 97.20, “Grantees and subgrantees must maintain records which adequately identify the source and application of funds provided for financially-assisted activities. These records must contain information pertaining to grant or subgrant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays or expenditures, and income.”

Condition: Management of the West Virginia Division of Homeland Security and Emergency Management (DHSEM) prepared and submitted various reports required under the Emergency Management Performance Grant program without going through an appropriate review and approval process. Reports submitted without approval included the following:

- SF-425, *Federal Financial Reports*
- SF-PPR, *Performance Progress Reports*
- BSIR, *Biannual Strategy Implementation Reports*
- THIRA, *Threat and Hazard Identification and Risk Assessment*
- SPR, *State Preparedness Report*

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-041 REPORTING
(continued)**

In addition, there was no documentation to support the expenditure amounts reported in one SF-425 (2014 EMPG grant from July 1, 2017 through September 30, 2017 and 2016 EMPG grant from January 1, 2018 through March 31, 2018 reports), *Federal Financial Reports*, and the expended and obligated balance in all BSIR, *Biannual Strategy Implementation Reports*, performance reports selected for testing which consisted of the following:

- EMPG 2014 January 1, 2018 through June 30, 2018
- EMPG 2015 January 1, 2018 through June 30, 2018
- EMPG 2016 July 1, 2017 through December 31, 2017, and January 1, 2018 through June 30, 2018
- EMPG 2017 July 1, 2017 through December 31, 2017

Questioned Costs: \$1,914 – CFDA #97.042 Grant Award EMW-2014-EP-00044

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the reporting process.

Effect: DHSEM is not in compliance with the federal rules and regulations regarding reporting. Reporting errors could occur and not be identified on a timely basis.

Recommendation: We recommend that DHSEM review its internal controls and policies and procedures over the report review and approval process. At a minimum, such controls should include a documented review and approval process that ensures reported amounts agree with supporting documentation. We recommend that the review be performed by an individual independent of the data entry process.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–042 SUBRECIPIENT MONITORING

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grant	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that the West Virginia Department of Homeland Security must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b requires that the West Virginia Homeland Security is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

2 CFR 200.331 establishes pass-through entity responsibilities which include evaluating (b) “each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring”, (d) monitoring “the activities of subrecipients as necessary to ensure that Federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved,” and (f) verifying “that every subrecipient is audited as required by Subpart F—Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in §200.501 Audit requirements.”

OMB Circular No. A-133, Subpart D §400 requires a pass-through entity to “monitor the activities of subrecipients as necessary to ensure that federal awards are used for authorized purposes in compliance with laws, regulations, and the provisions of contracts or grant agreements and that performance goals are achieved.” Pass-through entities are required to develop monitoring procedures including programmatic and financial monitoring to ensure subrecipients have used federal funds for authorized purposes.

STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018

2018–042 SUBRECIPIENT MONITORING
(continued)

Condition: We noted the following issues related to subrecipient monitoring for the West Virginia Division of Homeland Security and Emergency Management (DHSEM) for the Emergency Management Performance Grant program:

- DHSEM is not completing subrecipient risk assessments.
- DHSEM is not documenting monitoring.
- Management indicated that they review completed auditor reports posted to the State Auditor’s website; however, there is no evidence of this review or documentation regarding resolution of any issues identified.

Questioned Costs: Unknown

Context: Total federal expenditures for subrecipients and total federal expenditures for the Emergency Management Performance Grant program were \$3,245,967 and \$5,072,094, respectively, for the year ended June 30, 2018.

Cause: Management of DHSEM did not have internal controls or policies and procedures in place over subrecipient monitoring for the period of July 1, 2017 through May 31, 2018.

Effect: Subrecipients may not be in compliance with the terms of the subrecipient grant agreement, have unallowable expenditures and or audit findings that are not identified timely and corrected.

Recommendation: DHSEM should implement their formalized policies developed at year-end for developing and tracking subrecipient monitoring reports, for receiving and tracking subrecipient audit reports, and for following up on any instances of subrecipient compliance or internal control findings to ensure they are resolved in a timely manner.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018–043 SPECIAL TESTS AND PROVISIONS – CLOSEOUT REPORTING REQUIREMENTS

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

44 CFR 13.50(b) states that “within 90 days after the expiration or termination of the grant, the grantee must submit all financial, performance, and other reports required as a condition of the grant.”

2 CFR 200.343(a) states that “the non-Federal entity must submit, no later than 90 calendar days after the end date of the period of performance, all financial, performance, and other reports as required by the terms and conditions of the Federal award. The Federal awarding agency or pass-through entity may approve extensions when requested by the non-Federal entity.”

The U.S. Department of Homeland Security’s Notice of Funding Opportunity for the Emergency Management Performance Grant (EMPG) requires that grantees must submit a final closeout reporting package once a grant is closed.

Condition: The West Virginia Division of Homeland Security and Emergency Management (DHSEM) did not submit the required closeout reporting package within 90 days of the expiration of the grant award.

Questioned Costs: N/A

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the closeout reporting process.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-043 SPECIAL TESTS AND PROVISIONS – CLOSEOUT REPORTING REQUIREMENTS
(continued)**

Effect: DHSEM is not in compliance with the federal statutes and regulations regarding the closeout reporting requirements. The grant may not be properly closed out resulting in FEMA having to administratively close the award; if this action is taken, consideration for subsequent awards to DHSEM may be impacted or restricted.

Recommendation: We recommend that DHSEM review its internal controls and policies and procedures in place over the close out reporting process. At a minimum, controls should be in place to ensure that all required reports are submitted within the 90 days of the expiration or termination of the grant award.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

2018-044 SPECIAL TESTS AND PROVISIONS – TRAINING AND EXERCISE PLAN REQUIREMENTS

Federal Program Information:	Federal Agency and Program Name	CFDA #
	U.S. Department of Homeland Security	
	Emergency Management Performance Grants	97.042
	Grant Award EMW-2014-EP-00044	
	Grant Award EMW-2015-EP-00050	
	Grant Award EMP-2016-EP-00002	
	Grant Award EMP-2017-EP-00005	
	Grant Award EMP-2018-EP-00003	

Criteria: 2 CFR 200.303 requires that a non-federal entity must “(a) establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).”

OMB Circular A-133 section 300b states that the non-federal entity is responsible for maintaining “internal control over Federal programs that provides reasonable assurance that management is managing Federal awards in compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a material effect on each of its Federal programs.”

The U.S. Department of Homeland Security’s Notice of Funding Opportunity for the Emergency Management Performance Grant (EMPG) requires that recipients “develop a multi-year Training and Exercise Plan (TEP) that identifies a combination of exercises and associated training requirements identified in the Training and Exercise Plan Workshop (TEWP). The recipient must “conduct no less than four quarterly exercises of any type and one full-scale exercise within a 12-month period.” The recipient must submit an After Action Report/Improvement Plan (AAR/IP) to report on the required exercises to the Regional EMPG Program Manager no later than 90 days after completion of the exercise.

The U.S. Department of Homeland Security’s Notice of Funding Opportunity for the Emergency Management Performance Grant (EMPG) also states that “all EMPG Program funded personnel shall complete the following training requirements and record proof of completion: NIMS Training, Independent Study (IS) 100, IS 200, IS 700, and IS 800. In addition, personnel shall complete either the Independent Study courses identified in the Professional Development Series or the National Emergency Management Basic Academy delivered either by the Emergency Management Institute (EMI) or at a sponsored State, local, tribal, territorial, regional or other, designated location.” Furthermore, “all EMPG-funded personnel shall participate in no fewer than three exercises in a 12-month period.”

Condition: Although the required exercises were completed and are tracked by the State Exercise Coordinator, there is no documentation of the review of the AAR/IP reports submitted to the Regional EMPG Program Manager. Additionally, there is no documentation indicating that the AAR/IP reports were submitted within 90 days of the completion of the exercise.

**STATE OF WEST VIRGINIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
for the Year Ended June 30, 2018**

**2018-044 SPECIAL TESTS AND PROVISIONS – TRAINING AND EXERCISE PLAN REQUIREMENTS
(continued)**

For 21 of the 22 employees selected for testing, DHSEM was not able to provide documentation that the employees met the required training requirements noted above.

Questioned Costs: N/A

Context: Total federal expenditures for the Emergency Management Performance Grant program were \$5,072,094 for the year ended June 30, 2018.

Cause: DHSEM does not have adequate internal controls and policies and procedures in place over the Training and Exercise Plan requirements.

The West Virginia Division of Homeland Security and Emergency Management (DHSEM) does not have internal controls and policies and procedures in place to ensure that all EMPG-funded personnel complete the required training or participate in at least three exercises in 12-month period.

Effect: DHSEM is not in compliance with the federal rules and regulations regarding the Training and Exercise Plan requirements. The required AAR/IP reports documenting the exercises are not reviewed and submitted within the required 90 day period. EMPG-funded personnel may not be participating in the required number of exercises or receiving adequate training since sufficient policies and procedures are not in place to track the training received by each employee.

Recommendation: We recommend that DHSEM implement internal controls and policies and procedures regarding the Training and Exercise Plan requirements, including implementing policies and procedures over the submission of the AAR/IP reports and over employee training and exercise participation. At a minimum, DHSEM should document review and approval of the AAR/IP reports to ensure they are in compliance with the requirements of the grant award and submitted timely. DHSEM should also implement a tracking system with a documented review and approval process that ensures all EMPG-funded personnel complete the required training and participate in the required number of exercises.

Views of Responsible Officials and Planned Corrective Actions: Management acknowledges the finding. See corrective action plan.

***CORRECTIVE
ACTION
PLAN***



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

CONTACT PERSON

For finding resolution and Single Audit matters, please contact Betsy Chapman, West Virginia Department of Administration, Financial Accounting and Reporting Section, 2101 Washington Street, E., Charleston, WV 25305 (Telephone 304-558-4083 ext. 301). E-mail: Betsy.Chapman@wv.gov. The respective state agency identified in each finding is responsible for the corrective action plan.

2018-001 FINANCIAL STATEMENT CLOSE PROCESS Financial Accounting and Reporting Section CFDA Number Not Applicable

The Financial Accounting and Reporting Section (FARS) will work closely with the Department of Health and Human Resources to understand the information provided and to better coordinate the timely receipt of information to allow staff adequate time to review. FARS will also evaluate the impact of new GASB pronouncements timelier.

2018-002 PERIOD OF PERFORMANCE National Guard Military Operations and Maintenance (O&M) CFDA Number 12.401

Regarding the three transactions that were incurred prior to the beginning dates of the performance period, O&M has implemented additional internal control procedures to prevent this from happening in the future. In September 2018, before the transition from federal fiscal year 2018 to 2019, O&M reminded all accounts payable personnel to be cognizant of the service period dates on invoices. O&M instructed staff to split the invoice payments so that the appropriate service periods were charged to the proper federal year. This process will continue on an annual basis. The agency level document approvers were also reminded to look at service periods on payment documents to make sure the correct federal fiscal year is being charged. O&M will also perform internal audits of sample transactions occurring each month to monitor the implementation of these procedures beginning in February 2019.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

For the one transaction where the performance period payments were not liquidated within the 90 day period, O&M has implemented the internal control procedures mentioned above. In addition to these procedures, O&M is developing procedures to track open contracts with service periods after the 90 day period. O&M will prepare a list of grants that have valid extension requests. Each month, O&M will review the status of the outstanding payments to be made against the grants to determine if the grants can be closed out or if an additional extension request will need submitted for approval. These additional procedures will be implemented beginning in February 2019.

**2018-003 PROGRAM INCOME MONITORING
National Guard Military Operations and Maintenance (O&M)
CFDA Number 12.401**

Regarding the United States Property and Fiscal Office (USPFO) report, O&M agrees that program income was earned related to this program. However, O&M disagrees with the amount of program income earned by the Full Time Dining Operations Cooperative Agreement. O&M will be meeting with various staff members and USPFO staff in the next month to determine the allowable expenses in calculating Program Income for this cooperative agreement. O&M is currently tracking Program Income based on the audit criteria and calculations as defined in the agreement. In December 2018, O&M began tracking program income on reimbursement vouchers. O&M started deducting the program income earned from the audit from the appropriate vouchers. By March 31, 2019, O&M will have an agreement of the allowable expenses and completed procedures for tracking and allocating total cost of previous Program Income earned, as well as accounting for current Program Income for this cooperative agreement.



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**2018-004 INTERNAL CONTROLS OVER REPORTING
West Virginia Community Advancement and Development
Office (WVCAD)
CFDA Number 14.228**

WVCAD is in the process of developing internal control policies and procedures as they relate to the review and approval of the reporting process.

**2018-005 INTERNAL CONTROLS OVER ALLOWABILITY AND
PROCUREMENT
West Virginia Community Advancement and Development
Office (WVCAD)
CFDA Number 14.228**

WVCAD agrees that Horne Invoice 3259, dated 8/11/2017, in the amount of \$96,250 was not paid in accordance with purchasing guidelines within WV Code §5A-3-17. However, no one in the Administrative Services Division (the finance group who pay the invoices and procurement group that work with Central Purchasing) were aware of the existence of task orders 3 through 8 until February 27, 2018 when they were first brought to the Administrative Services Division's attention. At that time, the Administrative Services Division notified the Central Purchasing Division in Department of Administration who notified the Governor's Office who then put a hold on the program. The Administrative Services Division also met with WVCAD management and the Commerce Secretary and Deputy Secretary to make them aware of the issues. The invoice in question was paid against the original contract; therefore, reducing the amount available of the original contract. It did not result in additional dollars paid to the vendor above the original contract amount.

In July 2018, a new department-wide standard operating procedure was implemented for purchases over \$25,000 requiring additional levels of review and approval to ensure that all task orders and supporting documentation are obtained and valid prior to payment. Directors and procurement staff attended a mandatory meeting where procurement



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

issues were discussed, and the agencies had input into the development of the SOP before its implementation.

Seven contracts were entered prior to receiving the Authority to Use Grant Funds, but no work was assigned, or money expended to any contractor prior to the funds being released. There has been significant staff turnover with those who were involved in the procurement and decision-making process at the time the contracts were signed, but it's WVCAD's understanding this was an allowable action for pre-award costs. WVCAD has reached out to HUD to for additional guidance on this topic. Once HUD provides clarification, WVCAD will incorporate all guidance into this finding, future action, and include any necessary updates in the Policies and Procedures for the CDBG-DR program. WVCAD plans to have these policies implemented before October 2019.

**2018-006 FEDERAL HIGHWAYS ADMINISTRATION PAYBACK
 Division of Highways (DOH)
 CFDA Number 20.205, 20.219, 20.224, 23.003**

A policy and procedure has been developed to address Performance End Dates (PED). It is in its final stages of review and will be implemented in March 2019. In addition, DOH has revised the BF98 (DOH Authorization Request) form to include a field for the PED when a new project is being established.

**2018-007 SCHEDULE OF EXPENDITURES AND FEDERAL AWARDS
 Division of Highways (DOH)
 CFDA Number 20.205, 20.219, 20.224, 23.003**

DOH understands the importance and necessity of having a timely review and reconciliation of the records used in the preparation of the financial statements. The Financial Reporting Section will work to improve their reconciliation procedures between REMIS and wvOASIS.



**CORRECTIVE ACTION PLAN
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**2018-008 WAGE RATE REQUIREMENTS
 Division of Highways (DOH)
 CFDA Number 20.205, 20.219, 20.224, 23.003**

DOH will reissue previous guidance to all current project supervisors on the overall importance of accurately documenting labor compliance. DOH will also provide additional training for supervisors with a specific focus on reviewing and documenting certified payrolls. DOH will implement additional training for newly hired engineers and project supervisors that will cover labor compliance enforcement and reviewing certified payrolls beginning in April 2019.

**2018-009 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 New River Community and Technical College (New River)
 CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
 93.264, 93.342, 93.364, 93.925**

New River has made the internal control correction that the preparer and the reviewer of the SEFA will not be the same person.

**2018-010 CASH MANAGEMENT
 West Liberty University and West Virginia Northern
 Community and Technical College
 CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
 93.264, 93.342, 93.364, 93.925**

West Liberty University (West Liberty) response
 West Liberty’s CFO monitors cash on a daily basis and it is the view of West Liberty that no incorrect or excess cash amounts are drawn down that would result in noncompliance of federal law. To strengthen and tighten the internal controls over the draw down process, West Liberty implemented a formal review and approval over this process in July 2018.

West Virginia Northern Community and Technical College (Northern) Response
 Northern has strengthened internal controls regarding the draw down/return of Student Financial Assistance (SFA) funds. In



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October 2018, a second review of the supporting documentation was added before initiation of any drawdown or return of funds can be submitted.

2018-011 SPECIAL TESTS AND PROVISIONS – DISBURSEMENTS TO OR ON BEHALF OF STUDENTS
West Virginia State University, Shepherd University, and West Virginia University at Parkersburg
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

West Virginia State University (WVSU) response

WVSU management implemented a corrective action plan to address this matter in December 2018. The Office of Student Financial Aid met with the Information Technology Department and updated the student/parent borrower Right to Cancel notification. The updates include borrower specific loan information with the amount and date of disbursement disclosed. All required information is now present on the Right to Cancel notification. Policies and procedures were updated based on the corrective action plan. In compliance with the updates, all supporting documentation will be maintained and archived by the Office of Student Financial Aid.

Shepherd University (Shepherd) response

Shepherd has implemented a corrective plan of action. Beginning in October 2018, when sending the disbursement notifications, Shepherd is including the financial aid manager to receive all emails in order to maintain evidence of the delivery of the emails sent to students and parents.

West Virginia University at Parkersburg (WVUP) response

WVUP had not verified the disbursement notifications from the third-party refund vendor in several semesters, and were unaware that the notification process changed to something less detailed because of efficiency considerations. WVUP is very aware of being accountable for the vendor's processes. Upon discovery of the changes to the vendor's process, WVUP will no longer be relying on the vendor to provide the



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required disbursement information. Beginning with the Spring 2019 semester, WVUP is implementing a disbursement notification process that will send the required information concerning aid disbursement using the Banner system so that it can be documented and tracked by student. The new notification process will ensure that all students are properly notified. Any disbursement notifications provided by the vendor will be in addition to WVUP's institutional notification.

2018-012 SPECIAL TESTS AND PROVISIONS – ENROLLMENT REPORTING

**West Liberty University, Fairmont State University, Pierpont Community and Technical College, West Virginia State University, and West Virginia University at Parkersburg
CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925**

West Liberty University (West Liberty) response

In FY 2019, West Liberty has updated the reporting to all graduated students within 20 days through Student Clearinghouse to meet all federal requirements. To increase accuracy in reporting, West Liberty has also started manually checking graduated students in National Student Loan Data System (NSLDS) on day 25 to ensure the federal regulation on reporting for graduates is met.

Fairmont State University (Fairmont) response

Fairmont's Registrar has implemented a corrective action plan to address the enrollment reporting finding, effective November 1, 2018. All future transmission dates will be reviewed to ensure the enrollment reporting for subsequent term files occur every 30 days beginning with the 1st day of the term. In addition, the schedule will be reviewed and modified with the coordination of Fairmont's NSLDS school representative to ensure the 30-day reporting requirement is met.

Pierpont Community and Technical College (Pierpont) response

Pierpont's Registrar staff updates Clearinghouse per the Clearinghouse schedule, which then is updated in NSLDS. Pierpont's financial aid office will follow a procedure to spot check the NSLDS reporting once every 30 days for accuracy which began in April 2017. Pierpont will work



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with Clearinghouse to determine if NSLDS can be updated timely, or if manual updates will need to be made moving forward.

West Virginia State University (WVSU) response

WVSU’s registrar established a process in December 2018 to check submission files prior to sending them to the National Clearinghouse. The Office of Registration will confirm the report is correct prior to submission and document this step. If errors occur once submission files are sent, the Office of the Registrar will continue to document for resolution. A folder of all issues will be kept of all enrollment errors. Confirmation of receipt will be documented.

West Virginia University at Parkersburg (WVUP) response

WVUP acknowledges the enrollment verification process lacked sufficient documentation for the auditors to verify the review had been conducted. In response to this finding, WVUP has modified the policy and procedures to require the financial aid staff to review all enrollment report files submitted to the National Clearinghouse by records staff for accuracy and completeness no less than every 30 days. In addition, WVUP will create a routine form so that staff involved in review and verification process can sign off and date when the process has been completed.

2018-013 SPECIAL TESTS AND PROVISIONS – BORROWER DATA TRANSMISSION AND RECONCILIATION

West Liberty University and West Virginia University at Parkersburg

CFDA Number 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 93.264, 93.342, 93.364, 93.925

West Liberty University (West Liberty) response

In October 2018, West Liberty was informed of the internal controls required over the reconciliation process. At that time, one counselor was responsible for pulling in files from COD and Banner to complete all reconciliation requirements. All loans and grants were updated and documented with the counselor. In October 2018, West Liberty implemented policies and procedures whereby a counselor is still completing the reconciliation process, but the Director of Financial Aid



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is reviewing all reconciliations for completion as well as spot checking updates and monthly balances.

West Virginia University at Parkersburg (WVUP) response

WVUP performs a proper reconciliation of the Direct Loan School Account Statement to the amounts disbursed to students. However, WVUP agrees that written policies and procedures need to be developed to ensure compliance with this requirement. Therefore, WVUP Financial Aid officials are in the process of writing and implementing new policies and procedures for the Direct Loan implementation process, including the usage of the SAS reports in a monthly reconciliation process. These policies and procedures will be effective for the spring 2019 semester. WVUP will utilize the Direct Loan Reconciliation participant guide provided by the Department of Education to ensure that policies and procedures are compliant. The new policy will include the utilization of a routine form so that staff involved in the review and verification process can sign off and date when the process is complete.

2018-014 ELIGIBILITY

Division of Rehabilitation Services (DRS) CFDA Number 84.126

DRS will continue to review and strengthen training and procedures around eligibility timeframes and form completion, as well as continue to remind clients they have a shared responsibility to follow through and remain in contact with their counselor.

2018-015 REPORTING

Division of Rehabilitation Services (DRS) CFDA Number 84.126

DRS agrees that the April 6, 2018 draw was included in the report. Total cash draws matched the G5 system at the date of preparation rather than the report ending date. DRS will ensure appropriate report review procedures are enforced to specifically compare cash draw and reporting cut-off dates before submission.



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2018-016 SPECIAL TESTS AND PROVISIONS – COMPLETION OF IPES Division of Rehabilitation Services (DRS) CFDA Number 84.126

After reviewing this finding, DRS has implemented additional steps to enforce the agency's policies and procedures. Specifically, a new feature has been added to the electronic case management system to actively alert counselors and their direct manager prior to the 90-day deadline for IPE development. An automated email will be sent to the counselor and their direct manager with a list of cases that have been in Status 10 for 75 or more days without an extension. This active alert will ensure that IPEs are developed in a timelier manner and allow for DRS managers to have increased awareness of case activity. This increased awareness will enable managers to proactively provide supervision and guidance to counselors to ensure that cases are moved from application to eligibility to IPE development in a timely manner. Additionally, DRS does not concur with the effect of the finding, "Federal Expenditures could be made for individuals who do not meet the requirements of the program." DRS has internal controls and safeguards in place to ensure compliance with federal regulations, including the prevention of federal expenditures made for individuals who do not meet the requirements of the program.

2018-017 DHHR INFORMATION SYSTEM AND RELATED BUSINESS PROCESS CONTROLS Department of Health and Human Resources (DHHR) CFDA Number 93.558, 93.568, 93.575, 93.596, 93.658, 93.659, 93.767, 93.775, 93.777, 93.778

The DHHR continues to assess the possibility of implementing additional controls related to automatic payments. For the foster care benefit payments that are issued automatically without evidence of someone formally reviewing the payments, this is a long-standing issue that is driven by the business processing rules in place within the DHHR programmatic bureau (Bureau for Children and Families – BCF). It is not a system issue because the system is simply supporting the business rules requested by the DHHR BCF. Nonetheless, many controls and verifications exist around the establishment of eligibility for Federal



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financial participation. Supervisor approval is necessary to place a child in a paid foster care setting, which in turn will generate a monthly payment, but the DHHR BCF is on record as defending their decision to not require an additional approval process to release each month's payments, as the administrative burden and related cost of requiring a secondary level of review for all case information entered into the system would far outweigh the benefits derived from such a process.

For the foster care benefit payments that are requested and approved by the same person, this too is a long-standing issue that is driven by the business processing rules in place within the DHHR BCF. However, the U.S. Department of Health and Human Services has issued a new requirement that existing Statewide Automated Child Welfare Information System (SACWIS) make modifications or build new systems to conform to a new set of system requirements known as a Comprehensive Child Welfare Information System (CCWIS). The changes went into effect August 2016 and the state plans to begin migration or implementation in October 2020. The CCWIS will replace the SACWIS and the DHHR will be evaluating the new CCWIS and the related control structure to improve the overall internal controls surrounding foster care benefit payments.

For the adoption assistance benefit payments, an approval process does not exist within the system, as this too was a business processing rule established by the DHHR BCF at the time the system was developed and implemented. However, the adoption subsidy function is limited to only a few individuals in the entire state through database and security roles. Since the subsidy is a negotiated benefit that must be declared for the prospective parents, guardian ad-litem and judge to approve and sign on the adoption finalization order, the amount and frequency has already been decided upon and documented for all parties in the adoption agreement. When defining the system requirements for the new CCWIS, the DHHR will work with the DHHR BCF to establish an approval process for adoption assistance benefit payments.



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2018-018 **REPORTING** **Department of Health and Human Resources (DHHR)** **CFDA Number 93.558**

To address the condition and correct the total number of families served under the Work Supports program with maintenance of effort funds for federal fiscal year 2018, the DHHR submitted a revised Annual Report on TANF Programs under 45 CFR 265.9(c) and State Maintenance of Effort Programs (Form ACF-204) to the HHS Administration for Children and Families, Office of Family Assistance, on January 9, 2019. The total number of families served under the Work Supports program with maintenance of effort funds for federal fiscal year 2018 was revised to 606, which represents the average monthly total for the fiscal year.

Preparing the ACF-204 report is a joint effort between the DHHR Bureau for Children and Families, which is a programmatic bureau, and the DHHR Office of Grants Management, which is an office under DHHR Finance. To address the overall cause of the finding, but also considering beyond the incorrect formula that led to the number of families being overstated, the DHHR will expand its overall internal controls surrounding the ACF-204 report by reexamining federal due dates in relation to internal processes and procedures; requiring additional levels of review within the Bureau for Children and Families (programmatic staff and finance staff) and the Office of Grants Management, as may be possible and practicable given internal resources and constraints (e.g., staffing); and requiring stronger assurances/confirmations (i.e., accountability) from the Bureau for Children and Families and the Office of Grants Management prior to certification of the report externally to the HHS Administration for Children and Families.



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2018-019 SPECIAL TESTS AND PROVISIONS – CHILD SUPPORT NON-COOPERATION, PENALTY FOR REFUSAL TO WORK, AND ADULT CUSTODIAL PARENT OF CHILD UNDER SIX WHEN CHILD CARE NOT AVAILABLE

**Department of Health and Human Resources (DHHR)
CFDA Number 93.558**

The DHHR Bureau for Children and Families (BCF) maintains a log of instances in which a supervisor approves his or her own sanction. The BCF Policy Unit periodically reviews the log to ensure the sanctions are reasonable; are applied in accordance with the policies and procedures currently in place within the BCF surrounding the issuance and removal of sanctions, as outlined within the West Virginia Income Maintenance Manual; and are documented within the Recipient Automated Payment Information Data System (RAPIDS). To improve upon the log, the BCF Policy Unit will add documentation for each approval and denial, which will include case records, emails, memos to the file, and other documents scanned by the Family Support Specialist and/or Family Support Supervisor.

The BCF Policy Unit will also review the current policy surrounding the issuance and removal of sanctions and will update the policy for clarity if deemed necessary, particularly in relation to the need to maintain documentation that the policy is operating effectively (i.e., maintain documentation surrounding all steps of the sanction process). The BCF Policy unit will then work with the BCF Division of Training to review the online Blackboard course surrounding the issuance and removal of sanctions, will update the course if necessary, and will ensure that all Family Support Specialists and Family Support Supervisors are current with their training. Finally, as an additional level of control, the BCF Policy Unit will create a Sanction Desk Guide for distribution to all WV WORKS field staff, including but not limited to the Family Support Specialists and Family Support Supervisors.



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2018-020 SPECIAL TESTS AND PROVISIONS – SANCTIONS COMPLIANCE Department of Health and Human Resources (DHHR) CFDA Number 93.558

The DHHR has already informed the relevant parties of this matter and will ensure to the maximum extent possible that the auditors receive complete and accurate populations surrounding child support non-cooperation during fieldwork for fiscal year 2019. There are currently general controls in place within the DHHR Bureau for Children and Families (BCF) and the DHHR Office of Management Information Services surrounding populations and other reports from the Recipient Automated Payment Information Data System (RAPIDS). To address the issue surrounding child support non-cooperation, the sanctions related thereto, and the need to provide the auditors with complete and accurate populations for all matters related to sanctions (not just child support non-cooperation), the DHHR Office of Internal Control and Policy Development will compile and organize the various policies and procedures surrounding sanctions (i.e., will gain a greater understanding of the controls already in place), will analyze those controls against the Federal compliance requirements, and will schedule a meeting with the relevant parties internal and external to the DHHR prior to the start of fieldwork for the West Virginia Single Audit for the year ended June 30, 2019. This will ensure that all relevant parties understand the compliance requirement, the existing controls within the DHHR, the audit approach and the required populations needed by the auditors for sampling.

The relevant parties will include the DHHR BCF; the DHHR Office of Management Information Services; the State's independent auditors; and the independent contractor that maintains RAPIDS and generates the populations for the auditors.



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**2018-021 ALLOWABILITY AND ELIGIBILITY
Department of Health and Human Resources (DHHR)
CFDA Number 93.568**

The LIEAP Coordinator will create and send out a LIEAP Desk Guide and LIEAP Application Checklist in February 2019 to all field staff that process LIEAP Applications. The LIEAP Coordinator will review a random sample of pending and non-PSC (Public Service Commission) utility cases for accuracy.

**2018-022 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION AND
REPAYMENT CONTROLS
Department of Health and Human Resources (DHHR)
CFDA Number 93.575 and 93.596**

Corrective action was taken in September 2018. To address the finding, the DHHR Bureau for Children and Families (BCF) developed a new tracking tool, the purpose of which is to ensure, among other things, that all fraudulent claims are identified in the appropriate fiscal year. More specifically, the new tracking tool will ensure that all fraudulent payments identified in a fiscal year are included within the population provided to the State's independent auditors, irrespective of whether any repayments have been received and added to the expenses claimed for the fiscal year. The DHHR BCF transmitted the new tracking tool to the Resource and Referral Agencies on August 14, 2018, via email. To account for the tracking tool within policy, the Division of Early Care and Education also updated Section 2.3 (Operational and Administrative Requirements) of the Policy and Procedure Manual for Child Care Resource and Referral Services on September 21, 2018.

**2018-023 ELIGIBILITY DOCUMENTATION
Department of Health and Human Resources (DHHR)
CFDA Number 93.659**

The DHHR Bureau for Children and Families developed a revised Adoption Subsidy and Services Standard Operating Procedure (SOP) and distributed it on February 14, 2018, to field staff. The procedure focuses on the steps field staff should be taking to ensure subsidy



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 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

payments and medical cards are entered promptly after an adoption occurs. Furthermore, the procedure discusses the steps that need to be taken to finalize an adoption record, what items are needed in the record, and how to send this completed record to the state office. Finally, the procedure discusses actions the state office will take should the adoption record be missing information. The implementation of the procedure was March 1, 2018.

The issues regarding signatures being obtained prior to parental relinquishment is a training topic that will be discussed and implemented in the Blackboard trainings. While the past errors that may have occurred with documentation cannot be fixed, strides have been made to ensure that future records are complete and accurate before going to storage.

**2018-024 ACTIVITIES ALLOWED OR UNALLOWED, ALLOWABLE COSTS/COST PRINCIPLES
 Department of Health and Human Resources (DHHR)
 CFDA Number 93.775, 93.777, and 93.778**

Management will take steps to strengthen existing internal control procedures over the review and approval of the Resource Based Relative Value Scale (RBRVS) rates prior to implementation. Management further believes that recent process changes will provide additional time for rate setting and quality review that will mitigate future opportunities for error. Beginning with the 2019 RBRVS fee schedule, the implementation date has been changed to be effective April 1, 2019 and annually thereafter. This will permit a more thorough quality review prior to implementation of the fee schedule.

**2018-025 INTERNAL CONTROLS OVER REPORTING
 Division of Homeland Security and Emergency Management (DHSEM)
 CFDA Number 97.036**

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of DHSEM with



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

emphasis on Public Assistance Grants awards. Included in the revisions is a policy for internal controls over the submission of federal financial reports (SF 425), including appropriate review and approval processes. DHSEM anticipates having all policies complete and updated by February 15, 2019 with submission to FEMA Region III for review by March 1, 2019.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging team has and will continue to enable process changes.

2018-026 INTERNAL CONTROL OVER ALLOWABILITY
Division of Highways (DOH)
CFDA Number 97.036

DOH will re-emphasize the importance and necessity of the procedures to review and approve expenditures throughout the workforce. These procedures will be distributed to the workforce, and training will be offered to ensure compliance.

2018-027 CASH MANAGEMENT
School Building Authority (SBA)
CFDA Number 97.036

The SBA has developed policies and procedures to ensure that all advance payments of Federal awards be held in interest-bearing accounts. In addition, there is a process in place to monitor accrued interest and remit to the appropriate Department/Agency any amounts over the cash advances in a timely manner.



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2018-028 SUBRECIPIENT CASH MANAGEMENT
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of DHSEM with emphasis on Public Assistance Grants awards. Included in the revisions is a policy related to the subrecipient payment process, including appropriate review and approval. DHSEM will ensure a section is in the policy specifying the flow of payment documents with emphasis on the actual payment process to ensure that reimbursements are made within 30 calendar days after receipt of billing. DHSEM anticipates having policies implemented by March 1, 2019.

2018-029 SUBRECIPIENT MONITORING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036

At the end of FY 2018, DHSEM had a FEMA Region III approved monitoring plan and was in the process of executing the plan. DHSEM did not have an adequate staff with appropriate training until late 2018 and a formalized policy was not fully implemented until early 2019.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance.



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2018-030 SUBRECIPIENT CASH MANAGEMENT
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.039

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of DHSEM with emphasis on Hazard Mitigation Grant awards. Included in the revisions is a policy related to the subrecipient payment process, including appropriate review and approval. DHSEM will ensure a section is in the policy specifying the flow of payment documents with emphasis on the actual payment process to ensure that reimbursements are made within 30 calendar days after receipt of billing. DHSEM anticipates having policies implemented by March 31, 2019.

2018-031 AUDIT DOCUMENTATION
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.039

Late in 2018, the CPA/Financial Officer for DHSEM resigned for a position with another agency. Shortly after that resignation, DHSEM hired a Chief Financial Officer (CFO). These two personnel changes caused a significant gap in processes.

DHSEM is completing a rewrite of all Financial Policies, a section will be included defining procedures related to documentation retainage. DHSEM will also take steps to determine any necessary action needed to prevent delays with providing supporting documentation from reoccurring.

The placement of the new CFO and the creation of the Internal Review Department will help to eliminate this problem in the future.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018-032 MATCHING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.039

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of WV DHSEM with emphasis on Public Assistance and Mitigation Grant awards. Included in the revisions is a policy related to the implementation of a MATCH tracking system, to help ensure that proper state match is being applied to all expenditures incurred. This policy will include steps for appropriate review and approval. DHSEM anticipates having policies implemented by March 31, 2019.

2018-033 REPORTING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.039

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of DHSEM with emphasis on Public Assistance and Mitigation Grant awards. Included in the revisions is a procedure related to the SF 425 report, including appropriate review and approval process. DHSEM anticipates having policies implemented by April 15, 2019.

2018-034 SUBRECIPIENT MONITORING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.039

At the end of FY 2018, DHSEM had a FEMA Region III approved monitoring plan and was in the process of executing the plan. DHSEM did not have an adequate staff with appropriate training until late 2018 and a formalized policy was not fully implemented until early 2019.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance.

**2018-035 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042**

Late in 2018, the CPA/Financial Officer for DHSEM resigned for a position with another agency. Shortly after that resignation, DHSEM hired a Chief Financial Officer (CFO). These two personnel changes caused a significant gap in processes, leading to the noted SEFA problems.

DHSEM is completing a rewrite of all Financial Policies, including SEFA preparation and balancing. This will be complete by the end of February 2019. We also hired a CPA as lead in our Internal Review Department who will review and test the policy.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance.

Placement of the new CFO and hiring of the CPA will serve to eliminate this problem in the future. DHSEM will balance the SEFA for the remainder of FY 2019 and report status directly to the Internal Review Department.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018-036 ALLOWABILITY

Division of Homeland Security and Emergency Management (DHSEM)

CFDA Number 97.042

DHSEM is in the process of realigning and adding personnel to the Emergency Management Performance Grants processing section. The addition of these personnel serves to assist in mitigation of this finding.

Beginning the end of February 2019, a specific person will have the responsibility to balance payroll to expenditures. DHSEM Quality Control will by the end of February design a template (dashboard) to clearly indicate progress in this process.

Further, the policies that will be implemented by the end of February 2019, will provide detail sufficient to preclude this problem in the future. These policies will address the review and approval process for all transactions and the retainage of supporting documentation. The Internal Control Section will have the responsibility to monitor the internal controls relating to this finding.

2018-037 SUBRECIPIENT CASH MANAGEMENT

Division of Homeland Security and Emergency Management (DHSEM)

CFDA Number 97.042

DHSEM staff is in the process of writing and/or updating all processes/policies/procedures relating to all aspects of DHSEM with emphasis on Public Assistance Grants and Emergency Management Performance Grants (EMPG) awards. Included in the revisions is a policy related to the subrecipient payment process, including appropriate review and approval. DHSEM will ensure a section is in the policy specifying the flow of payment documents with emphasis on the actual payment process to ensure that reimbursements are made within 30 calendar days after receipt of billing. DHSEM anticipates having policies implemented by the end of February 2019.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance.

The DHSEM Internal Review Department will implement a process to monitor subrecipient payments by the end of February 2019. An EMPG employee will upkeep the data in the dashboard.

2018-038 ELIGIBILITY FOR SUBRECIPIENTS
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.042

Using the Notice of Funding Opportunity (NOFO) for all Emergency Management Performance Grants (EMPG) open grants and all upcoming EMPG grants, DHSEM will design a matrix detailing all subrecipient eligibility requirements. All open grants and new grants will be reviewed for allowability based on the grant criteria.

Further, the policies being updated will contain a subrecipient eligibility section, specifically noting that the Internal Review Department will review all grants to ensure proper procedures and approvals were done in determining eligibility for each potential subrecipient. Detailed monthly reports will be provided to the Director on a monthly basis beginning the end of March 2019.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018-039 EARMARKING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042

Effective March 1, 2019, DHSEM will design and implement a tracking system detailing exact status of the Emergency Management Performance Grants awards as compared to grant commitments. This will be similar to a checkbook process. This system will help ensure Management and Administrative (M&A) expenditures do not exceed allowable thresholds.

This tracking will be monitored/validated by the Internal Review Department – totally independent of the data entry. The tracker will be reviewed first by internal control and then by the Director on a monthly basis.

The DHSEM policies will detail and contain a section related to internal controls regarding earmarking and M&A process. The policy will be implemented by the end of February 2019.

2018-040 MATCHING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042

Coupled with the tracker system detailing awards and expenditures, as invoices/vouchers/receipts are applied, they will be reviewed to ensure appropriate match requirements were met. The Internal Review Department will review this process monthly and present to DHSEM.

As DHSEM updates policies, a section will be included related to the matching process to ensure that the proper state match is being applied to all expenditures incurred. Policies will be implemented by the end of February 2019.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018-041 REPORTING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.042

During February and March 2019, DHSEM will review all reports and implement a process to ensure appropriate review. The Internal Review Department will be responsible for review and making corrections as necessary and overseeing internal controls to ensure reported amounts agree with supporting documentation. Monthly tracker reports will be provided to the Director.

Policies and procedures will be written pertaining to the report review and approval process. DHSEM anticipates having policies implemented by the end of February 2019.

2018-042 SUBRECIPIENT MONITORING
Division of Homeland Security and Emergency Management (DHSEM)
CFDA Number 97.042

At the end of FY 2018, DHSEM had a FEMA Region III approved monitoring plan and was in the process of executing the plan. DHSEM did not have an adequate staff with appropriate training until late 2018 and a formalized policy was not fully implemented until early 2019.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance.



CORRECTIVE ACTION PLAN FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2018-043 **CLOSEOUT REPORTING REQUIREMENTS**
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042

For each Emergency Management Performance Grants (EMPG) open year and new awards, a tracker will detail the process for close out, including the 90-day requirement. This review will be completed monthly by the Internal Review Department who will then report to the Director.

A policy will be written related to the closeout reporting process. Internal controls will also be put in place to ensure all required reports are submitted within 90 days of the expiration or termination of the grant award. DHSEM anticipates having policies implemented by the end of February 2019.

2018-044 **TRAINING AND EXERCISE PLAN REQUIREMENTS**
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.042

Using the Notice of Funding Opportunity (NOFO) for all open and upcoming Emergency Management Performance Grants (EMPG) grants, DHSEM will design a matrix/dashboard detailing all required training and exercises. All open grants and new grants will be reviewed for allowability based on the grant criteria to ensure all EMPG personnel complete the required training.

Further, the policies being updated will contain a grants “requirements” section which will include language regarding the training and exercise plan requirements and submission of the AAR/IP reports. The Internal Review Department will review all grants for compliance with requirements of the grant award and ensure that all reports are submitted timely. Detailed monthly reports will be provided to the Director beginning the end of March 2019.

***SUMMARY
SCHEDULE OF
PRIOR AUDIT
FINDINGS***



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**2017-001 SPECIAL TESTS AND PROVISIONS – EBT CARD SECURITY
 Department of Health and Human Resources (DHHR)
 CFDA Numbers 10.551 and 10.561
 Resolved**

Corrective action taken for FY 2018.

**2017-002 DHHR INFORMATION SYSTEM AND RELATED BUSINESS
 2016-017 PROCESS CONTROLS
 2015-025 Department of Health and Human Resources (DHHR)
 2014-016 CFDA Numbers 10.551, 10.561, 93.558, 93.568, 93.575, 93.596,
 2013-034 93.658, 93.659, and 93.767
 2012-51 Partially Resolved
 2011-46
 2010-43
 2009-43
 2008-55**

The DHHR continues to assess the possibility of implementing additional controls related to automatic payments. For the foster care benefit payments that are issued automatically without evidence of someone formally reviewing the payments, this is a long-standing issue that is driven by the business processing rules in place within the DHHR programmatic bureau (Bureau for Children and Families – BCF). It is not a system issue because the system is simply supporting the business rules requested by the DHHR BCF. Nonetheless, many controls and verifications exist around the establishment of eligibility for Federal financial participation. Supervisor approval is necessary to place a child in a paid foster care setting, which in turn will generate a monthly payment, but the DHHR BCF is on record as defending their decision to not require an additional approval process to release each month’s payments, as the administrative burden and related cost of requiring a secondary level of review for all case information entered into the system would far outweigh the benefits derived from such a process.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

For the foster care benefit payments that are requested and approved by the same person, this too is a long-standing issue that is driven by the business processing rules in place within the DHHR BCF. However, the U.S. Department of Health and Human Services has issued a new requirement that existing Statewide Automated Child Welfare Information System (SACWIS) make modifications or build new systems to conform to a new set of system requirements known as a Comprehensive Child Welfare Information System (CCWIS). The changes went into effect August 2016 and the state plans to begin migration or implementation in October 2020. The CCWIS will replace the SACWIS and the DHHR will be evaluating the new CCWIS and the related control structure to improve the overall internal controls surrounding foster care benefit payments.

For the adoption assistance benefit payments, an approval process does not exist within the system, as this too was a business processing rule established by the DHHR BCF at the time the system was developed and implemented. However, the adoption subsidy function is limited to only a few individuals in the entire state through database and security roles. Since the subsidy is a negotiated benefit that must be declared for the prospective parents, guardian ad-litem and judge to approve and sign on the adoption finalization order, the amount and frequency has already been decided upon and documented for all parties in the adoption agreement. When defining the system requirements for the new CCWIS, the DHHR will work with the DHHR BCF to establish an approval process for adoption assistance benefit payments. See current year finding 2018-017.

2017-003 PROCUREMENT PROCEDURES
Department of Health and Human Resources (DHHR)
CFDA Numbers 10.551, 10.561, 93.558, 93.568, 93.575, 93.596,
93.658, 93.659, 93.767, 93.775, 93.777, and 93.778
Resolved

Corrective action taken for FY 2018.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**2017-004 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Fairmont State University and West Liberty University
CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
84.408, 93.264, 93.342, 93.364, and 93.925
Partially Resolved**

While certain colleges/universities identified in the prior year finding resolved this matter, New River Community and Technical College had a finding in the current year. This finding is only partially resolved because each university/college is only responsible for their own internal controls and the updated controls have not been implemented at the above institutions. See current year finding 2018-009 and the related corrective action plan.

**Fairmont State University (FSU) response
Resolved**

Corrective action taken at this institution for FY 2018.

**West Liberty University (WLU) response
Resolved**

Corrective action taken at this institution for FY 2018.

**New River Community and Technical College (New River)
response**

New River has made the internal control correction that the preparer and the reviewer of the SEFA will not be the same person.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

2017-005 SPECIAL TESTS AND PROVISIONS – RETURN OF TITLE IV FUNDS
West Virginia State University and Mountwest Community and Technical College
CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379, 84.408, 93.264, 93.342, 93.364, and 93.925
Resolved

Corrective action taken for FY 2018.

2017-006 SPECIAL TESTS AND PROVISIONS – ENROLLMENT
2016-008 REPORTING
2015-015 Northern Community and Technical College, Shepherd
2014-011 University, West Liberty University, and West Virginia
2013-028 University - Parkersburg
2012-43 CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
2012-47 84.408, 93.264, 93.342, 93.364, and 93.925
2012-49 Partially Resolved
2011-22

While Northern Community and Technical College and Shepherd University identified in the prior year finding resolved this matter, West Liberty University, Fairmont State University, Pierpont Community and Technical College, West Virginia State University, and West Virginia University at Parkersburg had a finding in the current year. This finding is only partially resolved because each university/college is only responsible for their own internal controls and the updated controls have not been implemented at the above institutions. See current year finding 2018-012 and the related corrective action plan.

West Virginia Northern Community and Technical College (Northern)
Resolved

Corrective action taken at this institution for FY 2018.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Shepherd University (Shepherd) response
 Resolved**

Corrective action taken at this institution for FY 2018.

West Liberty University (West Liberty) response

In FY 2019, West Liberty has updated the reporting to all graduated students within 20 days through Student Clearinghouse to meet all federal requirements. To increase accuracy in reporting, West Liberty has also started manually checking graduated students in National Student Loan Data System (NSLDS) on day 25 to ensure the federal regulation on reporting for graduates is met.

West Virginia University – Parkersburg (WVUP) response

WVUP acknowledges the enrollment verification process lacked sufficient documentation for the auditors to verify the review had been conducted. In response to this finding, WVUP has modified the policy and procedures to require the financial aid staff to review all enrollment report files submitted to the National Clearinghouse by records staff for accuracy and completeness no less than every 30 days. In addition, WVUP will create a routine form so that staff involved in review and verification process can sign off and date when the process has been completed.

**2017-007 SPECIAL TESTS AND PROVISIONS – BORROWER DATA
 2016-006 TRANSMISSION AND RECONCILIATION**

**Concord University (Concord)
 CFDA Numbers 84.007, 84.033, 84.038, 84.063, 84.268, 84.379,
 84.408, 93.264, 93.342, 93.364, and 93.925
 Partially Resolved**

While certain colleges/universities identified in the prior year finding resolved this matter, West Liberty University and West Virginia University at Parkersburg had a finding in the current year. This finding is only partially resolved because each university/college is only responsible for their own internal controls and the updated controls



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

have not been implemented at the above institutions. See current year finding 2018-013 and the related corrective action plan.

Concord response Resolved

Corrective action taken at this institution for FY 2018.

West Liberty University (West Liberty) response

In October 2018, West Liberty was informed of the internal controls required over the reconciliation process. At that time, one counselor was responsible for pulling in files from COD and Banner to complete all reconciliation requirements. All loans and grants were updated and documented with the counselor. In October 2018, West Liberty implemented policies and procedures whereby a counselor is still completing the reconciliation process, but the Director of Financial Aid is reviewing all reconciliations for completion as well as spot checking updates and monthly balances.

West Virginia University at Parkersburg (WVUP) response

WVUP performs a proper reconciliation of the Direct Loan School Account Statement to the amounts disbursed to students. However, WVUP agrees that written policies and procedures need to be developed to ensure compliance with this requirement. Therefore, WVUP Financial Aid officials are in the process of writing and implementing new policies and procedures for the Direct Loan implementation process, including the usage of the SAS reports in a monthly reconciliation process. These policies and procedures will be effective for the spring 2019 semester. WVUP will utilize the Direct Loan Reconciliation participant guide provided by the Department of Education to ensure that policies and procedures are compliant. The new policy will include the utilization of a routine form so that staff involved in the review and verification process can sign off and date when the process is complete.



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

2017-008 ELIGIBILITY
2016-012 Division of Rehabilitation Services (DRS)
2015-018 CFDA Number 84.126
Partially Resolved

DRS will continue to review and strengthen training and procedures around eligibility timeframes and form completion, as well as continue to remind clients they have a shared responsibility to follow through and remain in contact with their counselor. See current year finding 2018-014.

2017-009 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Division of Rehabilitation Services (DRS)
CFDA Number 84.126
Resolved

Corrective action taken for FY 2018.

2017-010 SPECIAL TESTS AND PROVISIONS - CHILD SUPPORT NON-
2016-016 COOPERATION, PENALTY FOR REFUSAL TO WORK, AND
2015-024 ADULT CUSTODIAL PARENT OF CHILD UNDER SIX WHEN
2014-018 CHILD CARE NOT AVAILABLE
2013-036 Department of Health and Human Resources (DHHR)
2012-56 CFDA Number 93.558
2011-44 Partially Resolved
2010-41

The DHHR Bureau for Children and Families (BCF) maintains a log of instances in which a supervisor approves his or her own sanction. The BCF Policy Unit periodically reviews the log to ensure the sanctions are reasonable; are applied in accordance with the policies and procedures currently in place within the BCF surrounding the issuance and removal of sanctions, as outlined within the West Virginia Income Maintenance Manual; and are documented within the Recipient Automated Payment Information Data System (RAPIDS). To improve upon the log, the BCF Policy Unit will add documentation for each approval and denial, which will include case records, emails, memos to



**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

the file, and other documents scanned by the Family Support Specialist and/or Family Support Supervisor.

The BCF Policy Unit will also review the current policy surrounding the issuance and removal of sanctions and will update the policy for clarity if deemed necessary, particularly in relation to the need to maintain documentation that the policy is operating effectively (i.e., maintain documentation surrounding all steps of the sanction process). The BCF Policy unit will then work with the BCF Division of Training to review the online Blackboard course surrounding the issuance and removal of sanctions, will update the course if necessary, and will ensure that all Family Support Specialists and Family Support Supervisors are current with their training. Finally, as an additional level of control, the BCF Policy Unit will create a Sanction Desk Guide for distribution to all WV WORKS field staff, including but not limited to the Family Support Specialists and Family Support Supervisors. See current year finding 2018-019.

- 2017-011 ALLOWABILITY AND ELIGIBILITY**
- 2016-018 Department of Health and Human Resources (DHHR)**
- 2015-026 CFDA Number 93.568**
- 2014-021 Resolved**
- 2013-037**
- 2012-57**
- 2011-50**
- 2010-46**
- 2009-48**
- 2008-59**
- 2007-59**
- 2006-43**
- 2005-50**

Corrective action taken for FY 2018.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2017-012 REPORTING DOCUMENTATION
Department of Health and Human Resources (DHHR)
CFDA Number 93.568
Resolved

Corrective action taken for FY 2018.

2017-013 DISASTER RECOVERY PLAN
Department of Health and Human Resources (DHHR)
CFDA Numbers 93.575 and 93.596
Resolved

Corrective action taken for FY 2018.

2017-014 SPECIAL TESTS AND PROVISIONS – FRAUD DETECTION
2016-021 AND REPAYMENT
Department of Health and Human Resources (DHHR)
CFDA Numbers 93.575 and 93.596
Partially Resolved

Corrective action was taken in September 2018. To address the finding, the DHHR Bureau for Children and Families (BCF) developed a new tracking tool, the purpose of which is to ensure, among other things, that all fraudulent claims are identified in the appropriate fiscal year. More specifically, the new tracking tool will ensure that all fraudulent payments identified in a fiscal year are included within the population provided to the State's independent auditors, irrespective of whether any repayments have been received and added to the expenses claimed for the fiscal year. The DHHR BCF transmitted the new tracking tool to the Resource and Referral Agencies on August 14, 2018, via email. To account for the tracking tool within policy, the Division of Early Care and Education also updated Section 2.3 (Operational and Administrative Requirements) of the Policy and Procedure Manual for Child Care Resource and Referral Services on September 21, 2018. See current year finding 2018-022.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2017-015	ELIGIBILITY DOCUMENTATION
2016-022	Department of Health and Human Resources (DHHR)
2015-029	CFDA Number 93.659
2014-024	Partially Resolved
2013-040	
2012-59	

The DHHR Bureau for Children and Families developed a revised Adoption Subsidy and Services Standard Operating Procedure (SOP) and distributed it on February 14, 2018, to field staff. The procedure focuses on the steps field staff should be taking to ensure subsidy payments and medical cards are entered promptly after an adoption occurs. Furthermore, the procedure discusses the steps that need to be taken to finalize an adoption record, what items are needed in the record, and how to send this completed record to the state office. Finally, the procedure discusses actions the state office will take should the adoption record be missing information. The implementation of the procedure was March 1, 2018.

The issues regarding signatures being obtained prior to parental relinquishment is a training topic that will be discussed and implemented in the Blackboard trainings. While the past errors that may have occurred with documentation cannot be fixed, strides have been made to ensure that future records are complete and accurate before going to storage. See current year finding 2018-023.

2017-016	ELIGIBILITY
	Department of Health and Human Resources (DHHR)
	CFDA Numbers 93.775, 93.777, and 93.778
	Resolved

Correction action taken for FY 2018.



SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

2017-017 CASH MANAGEMENT
School Building Authority (SBA)
CFDA Number 97.036
Partially Resolved

The SBA has developed policies and procedures to ensure that all advance payments of Federal awards be held in interest-bearing accounts. In addition, there is a process in place to monitor accrued interest and remit to the appropriate Department/Agency any amounts over the cash advances in a timely manner. See current year finding 2018-027.

2017-018 SUBRECIPIENT MONITORING
2016-024 Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036
Partially Resolved

At the end of FY 2018, DHSEM had a FEMA Region III approved monitoring plan and was in the process of executing the plan. DHSEM did not have an adequate staff with appropriate training until late 2018 and a formalized policy was not fully implemented until early 2019.

In the last quarter of FY 2018, DHSEM started to assemble an Internal Review Department. This department will review all policies and procedures prior to implementation and test them during production. The department consists of a CPA, a Quality Advisor, a lead monitor, two monitors, and an internal review/monitoring business manager. As DHSEM progressed through the end of 2018 and into 2019, this emerging monitoring team has and will continue to enable process changes and will help complete the required monitoring steps to ensure compliance. See current year finding 2018-029.



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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS FOR THE FISCAL YEAR ENDED JUNE 30, 2018

**2017-019 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Department of Highways and Division of Homeland Security
and Emergency Management
CFDA Number 97.036
Resolved**

Correction action taken for FY 2018.

**2017-020 INTERNAL CONTROLS OVER REPORTING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036
Resolved**

Correction action taken for FY 2018.

**2017-021 CASH MANAGEMENT MONITORING FINDING
Division of Homeland Security and Emergency Management
(DHSEM)
CFDA Number 97.036
Resolved**

Correction action taken for FY 2018.