

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

2. Type of Application:

- ☐ New
☒ Continuation
☐ Revision

If Revision, select appropriate letter(s)

Other (specify):

3. Date Received

06/08/2022

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

DE-EE0009898

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

a. Legal Name: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

b. Employer/Taxpayer Identification Number (EIN/TIN):
990266120

c. UEI:
QRYWK6AKF2D8

d. Address:

Street 1: 830 Punchbowl Street, Rm. 420

Street 2:

City: Honolulu

County: HONOLULU County

State: HI

Province:

Country: U.S.A.

Zip / Postal Code: 968135095

e. Organizational Unit:

Department Name:

Department of Labor and Industrial Relations

Division Name:

Office of Community Services

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr First Name: Jeffrey

Middle Name:

Last Name: Chua

Suffix:

Title: Program Specialist

Organizational Affiliation: Office of Community Services

Telephone Number: 8085868671

Fax Number: 8085868685

Email: jeffrey.v.chua@hawaii.gov

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

9. Type of Applicant:

A State Government

10. Name of Federal Agency:

U. S. Department of Energy

11. Catalog of Federal Domestic Assistance Number:

81.042

CFDA Title:

Weatherization Assistance Program

12. Funding Opportunity Number:

DE-WAP-0002024

Title:

2024 Weatherization Assistance Program (WAP)

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Statewide (City and County of Honolulu, Hawaii County, Maui County, Kauai County)

15. Descriptive Title of Applicant's Project:

The Weatherization Assistance Program (WAP) enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. The U.S. Department of Energy (DOE) provides funding to Department of Labor and Industrial Relations- Office of Community Services (DLIR-OCS) and other States and territories to manage the program and provide weatherization assistance to eligible clients.

APPLICATION FOR FEDERAL ASSISTANCE SF-424

Version 02

16. Congressional District Of:

a. Applicant: Hawaii Congressional District 01

b. Program/Project: HI-Statewide

Attach an additional list of Program/Project Congressional Districts if needed:

17. Proposed Project:

a. Start Date: 07/01/2024

b. End Date: 06/30/2025

18. Estimated Funding (\$):

a. Federal	371,550.00
b. Applicant	0.00
c. State	0.00
d. Local	0.00
e. Other	0.00
f. Program Income	0.00
g. TOTAL	371,550.00

19. Is Application subject to Review By State Under Executive Order 12372 Process?:

- ☐ a. This application was made available to the State under the Executive Order 12372 Process for review
- ☒ b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- ☐ c. Program is not covered by E.O. 12372

20. Is the applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation)

No

21. By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to

☒ I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency

Authorized Representative:

Prefix: Mr First Name: Jovanie

Middle Name: Domingo

Last Name: Dela Cruz

Suffix:

Title: Executive Director

Telephone Number: 8085868678

Fax Number: 8085868685

Email: jovanie.d.delacruz@hawaii.gov

Signature of Authorized Representative: Signed Electronically

Date Signed: 04/29/2024

Authorized for Local Reproduction

Standard Form 424 (Revised 10/2005)
Prescribed by OMB Circular A-102

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009898		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address Office of Community Services, Dept of Labor & Industrial Relations, 830 Punchbowl Street, Rm. 420 Honolulu, HI 968135095		4. Program/Project Start Date 07/01/2024	5. Completion Date 06/30/2025

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. Estimated Award + Readiness Funds	81.042	\$ 304,980.73		\$ 371,550.00		\$ 676,530.73
2.						
3.						
4.						
5. TOTAL		\$ 304,980.73	\$ 0.00	\$ 371,550.00	\$ 0.00	\$ 676,530.73

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	Grant Program, Function or Activity				Total (5)
	(1) GRANTEE ADMINISTRATI ON	(2) SUBGRANTEE ADMINISTRATI ON	(3) GRANTEE T&TA	(4) SUBGRANTEE T&TA	
a. Personnel	\$ 27,866.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 27,866.00
b. Fringe Benefits	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
c. Travel	\$ 0.00	\$ 0.00	\$ 10,000.00	\$ 0.00	\$ 10,000.00
d. Equipment	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
f. Contract	\$ 0.00	\$ 27,866.50	\$ 0.00	\$ 38,500.00	\$ 638,664.73
g. Construction	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
i. Total Direct Charges	\$ 27,866.00	\$ 27,866.50	\$ 10,000.00	\$ 38,500.00	\$ 676,530.73
j. Indirect Costs	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
k. Totals	\$ 27,866.00	\$ 27,866.50	\$ 10,000.00	\$ 38,500.00	\$ 676,530.73
7. Program Income	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00

BUDGET INFORMATION - Non-Construction Programs

1. Program/Project Identification No. EE0009898		2. Program/Project Title Weatherization Assistance Program	
3. Name and Address Office of Community Services, Dept of Labor & Industrial Relations, 830 Punchbowl Street, Rm. 420 Honolulu, HI 968135095		4. Program/Project Start Date 07/01/2024	5. Completion Date 06/30/2025

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		\$ 304,980.73	\$ 0.00	\$ 371,550.00	\$ 0.00	\$ 676,530.73

SECTION B - BUDGET CATEGORIES					
6. Object Class Categories	Grant Program, Function or Activity				Total
	(1) PROGRAM OPERATIONS	(2) Weatherization Readiness	(3)	(4)	(5)
a. Personnel	\$ 0.00	\$ 0.00			\$ 27,866.00
b. Fringe Benefits	\$ 0.00	\$ 0.00			\$ 0.00
c. Travel	\$ 0.00	\$ 0.00			\$ 10,000.00
d. Equipment	\$ 0.00	\$ 0.00			\$ 0.00
e. Supplies	\$ 0.00	\$ 0.00			\$ 0.00
f. Contract	\$ 369,869.48	\$ 202,428.75			\$ 638,664.73
g. Construction	\$ 0.00	\$ 0.00			\$ 0.00
h. Other Direct Costs	\$ 0.00	\$ 0.00			\$ 0.00
i. Total Direct Charges	\$ 369,869.48	\$ 202,428.75			\$ 676,530.73
j. Indirect Costs	\$ 0.00	\$ 0.00			\$ 0.00
k. Totals	\$ 369,869.48	\$ 202,428.75			\$ 676,530.73
7. Program Income	\$ 0.00	\$ 0.00			\$ 0.00

U.S. DEPARTMENT OF ENERGY



BUDGET JUSTIFICATION FOR FORMULA GRANTS

Applicant: Office of Community Services, Dept of Labor & Industrial Relations,
State of Hawaii
Award number: EE0009898

Budget period: 07/01/2024 - 06/30/2025

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:

Position	Description of Duties of Professionals
Program Specialist	Conducts research on vital information to be able to complete the funding application; research federal programmatic requirements to ensure compliance; writes contracts for Subgrantees involved; administers the grant; conduct programmatic monitoring both desk review and on-site; completes federal program reports.
Program and Evaluation Administrator	Provides direct supervisorial support in grant application and administration of the grant in order to ensure programmatic compliance.
Senior Accountant	Reviews and approves budgets and payments in accordance with federal fiscal requirements. Conducts fiscal monitoring to comply with federal requirements. Prepares federal fiscal reports.
Executive Director	Provides overall oversight and approval on the grant application and administration.

Direct Personnel Compensation:

Position	Salary/Rate	Time	Direct Pay
Program Specialist	\$55,000.00	30.0000 % FT	\$16,500.00
Program and Evaluation Administrator	\$80,000.00	5.7325 % FT	\$4,586.00
Senior Accountant	\$78,000.00	3.0000 % FT	\$2,340.00
Executive Director	\$148,000.00	3.0000 % FT	\$4,440.00
Direct Pay Total			\$27,866.00

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.

Administrative allotment is exhausted by limit placed on salary amount allowed under WAP.

- 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.

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.

Purpose of Trip	Number of Trips	Cost Per Trip	Total
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DLIR-OCS is budgeting for airfare, rental car, parking, and per diem to monitor the three providers that are not located on the island of Oahu, DLIR-OCS's home base. Monitoring will be conducted around March/April 2025.	3	\$400.00	\$1,200.00
Since NASCSP's 2025 Annual Conference will be held in-person, DLIR-OCS is budgeting for airfare, transportation, hotel, and per diem to attend NASCSP's Annual Training Conference in September 2025. Part of the allocated amount is also used to pay the annual NASCSP membership dues.	1	\$8,800.00	\$8,800.00
Travel Total			\$10,000.00

- 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.

DLIR-OCS is estimating \$8,800 for travel to conference and NASCSP membership dues. The estimated costs are based on a combination of previous training and travel costs in prior years and on current airline, lodging, rental car quotes and payment to the annual NASCSP membership dues. DLIR-OCS is estimating \$400 for travel to the neighbor islands to conduct monitoring activities. The estimated costs are based on a combination of previous monitoring and travel expenses and on current airline and car rental quotes.

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
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- 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.

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).

Name of Proposed Sub	Total Cost	Basis of Cost*
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Subgrantee T&TA	\$38,500.00	DLIR-OCS is budgeting for Subgrantees to support Training and Technical Assistance (T&TA) opportunities for staff (i.e., attend training conferences, register for online training courses, materials for training pamphlets). Allocation of Subgrantees T&TA were calculated based on the estimated PY24 award. On the basis of this allocation, we expect that HCAP will receive \$13,000, HCEOC will receive 11,000, KEO will receive 6,000, and MEO will receive \$8,500 for T&TA costs.
Subgrantee Administrative	\$27,866.50	New award is more than \$350,000 so Subgrantees cannot be allocated with an additional 5% of their subawards for administration. Allocation for Subgrantees were calculated based on the PY23 award(estimated PY24 award). On the basis of this allocation, we expect that Honolulu Community Action Program, Inc. (HCAP) will receive \$17,798.50, Hawaii County Economic Opportunity Council (HCEOC) will receive \$5,857.00, Kauai Economic Opportunity, Inc. (KEO) will receive \$1,310.00, and Maui Economic Opportunity, Inc. (MEO) will receive \$2,901.00 for administrative costs.
Readiness Fund	\$202,428.75	Total amount that will be contracted to Subgrantees for their Readiness Fund category and to use addressing structural and health and safety issues. This funding is intended to reduce the frequency of deferred homes that require other services, outside the scope of weatherization, before the weatherization measures can be installed. Allocation for Subgrantees were calculated based on the estimated readiness fund carry over from previous PY23 award and estimated PY24 Readiness fund award. On the basis of this allocation, we expect that Honolulu Community Action Program, Inc. (HCAP) will receive \$126,104.75, Hawaii County Economic Opportunity Council (HCEOC) will receive \$41,359.00, Kauai Economic Opportunity, Inc. (KEO) will receive \$10,759.00, and Maui Economic Opportunity, Inc. (MEO) will receive \$24,206.00 for Readiness Fund.

Subgrantee Program Operations	\$369,869.48	Total amount that will be contracted to Subgrantees for their program operations budget category and to use for weatherizing homes. Allocation for Subgrantees were calculated based on the estimated PY24 award plus the PY23 estimated carry over fund. On the basis of this allocation, we expect that Honolulu Community Action Program, Inc. (HCAP) will receive \$224,781.95, Hawaii County Economic Opportunity Council (HCEOC) will receive \$77,234.02, Kauai Economic Opportunity, Inc. (KEO) will receive \$25,947.69, and Maui Economic Opportunity, Inc. (MEO) will receive \$41,905.82 for Program Operations.
Contracts and Subgrants Total	\$638,664.73	

*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.

General Description	Cost	Justification of Need
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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.

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:

U.S. Department of Energy

Weatherization Assistance Program (WAP)

WEATHERIZATION ANNUAL FILE WORKSHEET

Grant Number: EE0009898, State: HI, Program Year: 2024

Recipient: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

IV.1 Subgrantees

Subgrantee (City)	Planned Funds/Units
Hawaii County Economic Opportunity Council (HCEOC) (Hilo)	\$135,450.02 10
Honolulu Community Action Program (Honolulu)	\$381,685.20 26
Kauai Economic Opportunity, Inc. (KEO) (Lihue)	\$44,016.69 3
Maui Economic Opportunity, Inc. (MEO) (Wailuku)	\$77,512.82 5
Total:	\$638,664.73 44

IV.2 WAP Production Schedule

Weatherization Plans		Units
Total Units (excluding reweatherized)		44
Rewatherized Units		0
Average Unit Costs, Units subject to DOE Project Rules		
VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES)		
A	Total Vehicles & Equipment (\$5,000 or more) Budget	\$0.00
B	Total Units Weatherized	44
C	Total Units Reweatherized	0
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	44
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	\$0.00
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	\$369,869.48
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	44
H	Average Program Operations Costs per Unit (F divided by G)	\$8,406.12
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	\$0.00
J	Total Average Cost per Dwelling (H plus I)	\$8,406.12

IV.3 Energy Savings

Method used to calculate savings: <input checked="" type="checkbox"/> WAP algorithm <input type="checkbox"/> Other (describe below)				
	Units	Savings Calculator (MBtus)		Energy Savings
This Year Estimate	44	29.3		1289
Prior Year Estimate	31	29.3		908
Prior Year Actual	21	29.3		615
Method used to calculate savings description:				
<div></div>				

IV.4 DOE-Funded Leveraging Activities

U.S. Department of Energy
Weatherization Assistance Program (WAP)
WEATHERIZATION ANNUAL FILE WORKSHEET
Grant Number: EE0009898, **State:** HI, **Program Year:** 2024
Recipient: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

Not applicable.

IV.5 Policy Advisory Council Members

☐ Check if an existing state council or commission serves in this category and add name below

Elisa Furtado-Fischer	Type of organization: Unit of State Government Contact Name: Elisa Furtado-Fischer Phone: 8085865727 Email: EFurtado-Fischer@dhs.hawaii.gov
Gail Suzuki-Jones	Type of organization: Unit of State Government Contact Name: Phone: 8082864730 Email: gail.suzuki-jones@hawaii.gov

IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)

Date Held	Newspapers that publicized the hearings and the dates the notice ran
03/04/2024	On March 4, 2024, DLIR-OCS held a virtual conference call with three Subgrantees, HCAP, HCEOC and MEO. At least one WAP staff or subgrantee representative was present on the conference call to discuss any questions or comments on the WAP PY24 State Plan.
03/07/2024	On March 7, 2024, DLIR-OCS held a virtual conference call with KEO. At least one WAP staff or subgrantee representative was present on the conference call to discuss any questions or comments on the WAP PY24 State Plan.
03/19/2024	On March 19, 2024, DLIR-OCS held a PAC meeting to discuss changes to the WAP PY24 State Plan.
04/05/2024	On March 20, 2024, DLIR-OCS posted a notice for a virtual public hearing on the Hawaii OCS website at www.labor.hawaii.gov/ocs/service-programs-index/weatherization-assistance-program . Emails were also sent to each subgrantee on March 20, 2024, with the link to the public hearing notice and a draft of the WAP PY24 State Plan. DLIR-OCS held the virtual public hearing on April 5, 2024.

IV.7 Miscellaneous

In Program Year 2024, Hawaii is estimated to receive Weatherization Readiness Funds (WRF) amounting to \$72,845.00. The purpose of this funding is to reduce the frequency of deferred homes that require other services, outside the scope of weatherization, before the weatherization measures can be installed.

DLIR-OCS will use Small Area Income and Poverty Estimates (SAIPE) 2022 guidelines to allocate WRF to four Subgrantees with the PY23 estimated Readiness fund carry over amounting to \$129,583.75. Total WRF is \$202,428.75

WRF are designated for use by Subgrantees in addressing structural and health and safety issues of homes that are currently in the queue to be weatherized but at risk of deferral. This funding is specifically targeted to reduce the frequency of deferred homes that require other services, outside the scope of weatherization, before the weatherization services can commence. Units receiving WRF must result in a US DOE completion defined as, "A dwelling on which a US DOE approved energy audit has been applied and weatherization work has been completed." DLIR-OCS set the Average Cost Per Unit (ACPU) \$20,000.00. Subgrantees must request approval from DLIR-OCS prior to expending WRF more than the set ACPU.

Based on this allocation, we expect that Honolulu Community Action Program, Inc. (HCAP) will receive \$126,104.75, Hawaii County Economic Opportunity Council (HCEOC) will receive \$41,359.00, Kauai Economic Opportunity, Inc. (KEO) will receive \$10,759.00, and Maui Economic Opportunity, Inc. (MEO) will receive \$24,206.00.

DLIR-OCS updated the template being used for Subgrantees' monthly program reporting that include the amount of WRF utilized for homes as applicable and the work that was completed using WRF. DLIR-OCS required each Subgrantee to include the usage of Readiness Fund in their monthly fiscal report and program report with supporting documents to justify expenditures. This will keep track of repairs done using WRF.

DLIR-OCS will update Hawaii's WAP monitoring tool to include an evaluation on the use of WRF to ensure the funds are expended in accordance with Hawaii's WRF plan for the purposes approved by DOE. Monitoring of how Subgrantees utilize WRF will be incorporated in DLIR-OCS's annual monitoring of Subgrantees.

The WRF's purpose is to avoid deferrals. Examples of types of repairs eligible are:

- Roof repair

U.S. Department of Energy

Weatherization Assistance Program (WAP)

WEATHERIZATION ANNUAL FILE WORKSHEET

Grant Number: EE0009898, **State:** HI, **Program Year:** 2024

Recipient: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

- Wall repair (interior or exterior)
- Ceiling repair
- Floor repair
- Foundation or subspace repair
- Exterior drainage repairs (e.g., landscaping or gutters)
- Plumbing repairs
- Electrical repair

Based on the results of the initial American Customer Satisfaction Index (ACSI), the State of Hawaii's Office of Community Services' (OCS) action plan for PY 2024 is to continue improving communications with Subgrantees on developing the State Plan to increase transparency, and strengthen the relationship between the State office and Community Action Agencies. Monthly call will be the key factor in making sure there's a joint effort in addressing any issues in the program. OCS will coordinate grant monitoring with Subgrantees by scheduling an onsite monitoring interview, informing Subgrantees of documents that will be reviewed via desk monitoring prior to the site monitoring visit, and sending monitoring reports containing relevant feedback and best practices within thirty (30) days after the Subgrantee submitted all requested additional documents after the onsite monitoring visit by OCS.

Deferrals will be track using form submitted by the Subgrantees if ever they have some. Fortunately, there's no deferrals and Subgrantees make use of the WRF to ready the client's home for weatherization.

Recipient Business Officer:

Name: Jeffrey Chua

E-mail: jeffrey.v.chua@hawaii.gov

Phone#: (808)586-8671

Principal Investigator:

Name: Courtney Ho

E-mail: courtney.n.ho@hawaii.gov

Phone#: (808)586-8682

Hawaii's WAP Policies and Procedures

The State of Hawaii's OCS is still current.

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: EE0009898, **State:** HI, **Program Year:** 2024
Recipient: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

This worksheet should be completed as specified in Section III of the Weatherization Assistance Program Application Package.

V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

Provide a description of the definition of income used to determine eligibility

The program serves households that meet the client eligibility criteria in 10 CFR §440. In general, eligible households are at or below 200 percent of the Federal Poverty Guidelines for Hawaii, as established by the U.S. Department of Health and Human Services, or contain a household member who has received cash assistance payments under Title IV or XVI of the Social Security Act during the 12-month period preceding the determination of eligibility.

DLIR-OCS is working with Hawaii Public Housing Authority (HPHA) and the four Subgrantees on meeting eligibility requirements. DLIR-OCS is currently working on receiving approval from Department of Housing and Urban Development (HUD) and U.S. Department of Energy (DOE) to weatherize HPHA multifamily buildings.

In accordance with Weatherization Program Notice 22-5, Subgrantees may certify that applicants have met the income requirements of HUD means-tested programs through mechanisms, including but not limited to, applicant documentation, interagency lists of recipients, shared system databases, etc. The method of income eligibility verification must be placed in the client's file.

Describe what household eligibility basis will be used in the Program

The primary goal is to provide weatherization services and reduce energy costs for low income households in accordance with 10 CFR §440.3, §440.22 and §440.16(b). Priority shall be given to households with elderly persons (over the age of 60), persons with disabilities, families with children (up to age 19), high residential energy users, and households with a high energy burden.

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

DLIR-OCS is fully compliant with the requirements of the Qualified Alien Status and Eligibility provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, and DLIR-OCS adheres to the guidance provided by Weatherization Program Notice (WPN) 12-1, part 5.1, effective January 31, 2012. Grantees are directed and encouraged to review guidance provided by Health and Human Services (HHS) under Low-Income Home Energy Assistance Program (LIHEAP). This guidance can be found by going to <https://aspe.hhs.gov/basic-report/summary-immigrant-eligibility-restrictions-under-current-law#sec1>. HHS Information Memorandum LIHEAP-IM-25 dated August 28, 1997, states that all qualified aliens, regardless of when they entered the United States, continue to be eligible to receive assistance and services under LIHEAP if they meet other program requirements. To eliminate any possible contradiction of eligibility for weatherization services at the state and local level for qualified aliens, the definition adopted by HHS will also apply to the DOE WAP. HHS issued Information Memorandum LIHEAP-IM-98-25 dated August 6, 1998, outlining procedures for LIHEAP and weatherization subgrantees serving non-qualified aliens to implement new status verification requirements. To ensure continuity between LIHEAP and WAP for the many subgrantees operating both programs, the DOE WAP will follow the interpretation as adopted by HHS.

V.1.2 Approach to Determining Building Eligibility

Procedures to determine that units weatherized have eligibility documentation

Subgrantees have intake, client selection procedures, and unit energy audit procedures to determine the eligibility of the clients and the dwelling units. First, staff follow procedures on how to administer an intake form, which gathers information on family data, annual income, and client needs. An assessment of the dwelling unit will be conducted to ascertain whether or not the unit meets the criteria for WAP weatherization services. Subgrantees will also ascertain whether or not the energy consumption levels at the dwelling unit appear to be excessive and amenable to remediation by installation of standard Hawaii WAP remediation installations, such as solar hot water heaters and/or energy-efficient refrigerators. Then a Program Coordinator will screen the intake form and determine household eligibility within program guidelines. After a client's eligibility has been certified, the client will remain eligible for weatherization assistance for twelve months from date of application. If weatherization work has not started before the twelve months are up, the household may reapply using only a declaration of income statement. However, applicants who are on the waiting list are subject to the WPN 24-3 requirement that eligibility documentation be updated annually.

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Eligible buildings must comply with 10 CFR §440.22, such that not less than 66 percent of the dwelling units in the building are income eligible or will become eligible within 180 days. No dwelling unit may be weatherized without verification of income eligibility from either HPHA, the property owner, or the household.

Weatherization Program Notice (WPN) 22-5, Expansion of Client Eligibility in the Weatherization Assistance Program, issued by the U.S. Department of Energy (DOE), serves to streamline the WAP intake process by expanding WAP's categorical income eligibility to include U.S. Department of Housing and Urban Development's (HUD) means-tested programs' income qualifications at or below 80% of Area Median Income, (examples of HUD program but not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH), etc.). WAP already has a provision, codified in 10 CFR 440.22(a)(3), to allow inclusion of households that are income eligible for the U.S. Department of Health and Human Services' (HHS) Low Income Home Energy Assistance Program (LIHEAP). Subgrantees will implement categorical eligibility for HUD means-tested programs similar to the existing eligibility that DOE WAP currently has with Health and Human Services (HHS) Low-Income Households Energy Assistance Program (LIHEAP).

WAP Subgrantees generally encounter three types of multifamily properties assisted by HUD: (1) housing owned and operated by HUD Public Housing Agencies (PHAs), (2) privately-owned multifamily buildings receiving project-based assistance, and (3) privately-owned multifamily buildings that house residents who receive tenant-based (housing voucher) assistance. Housing owned and operated by PHAs: WAP Subgrantees shall consider all such buildings managed by the PHAs referenced in this HUD Web page to be 100 percent income eligible. Privately owned multifamily buildings receiving project-based assistance: WAP Subgrantees should refer to these lists to determine the percentage of the units in each building that are income eligible. Privately-owned multifamily buildings that house residents receiving tenant-based assistance: WAP Subgrantees will determine the percentage of income eligible residences

by either contacting the building owner/manager to obtain such Section 8 Housing Choice Voucher records (from HUD's Tenant Based Rental Assistance Program [TBRA]) or by individually verifying which residents hold such vouchers.

Specific eligibility in multifamily buildings is addressed in 10 CFR 40.22(b)(2), which states: Not less than 66 percent (50 percent for duplexes and four-unit buildings, and certain eligible types of large multifamily buildings) of the dwelling units in the building: i) Are eligible dwelling units, or ii) Will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building. DOE's initial expectation is Grantees will target buildings with 5 or more units wherein between 66 – 100 percent of the occupants meet the income eligibility requirements. However, DOE acknowledges in the regulations there are certain buildings where 50 percent eligibility is a more appropriate threshold. DOE is explicit in establishing that this lower threshold is appropriate in duplex and four-unit buildings. In addition, in the Interim Final Rule to update 10 CFR 440 DOE provided guidance on what types of large multifamily buildings may be subject to the 50 percent threshold. (65 FR 77210, Dec. 8, 2000). DOE indicated that "certain eligible types of large multifamily buildings" are those buildings for which an investment of DOE funds would result in significant energy-efficiency improvement because of the upgrades to equipment, energy systems, common space, or the building shell. (Id. at 77215) Grantees will exercise caution when using flexibility in this area.

Describe Reweathering compliance

The Consolidated Appropriations Act of 2021 amended 42 USC 6865(c)(2) to read as follows:

"Dwelling units weatherized (including dwelling units partially weatherized) under this part, or under other Federal programs (in this paragraph referred to as 'previous weatherization'), may not receive further financial assistance for weatherization under this part until the date that is 15 years after the date such previous weatherization from receiving assistance and services (including the provision of information and education to assist with energy management and evaluation of the effectiveness of installed weatherization materials other than weatherization under this part or under other Federal programs, or from receiving non-Federal assistance for weatherization."

For reweatherization, the client's file must be closed for at least 15 years after the date the final inspection was completed and no further follow up was required. Subgrantees must document that the applicant meets eligibility criteria for DOE WAP services and conduct a new home energy audit. Reweathering protocol shall match that of a new client with the exception that the dwelling unit was weatherized at least 15 years ago, from the date that the last final inspection was completed.

Subgrantees will retain new records of all weatherized dwellings for a minimum of three years from the day the grant is closed and keep a list of homes that have been weatherized. The retained records will include the date of weatherization, a description of DOE funds, and other funds used for weatherization of a particular dwelling.

If a Subgrantee wishes to serve homes located in a disaster area, they shall abide by DOE guidance, WPN 12-7, which addresses Disaster Planning and Relief. Subgrantees will follow the appropriate procedures when initiating reweatherization measures of these dwelling units.

Describe what structures are eligible for weatherization

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Eligible dwelling units per 10 CFR §440 includes rental or owner-occupied single-family dwellings, manufactured homes, multi-family buildings up to 24 units, and shelters. To receive weatherization services, a manufactured home must be a permanent, stationary, full-time residential dwelling. Buildings with 25 or more units may be weatherized with prior approval from the State. Non-stationary campers and trailers are not allowed to receive weatherization services.

Property that are fifty years old or older must be reviewed for possible historic status or features and shall be weatherized only in a way that complies with the State Historic Preservation Officer (SHPO) Programmatic Agreement.

Specific eligibility in multifamily buildings is addressed in 10 CFR 40.22(b)(2), which states: Not less than 66 percent (50 percent for duplexes and four-unit buildings, and certain eligible types of large multifamily buildings) of the dwelling units in the building: i) Are eligible dwelling units, or ii) Will become eligible dwelling units within 180 days under a Federal, State, or local government program for rehabilitating the building or making similar improvements to the building. DOE's initial expectation is Grantees will target buildings with 5 or more units wherein between 66 – 100 percent of the occupants meet the income eligibility requirements. However, DOE acknowledges in the regulations there are certain buildings where 50 percent eligibility is a more appropriate threshold. DOE is explicit in establishing that this lower threshold is appropriate in duplex and four-unit buildings. In addition, in the Interim Final Rule to update 10 CFR 440 DOE provided guidance on what types of large multifamily buildings may be subject to the 50 percent threshold, (65 FR 77210, Dec. 8, 2000). DOE indicated that "certain eligible types of large multifamily buildings" are those buildings for which an investment of DOE funds would result in significant energy-efficiency improvement because of the upgrades to equipment, energy systems, common space, or the building shell, (Id. at 77215).

Describe how **Rental Units/Multifamily Buildings** will be addressed

Subgrantees may weatherize any rental unit including dwelling units in a small multi-family building using Hawaii's priority list, which was approved by DOE on July 7, 2021. Small multi-family buildings are defined as having 5 to 24 dwelling units in the building. Prior to weatherization of any rental unit, written permission of the building owner or their agent is required. Subgrantees will also have the property owner sign a Landlord Cooperation Agreement, attached as Other__Master_Landlord Agreement, to help identify the direct benefits of the weatherization work and ensure the benefits accrue primarily to the low-income client, in accordance with 10 CFR §440.22(b)(3)(i). The landlord tenant agreement prevents the landlord from evicting the tenant or from increasing rent, unless the eviction or rent increase is demonstrably related to matters other than the weatherization work performed. In accordance with 10 CFR §440.22(b)(3), the landlord tenant agreement also requires cooperation from the landlord in supporting the goals of these WAP weatherization installations. Subgrantees may use their own versions of a landlord tenant agreement provided that it complies with all applicable policies and procedures regarding rentals as described in Hawaii's WAP Policies and Procedures Manual.

In instances where a tenant does not pay for utilities directly, Subgrantees must ensure the weatherization benefits accrue to the low-income tenants. The Subgrantee needs to demonstrate in sufficient detail how the benefits of weatherization work will accrue to primarily the low-income tenants of the eligible multi-family building. A combination of at least three of the following benefits which include, but are not limited to:

- Longer term preservation of the property as affordable housing;
- Continuation of protection against rent increases beyond that required under the WAP regulations (10 CFR §440.22(b)(3)(ii));
- Investment of the energy savings in facilities or services that offer measurable direct benefits to tenants;
- Investment of the energy savings from the weatherization work in specific health and safety improvements with measurable benefits to tenants;
- Improvements to ventilation and to heat and hot water distribution to improve the comfort of residents;
- Establishment of a shared savings program; and
- Generic assertions such as "tenant services will be improved" or "weatherization will improve health and safety" are not sufficient to demonstrate that the accrual of benefits requirement is met.

To weatherize multi-family buildings with more than 24 dwelling units, Subgrantees will work with the property owner to document that not less than 66 percent of the dwelling units in the building are income eligible or will become income eligible dwelling units within 180 days under a Federal, State, or local government program, in accordance with 10 CFR §440.22(b)(2). Since Hawaii does not have an approved priority list or field guide for large multi-family buildings, DLIR-OCS will work with Subgrantees to submit each building to DOE for review and approval prior to proceeding with weatherization work (per WPNs 22-12 and 22-5). For HUD assisted buildings, DLIR-OCS will follow the procedures in WPN 22-5 and complete the HUD property certification process, including submission of the:

1. Property Self Certification form that specifies that the building in question meets DOE's income eligibility requirements, and
2. Property Occupancy Report from current property records that confirm compliance with DOE's income eligibility requirements.

Per WPN 22-12, individual units with a multi-family building must meet specific criteria and be approved by DOE on a case by case basis prior to weatherization. Hawaii's policy is to weatherize the entire multi-family building whenever possible. For buildings that do not meet the 66% eligibility rule, DLIR-OCS will work with DOE to address individual units, where applicable.

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References to the specific eligibility of multi-family buildings is addressed in 10 CFR §440.22(b)(2). DLIR-OCS defines "certain eligible types of large multi-family buildings" as privately owned multi-family buildings. In accordance with 10 CFR §440.22(b), subgrantees will ensure that a minimum of 50 percent of the dwelling units in duplexes, four-unit buildings, and "certain eligible types of large multifamily buildings" occupied by a family that meets the income requirements. Subgrantees must submit a Property Self-Certification form and a Property Occupancy Report to HUD and DOE, in accordance with Weatherization Program Notice 22-5. To weatherize "certain eligible types of large multi-family buildings," subgrantees must obtain the landlord and tenant's signatures on the Landlord Cooperation Agreement. Signed copies of this document will be provided to both the tenant and the property owner.

Describe the deferral Process

Deferral does not mean that assistance will never be available, but that any work deemed beyond the scope of WAP must be postponed until the problems are resolved. When there are major health, safety, or other circumstances that render the dwelling unit untenable, unsafe, or infeasible for weatherization installation, the Subgrantee may decide whether to defer work in a dwelling unit or to not provide weatherization services. The issues that could result in deferral of services include but are not limited to:

- Major roof leakage;
- Major foundation damage;
- Major moisture problem, including mold infestation;
- Major plumbing problems;
- Human or animal waste in the home;
- Major electrical problems or fire hazards;
- The home is vacant, or the client is moving; and
- The home is for sale.

Behavioral issues may also be a reason to defer services to a client, including but not limited to:

- Illegal activity on the premises;
- Occupant's hoarding makes difficult or impossible to perform a complete audit; and
- Lack of cooperation by the client.

Should deferral be appropriate, the Subgrantee provides a written Weatherization Deferral Notice to the clients with photographic evidence or documentation of reason for deferral. A copy of the deferral with photographic evidence or documentation must be placed in client file. The client will be given 30 days to take corrective action. Subgrantees will make reasonable efforts to find or direct clients to alternative assistance when DOE funds are unable to address conditions that lead to deferral. When possible, the deferral notice shall include a list of potential agencies or resources that can address the specific issues that precludes a client from receiving DOE WAP services. If the client is able to take corrective action within 30 days, then work will resume as soon as possible. The client is able to reapply once the problem on the Deferral Notice has been corrected. If the problem is not corrected within 30 days, the Subgrantee will change the status of the job to inactive. If the client resolves the problem after 30 days of receiving the deferral notice, the Subgrantee will review and reconfirm client eligibility and priority documented in the client file. Client may submit an appeal in writing within 10 business days to the Subgrantee by providing an explanation and supporting documentation for why weatherization should continue. Appeals will be reviewed by the Subgrantee's WAP program staff and the Subgrantee's Executive Director will provide the final decision. The Subgrantee will respond to appeals in writing within 30 days of receiving appeals.

Deferral measures are reference in the Hawaii Weatherization Field Guide, attached as Other_Master_Field Guide.

V.1.3 Definition of Children

Definition of children (below age): **19**

V.1.4 Approach to Tribal Organizations

☐ Recommend tribal organization(s) be treated as local applicant?

If YES, Recommendation. If NO, Statement that assistance to low-income tribe members and other low-income persons is equal.

Currently, there is no federally recognized tribal organization in the State of Hawaii.

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V.2 Selection of Areas to Be Served

Weatherization assistance is needed and provided statewide to all four counties: the City and County of Honolulu, Kauai County, Maui County, and Hawaii County. The PY2023 Subgrantees will continue to provide services through PY2024. If at any time during the program year, a Subgrantee is unable to meet WAP requirements, terminates its weatherization contract, or has excess funds, DLIR-OCS has the option of reallocating the funds among the remaining Subgrantees.

V.3 Priorities

Priority for service delivery is given to elderly people, people with disabilities, families with children, high residential energy users, and households with high energy burden, in compliance with 10 CFR §440.16 and 10 CFR §440.22. Once a potential client has filled out the intake form, the Subgrantee determines eligibility and ranks them on a point system, giving more points on the basis of priorities listed in 10 CFR §440.16. Application eligibility expires twelve months from certification date if work on dwelling unit (energy audit) has not been initiated. Subgrantees are required to re-verify eligibility and income at expiration in order to maintain a current certification date.

V.4 Climatic Conditions

Due to Hawaii's tropical climate, Hawaii only experiences two seasons, winter and summer. Hawaii's summer is between the months of May and September, and winter is between the months of October and April. During the summer, Hawaii experiences an increase in temperature, humidity, and sun intensity with a decrease in trade winds; and during the winter, Hawaii experiences heavy rain and lower temperatures. The following links summarize Hawaii's climate:

- Hawaii Average Precipitation (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mPn.gif>)
- Precipitation Departure from Average (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mPdep.gif>)
- Heating Degree Days in Hawaii (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mHdd.gif>)
- Heating Degree Days Departure from Average (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mHdddep.gif>)
- Cooling Degree Days in Hawaii (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mCdd.gif>)
- Cooling Degree Days Departure from Average (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mCdddep.gif>)
- Average Temperature (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mTv.gif>)
- Average Max Temperature (<http://www.wrcc.dri.edu/cgi-bin/anomimage.pl?haw12mTx.gif>)

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

The Hawaii Standard Work Specifications (SWS) Field Guide can provide subgrantees with guidance in addition to the 10 CFR §440 and 2 CFR §200. Before DLIR-OCS contracts the Subgrantees, they are required to submit a quality assurance plan that provides, in detail, their procedures to ensure all Federal, State and County requirements are being met.

Currently, weatherization services include;

- Intake;
- Assessment and audit;
- Energy saving measures;
- Energy education;
- Verification of work; and
- Monitoring energy usage and savings.

Installation measures are dependent on the energy audit that the Subgrantee conducts for each household. Currently, there are eight approved weatherization measures in the Approved Hawaii Priority List that applies to single family homes and multi-family buildings with units of four or less (DOE approved on July 7, 2021, effective December 19, 2021). The following measures are listed in the order of highest to lowest in terms of cost effectiveness:

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- Low-Flow Showerheads;
- Compact Fluorescent Light Bulbs (CFLs) or Light-Emitting Diodes (LEDs);
- Advanced Power Strips;
- Small Room Air Conditioners (6-15,000 Btu/h cooling capacity) Replacement*;
- Solar Water Heater or Hybrid Heat Pump Water Heater Installation;
- Refrigerator Replacement; and
- Large Room Air Conditioner (18,000 Btu/h cooling capacity) Replacement for Hawaii Island, Kauai, Lanai and Molokai only*.

* Air conditioner replacements may only be installed if the occupant is at-risk as defined by documented medical reasons for needing air conditioning. More information can be found in the Health and Safety Plan.

All Subgrantee agreements and vendor contracts, active in PY 2017 and beyond, include language that clearly documents the SWS specifications for work quality outlined in WPN 22-4, section 2. A digital copy of the Hawaii Weatherization Field Guide (Field Guide) can be accessed online at <http://labor.hawaii.gov/ocs/serviceprogramsindex/weatherizationassistanceprogram/>. By signing PY2024 WAP contracts with DLIR-OCS, Subgrantees acknowledge they received the Field Guide and are held accountable to make sure all weatherization work meets or exceeds the standards set forth in the Field Guide. DLIR-OCS will ensure that Subgrantees are providing their contractors with the required information on their expectation of work quality and program guidance by including the following language in their contract:

1. Subgrantee must certify it has informed contractors that work must meet the standards as outlined in the Hawaii Weatherization Field Guide and the Standard Work Specifications. This certification must be done annually, and must be signed off by the Subgrantee and an authorized employee of the contractor company.
2. All energy audits performed by the Subgrantee or it's contractor will meet or exceed the requirements set forth in Weatherization Program Notice 23-06.

During on-site monitoring, DLIR-OCS will ensure that the language and required signatures for the Field Guide are in the Subgrantee contractor files. Subgrantees will ensure that all contractors sign the final inspection form to indicate that the SWS Field Guide procedures and standards were implemented in the installation of the weatherization measures. (See Hawaii Priority List Attachment.)

Field guide types approval dates

Single-Family: 3/23/2022
Manufactured Housing:
Multi-Family:

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family
Audit Name: Priority List
Approval Date: 12/19/2021

Audit Procedure: Manufactured Housing
Audit Name: Priority List
Approval Date: 12/19/2021

Audit Procedure: Multi-Family
Audit Name:
Approval Date:

Comments

A pre-installation evaluation, a post-installation evaluation, and an evaluation three and six months after the final inspection are conducted by the Subgrantees. The data collected from these evaluations will be used to examine the client's energy cost at the given time to determine the efficiency and productivity of the

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weatherized measures installed in the dwelling.

DOE approved Hawaii's WAP energy audit procedures and priority list on July 7, 2021 and became effective on December 19, 2021.

DLIR-OCS updated Hawaii's Weatherization Field Guide and was approved by DOE on March 23, 2022.

V.5.3 Final Inspection

In accordance with 10 CFR §440.21, to complete installation of weatherization services for a dwelling, the Subgrantee or its authorized representative conducts a final inspection of the dwelling unit to certify that all weatherization and mechanical work has been completed in a quality manner, is in compliance with applicable rules and codes, and is in accordance with the priorities determined by the audit.

Due to the type of weatherization done in the State of Hawaii and geographical location, Hawaii has an exemption for Certified Quality Control Inspectors (QCI). Therefore, the final inspector needs to be trained on the specific measures the State of Hawaii implements, but does not need to go through the QCI training.

The Hawaii SWS Field Guide aligns with WPN 22-4, which governs the quality control inspection process and outlines disciplinary actions for inadequate inspection practices. The inspector conducts a final inspection of all weatherized dwellings, which includes photos of the weatherized dwelling to show visual proof of installation and compliance to verify the following:

- Review all completed work with the client;
- Confirm that the client is satisfied;
- Specify corrective actions whenever the work does not meet standards; and
- Verify that all required paperwork, with required signatures, is in the client file.

Deficiencies identified due to monitoring may require corrective action, which will be identified through the Subgrantees' monitoring report. The Subgrantee must make the necessary corrections in a timely manner agreed upon by OCS and the Subgrantee. The date that the Subgrantee must implement the corrective action cannot be less than 30 days.

If the Subgrantee fails to make the necessary corrections by the agreed upon date, OCS reserves the right to temporarily withhold cash payments pending correction of the deficiencies, suspend the award, re-distribute the available funds, or terminate the contract.

V.6 Weatherization Analysis of Effectiveness

The effectiveness of the Subgrantee's weatherization work is assessed using monthly program reports that reflect the targeted number of outcomes, the number of homes that were weatherized, the measures that were implemented, and the status of applicants and potential applicants. In addition, the Subgrantees submit a narrative to DLIR-OCS with a more detailed account of what the Subgrantee did within the month.

Through the monthly report, the Program Specialist is able to see the variance between the targeted outcomes and the current outcomes per Subgrantee. This allows the Program Specialist to have a high level of awareness of the progression of each Subgrantee towards meeting their contracted outcomes and effectiveness.

V.7 Health and Safety

(See Health and Safety Attachment.) Grantee does not have a separate Health and Safety budget category. The Subgrantees include this expense in their installation costs.

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V.8 Program Management

V.8.1 Overview and Organization

Administratively attached to DLIR, OCS was created by the State Legislature in 1985. This legislation is codified as Chapter 371K, Hawaii Revised Statutes.

DLIR-OCS collaborates with various public and private agencies to assist Hawaii's low-income, immigrant, and refugee populations to overcome and alleviate barriers to economic self-sufficiency through an array of community-based programs and services. The primary purpose of DLIR-OCS is "to facilitate and enhance the development, delivery, and coordination of effective programs for those in need and to provide advice and assistance to the agencies of the executive branch in the human service field, and the legislature."

The DLIR-OCS office is located in the Princess Keelikolani building at 830 Punchbowl Street, Room 420, Honolulu, Hawaii 96813, telephone (808) 586-8675; fax (808) 586-8685.

V.8.2 Administrative Expenditure Limits

WAP Memorandum 075 and Section 1011(g) of the Energy Act of 2020 includes language that will amend 42 U.S. Code § 6865 (a)(1) language on administrative funds, such that the administrative cost category will now be increased from 10 percent to 15 percent. The State of Hawaii will allocate 15 percent of the total award with a direct split between itself and the Subgrantees. Since the State of Hawaii will receive more than \$350,000 for PY 2024, Subgrantees will not be allocated an additional 5 percent for administrative costs.

V.8.3 Monitoring Activities

DLIR-OCS goals for monitoring WAP activities include:

1. Analyzing service delivery, program performance, and quality and effectiveness of the work on completed dwelling units.
2. Determining program compliance and accountability.
3. Identifying problems, deficiencies, and areas for program improvement.
4. Assisting subgrantees in their program operations and compliance with DOE and State regulations.
5. Advising subgrantees on how to correct any weaknesses and deficiencies.
6. Assessing the need for training and technical assistance to improve local agency service delivery, cost-effectiveness, and accountability.
7. Assessing how subgrantees, contractors, and anyone installing weatherization measures abide by the standards and technical requirements as stated in the updated Hawaii Weatherization Field Guide provided on the DLIR-OCS website: <http://labor.hawaii.gov/ocs/service-programs-index/weatherization-assistance-program/>.
8. Determining ways that monitoring activities can be improved.

In accordance with 10 CFR §440.23 and to achieve the defined goals based on the principles stated above, DLIR-OCS monitors and evaluates the operations of projects carried out by subgrantees by performing periodic monitoring reviews of the fiscal, programmatic, and field functions of subgrantees through:

1. Desk monitoring: DLIR-OCS will review and track all available subgrantee reports for progress, expenditures, timeliness, audit findings, and resolution of findings.
2. Subgrantee Agency On-Site Monitoring Visits: Each subgrantee receives at least one monitoring visit per year. Additional visits are scheduled as needed to address specific subgrantee issues as they arise. Included in these visits are:
 - Fiscal Monitoring:
 - Review of financial records;
 - Review of purchasing and bidding practices;
 - Review of payroll and documentation;
 - Review of travel records;
 - Review of vendor payments; and
 - Reviews last fiscal audit.
 - Program Monitoring:
 - Client files;
 - Weatherization materials, tools, equipment, and inventory;

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- o Client scheduling practices;
- o Safety policies and practices; and
- o Ten percent of all weatherized units.

DLIR-OCS observes the following procedures for monitoring:

1. Monitoring visits will be scheduled in advance with the subgrantee. DLIR-OCS will work with each subgrantee agency to select monitoring dates. If traveling becomes a health and safety issue, instead of conducting an on-site monitoring visit DLIR-OCS will conduct desk monitoring and hold a teleconference call with the subgrantee. More information on remote monitoring visits can be found on the Remote Monitoring Procedures attached.
2. Prior to the agreed upon monitoring date, subgrantees will be given at least ten business days to prepare and submit requested fiscal and program documents for desk review. Desk reviews will include but are not limited to, examining application intake and pre-assessment procedures; energy audit and home inspection process; deferral cases incidents; prioritization of clients; and training and technical assistance activities.
3. Upon arrival at the subgrantee's office, or at the start of the teleconference call, DLIR-OCS will conduct an entrance interview with the appropriate agency personnel to explain the purpose of the visit, records and information needed, and the planned timeframe of the visit. The subgrantee's Weatherization Coordinator or equivalent staff must be available at all times during the on-site monitoring visit, or teleconference call.
4. Inspection of weatherized dwelling units is to ensure the continuance of quality work and to address any problems. DLIR-OCS will conduct inspections on:
 - a. At least 10 percent of the units reported as completed will have an on-site monitoring inspection;
 - b. At least 10 percent of the units reported as completed will have files reviewed;
 - c. Spot checks will be made by the Program Specialist of the material on hand at the subgrantees' storage as well as materials already installed;
 - d. If traveling becomes a health and safety issue, instead of conducting on-site inspections, DLIR-OCS will ask subgrantees to provide certification that their WAP Coordinator or equivalent staff conducted verification visits for at least 10% of units reported as completed. More information on verification visits can be found on the Remote Monitoring Procedures attached.
5. DLIR-OCS will conduct an exit interview with the Weatherization Coordinator and all other staff of the subgrantee as DLIR-OCS considers appropriate based on the information received during the monitoring visit. The exit interview will include a review of the monitoring analysis.
6. Each monitoring inspection will be documented by a report prepared by DLIR-OCS's monitoring staff. DLIR-OCS will send a copy of the report to the subgrantee 30 days after the conclusion of the monitoring visit or teleconference call. The monitoring report will identify any corrective action that needs to be taken, and it will also identify each unit visited or inspected by DLIR-OCS. If a monitoring report identifies matters for which DLIR-OCS believes that corrective action must be taken, the subgrantee shall respond fully within 30 days after receiving the report
7. During an onsite monitoring visit, the DLIR-OCS team will review the Subgrantee's program, administration, management and technical activities. In addition, DLIR-OCS will conduct onsite visits to selected clients to assess how the Subgrantees installed weatherization to the house. The clients will be selected in coordination with the Subgrantee, and the visit will include reviewing a sample of in-process and completed units diverse in housing type (single family, multifamily and manufactured housing), fuel sources and other variables such as energy audits vs. priority list, lead safe practices, etc.).
8. Monitoring visits, in-person and remote, will help identify training and technical assistance needs for Subgrantees and DLIR-OCS. As such, T&TA funds may be used to cover monitoring expenses.

DLIR-OCS will plan to monitor the four Subgrantees between March and May 2024 on the following tentative schedule:

Monitoring should not be a "one-time event." To be an effective tool for avoiding problems and improving performance, monitoring must involve an on-going process of planning, implementation, communication, and follow-up. DLIR-OCS will increase the frequency of onsite monitoring from once a year to twice a year if significant deficiencies were found during monitoring. DLIR-OCS will also increase its weatherized household percentage inspection during that time to address some deficiencies and concerns found during the previous monitoring period.

Action for removal of a subgrantee from the program: If DLIR-OCS determines after monitoring that a subgrantee is materially failing to provide services in accordance with its contract with DLIR-OCS, DLIR-OCS may initiate proceedings to terminate financial assistance to that subgrantee pursuant to 10 CFR §440.15(e) and §440.30.

Of DLIR-OCS's \$10,000.00 allocated to Training and Technical Assistance (T&TA), \$1,200 (12%) is budgeted for airfare, rental car, parking, and per diem to monitor the three providers that are not located on the island of Oahu where DLIR-OCS is located. Each monitoring travel cost is estimated to be \$400.00. The remaining \$8,800 of T&TA is budgeted for the Program Specialist to attend national conferences and pay the annual NASCSP dues.

V.8.4 Training and Technical Assistance Approach and Activities

T&TA funds are budgeted for both DLIR-OCS and Subgrantees to attend weatherization specific trainings. DLIR-OCS ensures that Subgrantees have adequate training and technical assistance available to maintain and improve program performance and work quality. Each Subgrantee must submit a monthly Fiscal and Program report that will reflect the usage of T&TA funds with supporting documents. DLIR-OCS will track and record each monthly Fiscal and Program report through documentation of hard copy, soft copy on the computer files and excel spreadsheet. Each Subgrantee is allocated with T&TA funds

U.S. Department of Energy
Weatherization Assistance Program (WAP)
STATE PLAN / MASTER FILE WORKSHEET
Grant Number: EE0009898, **State:** HI, **Program Year:** 2024
Recipient: Office of Community Services, Dept of Labor & Industrial Relations, State of Hawaii

intended for WAP staff to attend comprehensive and specific trainings offered by Energy OutWest, NASCSP, Building Performance Association, and other DOE-approved IREC accredited organizations. As the State of Hawaii does not have any in-state IREC accredited training programs, DLIR-OCS will coordinate trainings with IREC accredited training providers to provide virtual trainings specifically for the Subgrantees to continue improving WAP knowledge and best practices. T&TA needs are assessed through monitoring visits, email requests, detailed evaluation from regional training sessions, and monthly program reports. A portion of DLIR-OCS's T&TA funds will be used to pay annual NASCSP membership dues to continue partnering with NASCSP to provide trainings for Subgrantees, and utilize as a resource for guidance on federal requirements. DLIR-OCS will also use T&TA funds to conduct on-site monitoring visits during PY 2024.

Due to the type of weatherization done in the State of Hawaii and the geographical location, Hawaii has an exemption for certified Quality Control Inspectors (QCI). Therefore, Final Inspectors need to be trained on the specific measures Hawaii's WAP installs, but does not need to go through the QCI training and get certified.

Subgrantees are required to have all individuals that are either full time or part time Inspectors receive regular comprehensive training. In order to maintain program transparency, Subgrantees are required to identify all Final Inspectors on staff. Subgrantees are responsible for ensuring that WAP Final Inspectors are trained and in compliance with all DLIR-OCS's WAP Policies and Procedures, and Hawaii's approved Field Guide. DLIR-OCS ensures that untrained Subgrantee WAP staff are supervised while weatherizing homes to ensure accuracy and quality of work is conducted. Subgrantees will notify DLIR-OCS's Program Specialist of new WAP hires, weatherization -related experience they have, and who will be supervising them in the field until they receive the necessary trainings to properly weatherize homes. When Subgrantees complete trainings, Subgrantees will send DLIR-OCS confirmation of registrations and certificates of completion for each staff enrolled.

DLIR-OCS's tentative T&TA activities for Program Year 2024 may consist of the following:

DLIR-OCS will also work with Energy Smart Academy to provide an online self-paced course for the Subgrantees weatherization staff. This online self-paced course will cover the task and skills required for an Energy Auditors, Quality Control Inspector, and Crew Leader. Subgrantees can use a portion of their T&TA funds to complete this course by the end of Program Year 2024.

Percent of overall trainings

Comprehensive Trainings:	50.0
Specific Trainings:	50.0

Breakdown of T&TA training budget

Percent of budget allocated to Auditor/QCI trainings:	50.0
Percent of budget allocated to Crew/Installer trainings:	50.0
Percent of budget allocated to Management/Financial trainings:	0.0

V.9 Energy Crisis and Disaster Plan

The State of Hawaii's Energy Crisis Plan can be found here (<http://files.hawaii.gov/dbedt/op/docs/Energy.pdf>). Hawaii has the Hawai'i Emergency Management Agency that coordinates services during disasters, issues disaster warnings, and educates the community about disaster preparedness (<http://scd.hawaii.gov/index.htm>).

	Total Amount Spent					Total Amount Remaining				
	Admin	Program	T&TA	Readiness	Total	Admin	Program	T&TA	Readiness	Total
HCAP	\$ 10,219.24	\$ 55,073.45	\$ -	\$ 300.96	\$ 65,593.65	\$ 14,256.76	\$ 55,883.55	\$ 7,000.00	\$ 36,444.04	\$ 113,584.35
HCEOC	\$ 1,687.77	\$ 13,522.19	\$ -	\$ -	\$ 15,209.96	\$ 6,330.23	\$ 22,823.81	\$ 5,500.00	\$ 12,037.00	\$ 46,691.04
KEO	\$ 1,801.40	\$ 7,420.40	\$ -	\$ -	\$ 9,221.80	\$ 509.60	\$ 4,056.60	\$ 4,500.00	\$ 3,470.00	\$ 12,536.20
MEO	\$ 5,177.00	\$ 12,170.18	\$ 4,677.98	\$ -	\$ 22,025.16	\$ -	\$ 11,296.82	\$ 822.02	\$ 7,772.00	\$ 19,890.84
OCS	\$ 11,600.00		\$ 6,805.67		\$ 18,405.67	\$ 13,920.00		\$ 3,194.33		\$ 17,114.33
TOTAL	\$30,485.41	\$ 88,186.22	\$ 11,483.65	\$ 300.96	\$ 130,456.24	\$ 35,016.59	\$ 94,060.78	\$ 21,016.35	\$ 59,723.04	\$ 209,816.76

\$116,279.74

Estimate Carry Over is deprived from the following formula

Total Amount Spend divided by seven months (Jul 22 - Jan 23) to get the **Average Monthly Amount**

Average Monthly Amount (Jul 22 - Jan 23) multiply by the remaining months for PY22 (Feb 23 - Jun 23) to get the Estimated Amount Spent for Feb 23 to Jun 23

Estimated PY22 Carry Over is the difference between the Total Amount Remaining and **Estimated Amount Spent**

Since Readiness Fund cannot be use as regular program cost. I've estimated MEO will maxed out their funds except their readiness.

Legends	Average Monthly Amount (Jul 22 to Jan 23)
	Estimated Amount Spent (Feb 23 to Jun 23)
	Estimated PY22 Carry Over

	Estimated Amount Spent			Estimated	
	Jul 22- Jan 23	Monthly Average	Feb 23 - Jun 23	PY 22 Carry Over	
HCAP	\$65,593.65	\$9,370.52	\$46,852.60	\$66,731.75	
HCEOC	\$15,209.96	\$2,172.85	\$10,864.25	\$35,826.79	
KEO	\$9,221.80	\$1,317.40	\$6,587.00	\$5,949.20	
MEO	\$22,025.16	\$3,146.45	\$15,732.25	\$4,158.59	

Estimated carry over need to subtract Readiness Fund as separate category

Program	Readiness Fund	Total	
HCAP	\$30,287.71	\$36,444.04	\$66,731.75
HCEOC	\$23,789.79	\$12,037.00	\$35,826.79
KEO	\$2,479.20	\$3,470.00	\$5,949.20
MEO	\$0.00	\$7,772.00	\$7,772.00
	\$59,723.04		\$116,279.74

135,433.00	7,000.00	36,745.00	44,364.00	5,5
HCAP (OCS-POS-22-54)			HCEOC (OCS-	
Program	T&TA	Readiness Fnd	Program	T&TA
16,383.10		300.96		
4,839.50				
			46.20	
5,401.93				
17,003.48			768.26	
65,292.69	-	300.96	15,209.96	
70,140.31	7,000.00	36,444.04	29,154.04	5,5

Fiscal Review

Expendtr	Monthly	Est for	Total Est	PY22	Est	Variance
check 7 mnt	Avg chck	5 months	Expenditures	Budget	carryover	Chck
65,593.65	9,370.52	46,852.61	112,446.26	179,178.00	66,731.74	-\$0.01 Rounding variance
15,209.96	2,172.85	10,864.26	26,074.22	61,901.00	35,826.78	-\$0.01 Rounding variance
9,221.80	1,317.40	6,587.00	15,808.80	21,758.00	5,949.20	\$0.00
22,025.16	3,146.45	15,732.26	37,757.42	41,916.00	4,158.58	-\$0.01 Rounding variance
				34,144.00	(3,613.42)	MEO

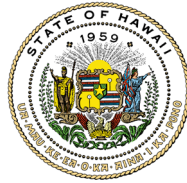
MEO variance between program and readiness fund. See Program Sp note

[illegible]

JOSH GREEN
GOVERNOR

JADE T. BUTAY
DIRECTOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

JOVANIE DOMINGO DELA CRUZ
EXECUTIVE DIRECTOR

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DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
OFFICE OF COMMUNITY SERVICES
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HONOLULU, HAWAII 96813
www.hawaii.gov/labor
Phone: (808) 586-8675 / Fax: (808) 586-8685
Email: dlir.ocs@hawaii.gov

Subgrantee:		
Date of Monitoring:		
Monitoring Conducted by:	Type of Monitoring:	Title:
Subgrantee Personnel Present During Monitoring:		Title:

Follow-Up Needed?

--

WAP MONITORING TOOL

A. Subgrantee General

1. Who is responsible for approving and submitting monthly cash request?

Name:	Title:

2. Who is responsible for approving and submitting monthly program reports?

Name:	Title:

3. The Department of Energy (DOE) recommends subgrantees to utilize the help of volunteers. Does the subgrantee utilize the help of volunteers? *Refer to: CFR 440.16.d*

Yes ☐ No ☐

If so, then around how many? What are the roles and responsibilities of these volunteers?

--

B. WAP Model

How does the subgrantee ensure that funds are maximized?

--

WAP MONITORING TOOL

1. *Community Education*

DOE requires all subgrantees to provide energy efficiency education to the community.
How does the subgrantee provide energy efficiency education to the community?

2. *Outreach*

a) How does the subgrantee conduct outreach?

b) Does the subgrantee have a waiting list? Yes ☐ No ☐

c) How large is the waiting list?

d) Does the subgrantee have a policies and procedures on how to select the order of the participants on the waiting list? If no, how does the subgrantee select the order of the participants on the waiting list?

Do you have any outreach training needs?

WAP MONITORING TOOL

3. *Assessment & Intake*

a) *Please refer to 10 CFR 440.16.a and 10 CFR 440.22*

How does the subgrantee ensure that a participant is eligible to receive WAP services?

At 200% of the Federal Poverty Level.

Multi-Family Dwelling Unit/Building: 66% of the dwelling units in the building is at 200% of Federal Poverty Level

Rental Dwelling Unit: For rental units, the landlord or the landlord's agent gives written permission

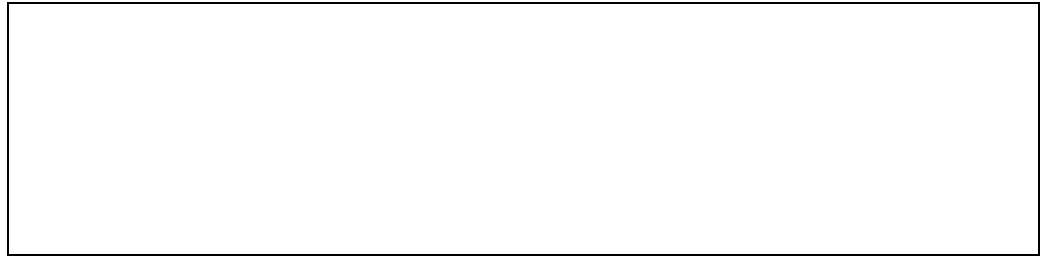
b) Intake

How does the subgrantee verify that a participant meets the following criteria? *Refer to 10 CFR 440.16.b*


i. Elderly (65+ years old)

WAP MONITORING TOOL

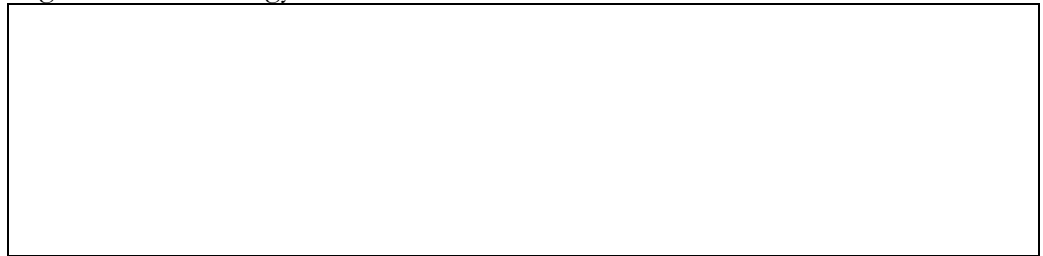
- ii. Persons with disabilities



- iii. Children (5 years old or younger)



- iv. High residential energy users



- v. Households with a high energy burden



Do you have any assessment & intake training needs?



WAP MONITORING TOOL

4. *Pre-Assessment*

- a) Does the subgrantee have a policy and procedure to pre-assess a participant's dwelling unit?

Yes ☐ No ☐

If yes, please provide policy and procedure. If no, then how does the subgrantee conduct pre-assessment?

--

- b) Is the pre-assessment done in house or contracted with another company?

In-house ☐ Another Company ☐

If another company, then who is the inspector and what company do they work for?

Company Name:	Division/Department:	Cost Per Dwelling Unit:

- i. If the subgrantee is using another company, then describe the process of choosing that company.

--

5. *Installation*

- a) What is the average time between approval for services and the start of installation of weatherization measures?

--

WAP MONITORING TOOL

- b) Does the subgrantee have an agreement with a company to provide the weatherization materials? Yes ☐ No ☐

If so please provide a copy of the agreement and describe the process in selecting that company.

--

If not, then how does the subgrantee attain their weatherization materials and what is the standard process to do so?

--

- c) Who does the installation of weatherization materials?

--

6. *Post-Assessment*

- a) Who does the final home inspection?

Name:	Title:

- b) What does the inspector look for when they conduct the final home inspection?

--

WAP MONITORING TOOL

- c) Describe the process and procedures the subgrantees have in place and are implemented if an inspector finds work that needs to be re-done or corrected.

Do you have any pre-assessment, installation, or post-assessment training needs?

7. *Participant Education*

- a) Once weatherization measures are installed, how does the subgrantee provide education on the individual weatherization measures and overall general energy efficiency? Please provide a sample of any collateral.

8. *Completion of Units*

A dwelling unit is considered completed once all weatherization materials have been installed and the subgrantee or its authorized representative performed a final inspection(s) and certifies that the work has been completed in a workmanlike manner. *Please refer to 10 CFR 440.16.g*

- a) How does the subgrantee track participant's energy savings?
Yes ☐ No ☐

WAP MONITORING TOOL

- b) What does the subgrantee do if there is a spike in energy consumption after weatherization measures have been installed?

- c) How does the subgrantee close participant files, where are they stored, and for how long? (Cross check with confidentiality)

Do you have any training needs on completing a unit?

C. Inventory

1. How does the subgrantee manage/track inventory?

2. When was the last time inventories were physically counted? Please refer to *10 CFR 600.f.3*

D. Mileage

1. How does the subgrantee log mileage?

2. How does the subgrantee ensure that the mileage logged is accurate?

E. Confidentiality *Please refer to 2 CFR 200.303.e*

1. How does the subgrantee inform employees that information regarding participants is confidential and is not to be shared with anyone outside of the program? Is there a written policy? If yes, please provide.

2. If not, how does the subgrantee ensure participants that their information is confidential?

WAP MONITORING TOOL

3. Is participant's information provided to subcontractors? Yes ☐ No ☐
If so, how can the subgrantee ensure confidentiality standards?

Participant Grievances

1. Does the subgrantee have policies and procedures if a participant has a grievance? If yes, please provide.

2. If no, how does the subgrantee handle grievances

F. Fiscal

Our fiscal team will test four random cash requests for the program period. Documentation will be requested for each cash request:

- a. Cash Receipts
 - i. Copy of deposit slip,
 - ii. Copy of bank statements, and
 - iii. GL report posting
- b. Disbursements
 - i. Copy of invoice,
 - ii. copy of the bank cancelled check, and
 - iii. GL report posting
- c. Payroll
 - i. Copy of timesheets and allocation of time,
 - ii. GL detail report, and
 - iii. Payroll Provider payroll report

WAP MONITORING TOOL

1. What accounting system is the subgrantee currently using?

G. Training and Technical Assistance (T&TA)

1. Has the subgrantee attended a conference or done any T&TA? Yes ☐ No ☐

If so, where did it take place, who provided the T&TA, and what was the purpose of the T&TA?

Where	Company/Subgrantee's Name	Subjects Covered

2. What type of T&TA would be the most beneficial?

Weatherization Grantee Health and Safety (H&S) Plan- *Optional Template*

State of Hawaii Department of Labor and Industrial Relations – Office of Community Services

1.0 – GENERAL INFORMATION

Additional information that does not fit neatly in one of the other sections of this document.

Enter Additional H&S Information Here

2.0 – BUDGETING

Grantees are encouraged to budget H&S costs as a separate category and, thereby, exclude such costs from the Average Cost Per Unit (ACPU) cost limitation. This separate category also allows these costs to be isolated from energy efficiency costs in program evaluations. H&S costs that are budgeted and reported under the Program Operations category rather than the H&S category, the related H&S costs must be included in the calculation of the ACPU and cost-justified through the Grantee's Department of Energy (DOE)-approved energy audit tool.

Select which option used below.

Separate H&S Budget ☐

Contained in Program Operations ☒

3.0 – H&S EXPENDITURE LIMITS

Pursuant to [10 CFR 440.16\(h\)](#), Grantees must establish H&S expenditure limits for their Program and provide justification for those limits by explaining the basis and related historical H&S expenditures. DOE acknowledges that it may be necessary for Grantees to deviate from historical expenditures when certain circumstances arise (e.g., funding source changes).

[10 CFR 440.16\(h\)\(2\)](#) dictates that these limits must be expressed as a percentage of the ACPU. To calculate this percentage, use the following formula:

$$\text{Total Average H\&S Cost per Unit} = \frac{\text{H\&S budget amount}}{\text{Program Operations budget amount}}$$

For example, if the ACPU is \$5,000 and a Grantee's Program expends an average of \$750 per dwelling on energy-related H&S measures, the Total Average H&S Cost per Unit would equal 15 percent. DOE acknowledges that this percentage may vary significantly between Grantees due to different geographical areas and depending upon the availability of other funding sources, resource availability, etc. Low percentages should include a statement of what other funding supports H&S costs, while larger percentages will require greater justification and relevant historical support.

*15 percent is not a maximum limit on H&S expenditures. DOE will conduct a secondary level of review on H&S Plans with a Grantee request of more than 15 percent of Program Operations used for H&S purposes. **DOE strongly encourages using the table below in developing justification for the requested H&S budget amount.** In accordance with [10 CFR 440.18\(d\)\(15\)](#), these funds are to be*

expended by the Program in direct weatherization activities, “of which is necessary before, or because of, installation of weatherization materials.” This same section of the regulation excludes the H&S costs from the ACPU limitation if H&S costs are budgeted separately.

DOE recommends reviewing recent budget requests and compare those to actual H&S expenditures to see if previous budget estimates have been accurate. The resulting Total Average H&S Cost per Unit multiplied by the Grantee’s production estimate in the Annual File should correlate to the H&S budget amount listed in the Grantee’s annual plan.

H&S expenditure limits and justification explaining the basis for setting the limits.

Utilizing the spreadsheet embedded below, provide a full list of H&S measures using historical data from your program, including average cost, and frequency rate. If installing more than a single instance of one measure in a unit (e.g. multiple CO alarms), Grantees may aggregate costs so that frequency does not exceed 100%, or enter a justification into the measure column, which explains why that measure has a frequency rate of over 100%. The spreadsheet will auto calculate your expected Total Average H&S Cost per Unit.

Instructions: Double-click icon directly below to open, view and edit Measure Matrix Spreadsheet. Complete the spreadsheet by entering the required information. To save, close the spreadsheet and it will save to this document.

4.0 – INCIDENTAL REPAIR MEASURES

Any measures that could potentially be identified as H&S, but the Grantee chooses to instead identify and treat those measures as incidental repair measures (IRMs), must be implemented consistently throughout the Grantee’s weatherization program. The measure must fit the regulatory definition of an IRM and be cost justified along with the associated energy conservation measure and/or package of measures. [10 CFR 440.3](#) defines Incidental Repairs as, “those repairs necessary for the effective performance or preservation of weatherization materials.”

H&S measures identified and treated as IRMs within your Program.

Incidental repairs necessary for installation of weatherization measures are NOT considered H&S, but will be added to the cost of the efficiency measure and included in the calculated savings to investment ratio (SIR). Such repairs include, but are not limited to:

- Protective covering for exterior hot water tanks installed by DOE WAP
- Repair of walls or window frames for room A/C installation
- Minor roof repair for solar hot water collector installation
- Sealing and weather-stripping to prevent air leakage from conditioned rooms to unconditioned spaces

5.0 – OCCUPANT PRE-EXISTING OR POTENTIAL HEALTH CONDITIONS AND HAZARD IDENTIFICATION AND NOTIFICATION FORM(S)

Grantees must develop a written policy that includes, at a minimum, the following documentation relating to H&S Plan implementation and maintain signed copies in each client file. Each notification must include the occupant(s) (and landlord if applicable) name and address, be signed and dated by the occupant (and landlord if applicable) indicating that they understand and have been informed of their rights and options and signed by the Subgrantee personnel collecting the information.

Required topics are:

▪ **Occupant Pre-existing or Potential Health Condition Screening**

- Provides documentation that allows occupant(s) to self-report known or suspected health concerns as part of initial application for weatherization, during the energy audit, or other part of the weatherization process as specified. Must minimally contain the following:
 - Any known risks associated with the measures and materials being installed
 - Subgrantee point of contact information for occupant(s)
 - Date of screening

▪ **Hazard Identification Notification**

- Provides documentation that the occupant and landlord (if applicable), have been informed of any potential hazards identified during the energy audit or intake process. Must minimally contain the following:
 - Date(s) of the energy audit/assessment and when the occupant(s) (and landlord, if applicable) was informed of a potential H&S issue
 - A clear description of the problem, including any testing results
 - A statement indicating if, or when weatherization could continue

Radon Informed Consent Form

- Provides documentation that the occupant(s) (and landlord if applicable) have been informed of any potential hazards associated with radon in weatherized dwellings. The form must minimally contain the following:
 - An explanation on the potential small risk of increasing radon levels when building tightness is improved. This is based on the results of the [Buildings Assessment of Radon Reduction Interventions with Energy retrofits Expansion Study \(The BEX Study\)](#)
 - A list of precautionary measures WAP will install based on [EPA Healthy Indoor Environment Protocols](#).
 - Some of the benefits of Weatherization including energy savings, energy cost savings, improved home comfort, and increased safety.

Procedure for soliciting occupants' health and safety concerns related to components of their homes

During application intake or home assessment/audit, subgrantees will determine if 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 based on severity of risk. Failure or the inability to take appropriate actions must result in a deferral. Failure or the inability to take appropriate actions must result in a deferral.

At the time of application or during the home assessment/audit, the occupant must complete a "Client Health Survey" identifying potential health issues of the applicant and all occupants of the dwelling. This survey will be inserted into the client file for future reference. The information collected during this process will be used to aid in determining the best material and course of action for the weatherization process. When an occupant's health is fragile and/or work activities would constitute a health or safety hazard, the occupant(s) at-risk will be required to leave the home during work activities. If the occupant is unable to leave the home and the intended work may exacerbate an occupant's health condition, the home may need to be deferred.

Procedure for determining whether occupants suffer from health conditions which may be negatively impacted by the act of weatherizing their dwelling

Occupants at-risk will be asked to leave the home during weatherization work to make sure weatherization work does not make health conditions worse. If at-risk occupants cannot be relocated during weatherization work, then the home will be deferred. Training will be provided on how to assess occupant pre-existing conditions and determining course of action is required.

Procedure for addressing potential health concerns including pre-existing health conditions when they are identified

Subgrantees will have the occupant complete a "Client Health Survey" and inform the occupant in writing of any known risks. The subgrantees will provide the occupant with subgrantee point of contact information. Occupants at-risk will be asked to leave the

home during weatherization work to make sure weatherization work does not make health conditions worse. If at-risk occupants cannot be relocated during weatherization work, then the home will be deferred. Training will be provided on how to assess occupant pre-existing conditions and determining course of action is required.

Location where forms have been uploaded/submitted	
Separate attachment to SF424 <input type="checkbox"/>	Separate attachment to H&S Plan <input checked="" type="checkbox"/>

6.0 – HEALTH AND SAFETY CATEGORIES

For each of the following H&S categories identified by DOE in the following tables, follow the directions below.

- Any section that is “Required” below must be explicitly detailed in the H&S Plan regardless of funding source used. If the Grantee checks the box for “Concurrence with DOE Guidance” the contents of the box may be left as it exists or reference the section/location within Grantee Policy and Procedure manual that contains language or insert Grantee specific language. If the “Alternative Guidance” box is checked, the Grantee must provide that alternative guidance in the box.
 - If a Grantee is proposing an alternative action/allowability for a “Required” item, the alternative requires comprehensive explanation of how it meets the intent of the DOE program notice.
 - If a “Required” item/category will not be addressed with any funding source and will always result in deferral, the H&S Plan must state that.
- Any section that is “Allowable” below must be detailed only if DOE WAP funds are used to implement the measures. If the Grantee uses DOE funds for any “Allowable” activities from the Table of Issues then they must be described here in detail, including defining “minor”, “major”, “limited”, “case-by-case”, and “at-risk” if the term is applied. If you only check the box “Allowed with Alternative Funds” then no additional information is required.
- Any section that is “Prohibited” below may not be addressed with DOE WAP H&S funds and does not need to be specifically addressed in the H&S Plan. The Grantee simply needs to check the “Concur with DOE guidance” box and indicate if the condition will result in deferral/referral.
- The Grantee H&S Plan may address additional H&S hazards specific to their program that are not included in the Table of Issues. If a Grantee chooses to include additional measures as DOE WAP funded H&S costs, the H&S Plan must include details pertaining to the measures allowed, testing required, and client education for these specific hazards.
- All required “Testing/Inspection” related items must be documented in the client file to verify completion and results.

6.1 – Air-Conditioning, Heating Systems, and Combustion Appliances

Required Actions

Concur with DOE Guidance ☒

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☒

Alternative Funds ☐

There will be no heating system replacement, repair, or installation with DOE funds as there are no heating systems in grantee's territory.

Room air conditioners are small packaged air conditioning units installed in windows or an exterior wall. All room air conditioners have an energy efficiency rating (EER), which is computed by dividing cooling capacity, measured in btu's per hour by the watts of power used. The federal government requires all air conditioners to carry a yellow energy label listing cost-of-operation, including the EER. The higher the EER, the more efficient the air conditioner and the lower its operating cost. Under Hawaii's WAP, existing units with a maximum EER of 9.7 are eligible for replacement. Replaced units will be disposed of according to the environmental standards in the Clean Air Act 1990, Section 608, as implemented by 40 CFR 82 (7/1/2006). Materials shall be disposed of by an EPA-approved section 608 type I or universal certified contractor/vendor, and so noted in the file. Disposed units will be recycled when possible.

If repair/replacement is beyond the project scope of DOE either for efficiency or health and safety reasons, the client will be notified in writing by the "Weatherization Deferral/Referral" form, and, if possible, referred to local agencies that could assist. When serious electrical hazards, gross overloads, or electrical wiring exposure are present, the energy auditor shall notify the owner and defer the proposed installation of weatherization measures in the unit until such hazards are remedied.

Allowable Actions

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Prohibited Actions

Concur with DOE Guidance ☒

There will be no heating system replacement, repair, or installation with DOE funds as there are no heating systems in Hawaii.

Required Testing/Inspection

Concur with DOE Guidance ☒

Alternative Guidance ☐

WAP auditors/assessors will test any existing room air conditioner to determine if it is operable and performing. If it is a replacement room A/C unit that meets the criteria of the priority list will be installed.

Grantee Combustion Testing Action Levels

Conduct combustion appliance testing and visual inspection of all combustion appliances and their related venting.

Grantee Woodstove & Fireplace inspection/testing policy including actions/limits

Concur with DOE Guidance ☒

Alternative Guidance ☐

Fireplace or woodstove venting that is left operational after weatherization must meet current local or national standards or the home must be deferred.

Required Occupant Education

Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>
Auditors/Assessors will provide client education on appropriate operation and maintenance of A/C units. An operation manual and any warranty information will be left with the client. Subgrantees will provide all paperwork and manuals for any equipment installed by weatherization.	

6.2 – Asbestos (Confirmed and/or Presumed Asbestos Containing Material)

Required Actions

Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	

Any surfaces to be altered in the weatherization process shall be inspected for asbestos prior to alteration. Crews and contractors must work around any asbestos-containing material. Testing or abatement of asbestos is not an allowable H&S expense. If asbestos is present in any area which will be disturbed during weatherization, the client must provide documentation that the asbestos removal or encapsulation was conducted by a certified professional before the home is eligible for weatherization. Clients shall be instructed not to disturb any suspected surface and given the EPA pamphlet “Asbestos in the Home, a Homeowners Guide.”

Work will be deferred if WAP crews are unable to perform weatherization due to the presence of asbestos. If possible, clients will be referred to other possible non-profit community agencies, referral services and private contracts who are licensed and have expertise to perform asbestos removal. No asbestos removal work will be performed.

DOE WAP funding will not be used for testing or removal of vermiculite. The presence of vermiculite in Hawaii is unlikely as we do not look in attics. Hawaii does not perform any insulation, air sealing, or blower door testing. All measures are baseloads. However, auditors/assessors will be trained to recognize vermiculite and notify client of its presence. If vermiculite is present in a dwelling and weatherization work would disturb it, the client will be notified and instructed not to disturb any suspected surface. The client will also be given the EPA pamphlet “Asbestos in the Home, a Homeowners Guide.” The unit would be deferred until the vermiculite is removed and client is able to provide documentation that a certified professional performed the remediation before weatherization work continues. WAP crews will take precautionary measures, such as not disturbing the vermiculite and using proper respiratory protection while in areas containing vermiculite. Testing or abatement of asbestos is not an allowable H&S expense.

Grantee ACM policy

No weatherization work will occur that could possibly disturb the material. If possible, the client will be referred to local agencies if vermiculite is present.

Auditors will be required to take an Asbestos Hazard Emergency Response Act (AHERA) course to be able to identify asbestos-containing materials and when it may pose a hazard to clients or workers.

Grantee Blower Door Testing Policy When Suspected ACM Exists

Hawaii does not perform any insulation, air sealing, or blower door testing. All measures are baseloads. However, auditor/assessors will be trained to recognize vermiculite and notify clients of its presence. DOE WAP funding will not be used for testing or removal of vermiculite. If vermiculite is discovered, the client will be notified and instructed not to disturb the material.

Allowable Actions

Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>
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If any asbestos is identified, auditors/assessors will notify and instruct the client not to disturb the suspected surface. Auditors/assessors will inform the client in writing of asbestos hazard identified, and the client will be deferred until they can provide documentation that asbestos removal or encapsulation was conducted by a certified professional before the home is eligible for weatherization.

Prohibited Actions

Concur with DOE Guidance ☒

Using DOE WAP funds for general abatement/removal or replacement of asbestos siding, thermal system insulation (TSI) or Transite, or vermiculite.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Visually inspect all surfaces (i.e., walls, floors, ceilings, roofs) for suspected ACM prior to drilling or cutting. Assume asbestos is present in suspect materials unless testing reveals otherwise.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
If asbestos is present in any area which will be disturbed during weatherization, the asbestos must be remediated prior to weatherization work using non-DOE funds.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
<ul style="list-style-type: none"> Formally notify the occupant, and landlord if applicable, in writing: <ul style="list-style-type: none"> of suspected ACMs that are present and what precautions will be taken to ensure the occupants' and workers' safety during weatherization; of results if testing was performed; not to disturb suspected ACM; When deferral is necessary due to asbestos, occupant, or landlord if applicable, must provide documentation that a certified professional performed the remediation before work continues. 		

6.3 – Biologicals and Unsanitary Conditions		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Deferral where conditions (odors, bacteria, raw sewage, rotting wood, etc.) in the home pose a health risk to occupants and/or weatherization workers or may be worsened by weatherization activities (e.g., air sealing) and will not be resolved by weatherization.		
Remediation of conditions that may lead to or promote biological concerns and unsanitary conditions is allowed. Addressing bacteria and viruses is not an allowable cost. Deferral may be necessary in cases where a known agent is present in the home that may create a serious risk to occupants or weatherization workers. DOE funds may be used to remediate conditions that may lead to or promote biological concerns or unsanitary conditions. This would typically be a plumbing leak or water drainage under a home. Disposal of all moisture damaged materials must be in accordance with DOE mold guidance. If the issue is beyond the scope of DOE WAP, client will be asked to correct problem or will be deferred to other agencies who may be able to assist. Deferral may be necessary in cases where a known agent is present in the home that may create a serious risk to occupants or weatherization workers.		
Allowed Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
DOE funds may be used to remediate conditions that may lead to or promote biological concerns or unsanitary conditions. This would typically be a plumbing leak or water drainage under a home.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Sensory inspection of interior, exterior, attics, and subspaces of the dwelling.		
Prohibited Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>		

Using DOE WAP funds for any testing/evaluation of structural materials by a third-party.	
Required Occupant Education	
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>
Inform occupant in writing of observed biological and unsanitary conditions.	

6.4 – Building Structure and Roofing (e.g., roofing, wall, foundation)		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Building structure and major roofing repairs are not allowable. Minor roof repairs and construction of enclosures to protect and preserve DOE WAP installed hot water tanks will be allowed, but this will be included in the installation cost of the measure and must meet the SIR. If the repairs and installation cost cannot meet the SIR for the weatherization measure, the unit will be deferred. Homes with building structure, major roofing repairs, or require more than minor repairs are not allowable with DOE funds and must be deferred. WAP auditors/assessors will ensure that access to areas necessary for weatherization is safe for entry and performance of assessment, work, and inspection. Building structure and major roofing repairs are not allowable. There will be no removal or disposal of structural or roofing materials.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Major repairs and building rehabilitation are not allowable with DOE funds.		
Define “major” repairs		
“Major” repairs are defined as a repair exceeding the projected average cost per unit during the given program year.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Visual inspection of building structure and roofing for damages that compromise building durability and to verify that portions of the home where weatherization will occur are safe for entry and performance of assessments, work, and inspections.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input checked="" type="checkbox"/>	
Visual inspection of building structure and roofing for damages that compromise building durability and to verify that portions of the home where weatherization will occur are safe for entry and performance of assessments, work, and inspections.		
Prohibited Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP H&S funds for any testing/evaluation of structural materials by a third-party is prohibited.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
Notify occupant in writing of structurally compromised areas.		

6.5 – Code Compliance	
Allowable Actions	
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>

<p>DOE funds will be used to comply with local codes in the installation of weatherization materials. Correction of pre-existing code violations in a dwelling is not allowed unless the code corrective action is required due to the installation of a weatherization measure. When correction of pre-existing code compliance issues is triggered and paid for with DOE funds, cite specific code requirements in the client file. Local building code requirements must be followed at all times. This is particularly important when installing solar hot water systems and hybrid hot water heat pump units. If the cost of meeting code compliance is excessive and beyond the allowable average cost for the efficiency measure according to the SIR, the unit should be deferred until alternative sources of funds are identified to correct the problems. Clients will be referred to other programs or agencies if necessary to bring the unit up to code. Work must meet current applicable code requirements. Work will include obtaining permits and inspection from the local building departments when required. Condemned properties and properties where “red tagged” H&S conditions exist that cannot be corrected under this guidance must be deferred.</p>		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
<p>Using DOE WAP funds for correction of pre-existing code compliance issues not directly related to the installation of specific weatherization measures in the home.</p> <p>Using DOE WAP funds for work on condemned properties and properties where H&S conditions exist that cannot be corrected under this guidance.</p>		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Visual inspection.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Visual inspection.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
Inform occupant in writing of observed code compliance issues when it results in a deferral.		

6.6 – Electrical		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Provide sufficient over-current protection and damming prior to insulating building components containing knob and tube wiring, as required by the AHJ.		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
<p>Minor electrical repairs are allowed where health and safety of the occupant or worker is at-risk. Upgrades and repairs are allowed when necessary to perform specific weatherization measures. Typical repairs may be installing switch plate or outlet protectors, replace ceramic light bulb fixtures, or other means to eliminate exposed wiring. Repair or replacement of faulty electrical outlets for A/C, solar thermal DHW, water heater, or refrigerators is also allowable. Upgrades and repairs for weatherization measure are allowable such as relocation of electrical outlet to allow a gas dryer to be relocated for proper ventilation or proper connection of an existing water heater. Visual inspection will be performed. WAP auditors/assessors will check for alterations that may create an electrical hazard. Voltage drop and voltage detection testing are allowed.</p> <p>Since no attic insulation will be installed in Hawaii, there will be no inspection for knob-and-tube wiring. If knob-and-tube wiring is discovered, the client will be referred to other programs as this is beyond the project scope. Any electrical materials removed from homes will be disposed of per EPA guidelines.</p>		
Prohibited Actions		

Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds for major electrical repairs as defined by Hawaii's H&S Plan.		
Define "major" repairs		
<p>"Major" electrical repairs are considered as serious electrical hazards, gross overloads, or electrical wiring exposure present. Auditors/Assessors shall notify the owner and document in the client's file. In such condition, the client shall be deferred to resolve such major problems prior to the installation of weatherization services, ensuring electrical baseload is within the electrical safety standards.</p>		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
<ul style="list-style-type: none"> Visual inspection for presence and condition of knob-and-tube wiring. Evaluate knob-and-tube wiring for safety prior to work. Check for alterations that may create an electrical hazard. 		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Voltage drop and voltage detection testing.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
<ul style="list-style-type: none"> Provide occupant with written documentation of any electrical hazards identified that will not be addressed by weatherization Provide information to occupant on over-current protection, overloading circuits, and basic electrical safety/risks if conditions warrant. 		

6.7 – Fuel Leaks		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
<ul style="list-style-type: none"> When a gas leak is found on the utility side of service, the utility service must be contacted, work must be temporarily halted, and the leak must be repaired before work may proceed. Fuel leaks that are the responsibility of the occupant (vs. the utility) must be repaired before installing weatherization measures in the home. 		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Auditors/Assessors will notify the client's utility company and temporarily halt work when leaks are discovered that are the responsibility to the utility to address.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds to repair leaks that are the responsibility of the utility to correct. Environmental cleanup resulting from bulk fuel leaks using DOE WAP funds.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input type="checkbox"/>	Alternative Funds <input type="checkbox"/>	

<ul style="list-style-type: none"> • Test all exposed gas lines, fittings, valves, and connections for fuel leaks from utility connection to the appliance throughout the home. • Test all gas appliances for fuel leaks at all connections, valves, fittings, and burners. • Conduct sensory inspection of all bulk fuels lines and storage tanks to determine if leaks exist. 	
Allowable Testing/Inspection	
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>
WAP crews should be trained on fuel leak testing.	
Prohibited Testing/Inspection	
Concur with DOE Guidance <input checked="" type="checkbox"/>	
Using DOE WAP funds for environmental testing of soil or water.	
Required Occupant Education	
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>
Inform occupants in writing of fuel leak testing results, including specific location if fuel leaks are detected.	

6.8 – Gas Ovens/Stovetops/Ranges		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Not applicable as this is not a measure on approved priority list.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Not applicable as this is not a measure on approved priority list.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Not applicable as this is not a measure on approved priority list.		
Define action levels for oven CO testing and resulting actions		
Not applicable as this is not a measure on approved priority list.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Not applicable as this is not a measure on approved priority list.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
Not applicable as this is not a measure on approved priority list.		

6.9 – Hazardous Materials		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
<ul style="list-style-type: none"> • Hazardous Waste Materials generated by weatherization work (e.g., refrigerant, asbestos, lead, mercury, CFL lighting bulb/ballasts, etc.) must be disposed of according to all local and federal laws, regulations, and guidelines, as applicable. Costs specifically related to disposal may be charged as a H&S expense. • Subgrantees must document disposal requirements in contract language with the responsible party. • Limited removal of pollutants that pose a risk to workers is required (e.g., flammable liquids, hazardous chemicals, and other air pollutants) as defined the Grantee’s H&S Plan. • If removal cannot be performed or is not allowed by the occupant, the unit must be deferred. 		

Define “limited” removal of pollutants		
“Limited” removal of pollutants is defined as only removing pollutants that are necessary to perform weatherization work (oil paint cans, oil in garages, etc.) and if the pollutants pose a risk to workers.		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
“Limited” removal of pollutants that pose a risk to the occupant or worker is allowable.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds for Lead, Asbestos, and Radon abatement.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Sensory inspection.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Visual inspection to identify hazardous waste materials (e.g., refrigerant, asbestos, lead, mercury, CFL lighting bulb, ballasts, etc.).		
Prohibited Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds for any testing for hazardous materials other than that specifically permitted in the asbestos, lead, and radon sections of this document.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
<ul style="list-style-type: none"> • Inform occupant in writing of hazards associated with hazardous waste materials being generated/handled in the home. • Inform occupant in writing of observed hazardous condition and associated risks. • Provide occupant written materials on safety issues and proper disposal of household pollutants. 		

6.10 - Injury Prevention of Occupants		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Workers must take all reasonable precautions against performing work on homes that will subject workers or occupants to health and safety risks. Minor repairs and installation may be conducted only when necessary to effectively weatherize the home. Otherwise, these measures are not allowed. WAP auditors/assessors will inform clients of dangerous and unsafe condition of the home, and will be referred to other local social service agencies if repair/replacement is beyond the project scope.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds for major repairs, as defined by Hawaii’s H&S Plan.		
Define “major” repairs		
“Major” repairs are defined as any repair exceeding the projected average cost per unit during the given program year. DOE funds will not be used to make general home repairs. Stairs, handrails, and other general repairs will not be made with DOE funds. Clients will be referred to other local social service agencies if repair/replacement is beyond the project scope. If worksite is not safe, weatherization work will be deferred until a safe work environment can be provided by the client.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>

DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>
Visually inspect for dangers that would prevent weatherization.	
Allowable Testing/Inspection	
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>
Visually inspect for dangers that would prevent weatherization.	
Required Occupant Education	
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>
If identified hazardous conditions will not be corrected during weatherization, inform occupant in writing of observed hazards and associated risks utilizing the "Hazard Identification Notification Form" required by WPN 22-7.	

6.11 – Lead-Based Surface Coverings (Paint, Varnishes, Roofing, etc.)		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
<p>DOE funds will be used for lead paint testing, site set-up, clean-up, and verification on all pre-1978 homes. Work that disturbs painted surfaces on pre-1978 housing must be in accordance with the EPA's Lead RRP requirements. All testing, job site set-up, and clean up must be supervised by a Certified Renovator and each crew member must be accompanied by a Certified Renovator. Typical work that may disturb lead paint in pre-1978 homes could include window or through wall room air conditioners. Only those costs directly associated with lead safe work practices for surfaces directly disturbed during weatherization activities are allowable H&S expenses. Solar or hybrid hot water system installed with through the wall penetrations will also follow LRRP and LSW. Refer to Hawaii's Field Guide for more information on LSW practices. It is doubtful that the disturbance of paint will be affected beyond the minimum levels for these measures, but if it will, the job will be deferred.</p> <p>Deferral is required when the extent and condition of lead-based paint in the house would potentially create further health and safety hazards. If it appears that extensive amounts of lead paint will be disturbed by weatherization creating further health and safety hazards, the client will be notified that the job will be deferred.</p>		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Only those costs directly associated with lead safe work practices for surfaces directly disturbed during weatherization activities are allowable H&S expenses.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
<p>Using DOE WAP funds for lead abatement.</p> <p>Using DOE WAP funds for purchase, resourcing, or maintenance of X-ray Fluorescence (XRF) devices.</p>		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Testing to determine the presence of lead on surfaces that will be disturbed by WAP measure installation is allowed with EPA-approved testing methods. If EPA-approved testing is not conducted, the Subgrantee may assume lead is present and work in compliance with EPA RRP rules. Job site set-up and cleaning verification is required by a Certified Renovator.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
Follow pre-renovation education requirements per EPA RRP rules. Where lead paint is present, clients must receive and acknowledge with signature, the most current EPA "Renovate Right" pamphlet. When deferral is necessary, WAP auditors/assessors will provide information in writing describing conditions that must be met in order for weatherization to commence.		

6.12 – Mold and Moisture

Allowable Actions

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Hawaii will not be correcting any mold and moisture problems. If these problems are encountered during assessment, the home will be deferred until problems are resolved. Suspected mold or severe moisture problems will be identified, using sight and smell, during the early stages of an assessment and a determination made of the severity or extent of the problem. If the problem is too severe to weatherize the home, client will be notified, and job deferred until problem is resolved.

Limited water damage repairs that can be addressed by weatherization workers are allowed when necessary in order to weatherize the home and to ensure the long-term stability and durability of the measures. Source control (i.e., correction of moisture and mold creating conditions) is allowed when necessary in order to weatherize the home and to ensure the long-term stability and durability of the measures. Source control is independent of latent damage and related repairs. Correction of minor drainage, gutters or down spouts to direct rainwater away from the building is allowable if within the cost limitations. Installation of gutters, down spouts, extensions, flashing, sump pumps, and landscape is not an allowable cost. Surface preparation where weatherization measures are being installed (i.e., cleaning mold off window trim in order to apply caulk) must be charged as part of the ECM, not to the H&S budget category. Disposal of any material removed from the structure will be done in an environmentally acceptable manner.

Prohibited Actions

Concur with DOE Guidance ☒

Using DOE WAP funds for mold cleanup.

Using DOE WAP funds for window and door replacements.

Required Testing/Inspection

Concur with DOE Guidance ☒

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☒

Alternative Funds ☐

Visual assessment for moisture or mold damage including exterior drainage.

Allowable Testing/Inspection

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Diagnostics such as material moisture content, or relative humidity measurements at the audit and/or final inspection.

Prohibited Testing/Inspection

Concur with DOE Guidance ☒

Using DOE WAP funds for mold testing of any type.

Required Occupant Education

Concur with DOE Guidance ☒

Alternative Guidance ☐

Provide occupant written notification of identified mold/moisture hazards and information regarding the associated hazard.

6.13 - Occupant Pre-existing or Potential Health Conditions

Required Actions

Concur with DOE Guidance ☒

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☒

Alternative Funds ☐

During application intake or home assessment/audit, subgrantees will determine if 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 based on severity of risk. Failure or the inability to take appropriate actions must result in a deferral. Failure or the inability to take appropriate actions must result in a deferral.

At the time of application or during the home assessment/audit, the occupant must complete a "Client Health Survey," identifying potential health issues of the applicant and all occupants of the dwelling. This survey will be inserted into the client file for future reference. The information collected during this process will be used to aid in determining the best material and course of action for the weatherization process. When an occupant's health is fragile and/or work activities would constitute a health or safety hazard, the occupant(s) at-risk will be required to leave the home during work activities. If the occupant is unable to leave the home and the intended work may exacerbate an occupant's health condition, the home may need to be deferred.

Allowable Actions

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Occupants at-risk will be asked to leave home during weatherization work to make sure weatherization work does not make health condition worse. If at-risk occupants cannot be relocated during weatherization work, then the home will be deferred. Training will be provided on how to assess occupant pre-existing conditions and determining course of action is required.

Required Testing/Inspection

Concur with DOE Guidance ☒

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☒

Alternative Funds ☐

Screen occupants for known or suspected health concerns during the home assessment/audit by utilizing the "Client Health Survey" that identifies any known risks associated with the measures and materials being installed, Subgrantee point of contact information for occupants, and date of screening.

Allowable Testing/Inspection

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

If at-risk occupants cannot be relocated during weatherization, the home shall be deferred.

Required Occupant Education

Concur with DOE Guidance ☒

Alternative Guidance ☐

- Inform occupant in writing of any known risks and provide pre-weatherization screening form.
- Provide occupant with Subgrantee point of contact information in writing.

6.14 – Pests

Required Actions

Concur with DOE Guidance ☒

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☒

Alternative Funds ☐

Deferral of homes where infestation of pests cannot be reasonably removed or poses H&S concern for workers.

Allowable Actions

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Pest removal is allowed only where infestation would prevent weatherization. If the presence of pests interferes with weatherization, job will be deferred until pests are removed.

Allowable Testing/Inspection

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Assessment of presence and degree of infestation and risk to workers.

Required Occupant Education

Concur with DOE Guidance ☒

Alternative Guidance ☐

Inform occupant in writing of observed conditions and associated risks.

6.15 – Radon		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Since homes will not be sealed due to natural ventilation, there will be no testing for radon. Only baseload measures will be installed which should not affect infiltration or concentration of radon in homes.		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Clients will be referred to EPA and EPA consumer's guide to radon if they have concerns about radon.		
Prohibited Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>		
Using DOE WAP funds for radon mitigation.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
No DOE funding will be used for radon testing.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
<ul style="list-style-type: none"> • Provide all occupants EPA's A Citizen's Guide to Radon and inform them of radon related risks. • Occupants must sign an informed consent form prior to receiving weatherization services. 		

6.16 – Safety Devices: Smoke and Carbon Monoxide Alarms, Fire Extinguishers		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Install CO alarms in every home where alarms are not present or are inoperable in compliance with ASHRAE 62.2-2016 which references NFPA 720 (note: NFPA 720 has been incorporated into NFPA 72).		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
Install smoke alarms is allowed where detectors are not present or are inoperable. Replace functional smoke alarms and carbon monoxide alarms if they are beyond the manufacturer's stated lifetime (usually 10 years). Replace functional smoke or carbon monoxide alarm batteries if designed to be replaceable.		
Prohibited Actions		
Concur with DOE Guidance <input type="checkbox"/>		
Using DOE WAP funds for replacement of functional smoke or carbon monoxide alarms that are not beyond the manufacturer's stated lifetime.		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
WAP auditors/assessors will test existing smoke alarms and carbon monoxide detectors for operation and age of installed safety devices.		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
WAP auditors/assessors will test existing smoke alarms and carbon monoxide detectors for operation and age of installed safety devices.		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	

Provide occupant with verbal and written information on use of newly installed devices and the potential risks of not properly maintaining these devices.

6.17 – Ventilation and Indoor Air Quality

Required Actions

Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	

Whole house ventilation and local exhaust provisions of ASHRAE 62.2 – 2016 will not be performed in Hawaii. Deferral is required for homes where both mechanical cooling is present, and the building has an established pressure boundary. Other components of ASHRAE 62.2 – 2016 such as separating air movement from attached garages and properly venting dryers will be enforced.

Deferral is required for homes where both mechanical cooling is present, and the building has an established pressure boundary. Homes must also be deferred where guidance within this plan cannot address high polluting sources, mold and moisture concerns, or the presence of unacceptable air quality as identified through sensory inspection. Homes that require work beyond the scope of this guidance will be deferred and referred to service organizations that can potentially address the identified hazard or health and safety concern. If the occupant refuses ventilation as required by ASHRAE 62.6, the home must be deferred.

Allowable Actions

Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>
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Hawaii homes are in Climate Zone I, are designed to have free movement of air between the indoors and outdoors, and no effort is being made through weatherization to establish an air barrier. Therefore, Hawaii's Weatherization Assistance Program is not required to meet the ventilation requirements outlined in ASHRAE 62.2 – 2016, except in any room that may be enclosed and contain a source of water or combustion.

Required Testing/Inspection

Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	

- ASHRAE 62.2 evaluation to determine required post-weatherization ventilation.
- Measure fan flow of existing fans and of installed equipment to verify performance.

Allowable Testing/Inspection

Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>
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All homes will be assessed to determine if mechanical cooling is present, and the building has an established pressure boundary. If both are present, the home must be deferred. If neither or only one of the two conditions is present, then weatherization work may continue. All homes must also be assessed for attached garages, clothes dryers, combustion appliances (proper ventilation), high polluting sources, mold and moisture concerns, or the presence of unacceptable air through sensory moisture inspection. Where attached garages are present, they must be sealed to separate air flow from the interior of the home. Where clothes dryers are present, they must be properly vented to the outdoors. Refer to ASHRAE 62.2 – 2016 standard for full implementation requirements. Also see Combustion Gases and Mold and Moisture sections above.

Excess materials used in meeting this ventilation standard will be retained by the agency. Items requiring removal from the home will be properly disposed by WAP crews and must not be left with the client.

Required Occupant Education

Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>
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Client will be provided with information on location of service switch and cleaning instructions, function, use, and maintenance of ventilation system and components where present or installed. WAP crews will provide occupant with equipment manuals for installed equipment. Include disclaimer that ASHRAE 62.2 – 2016 does not account for high polluting sources or guarantee indoor air quality.

6.18 – Water Heaters

(see Combustion Appliances for combustion related requirements)

Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
<p>Replacement of water heaters for health and safety is allowed on a case-by-case basis. Replacement of water heaters with solar or hybrid heat pump water heaters will first be attempted through the priority list. Replacement and installation of other not related appliances are not allowed.</p> <p>Hot water tanks that are leaking water, producing high carbon monoxide, or drafting poorly will be assessed for repair or replacement. Combustion safety testing will be performed on all gas-fired water tanks. If repair is not possible, hot water tank can be replaced. All plumbing work is performed by license contractors and must comply with local codes. Local agency staff will confirm installation and that unit is working properly.</p> <p>Water heater repair/replacement will be performed by a licensed plumber. WAP auditor/assessor will be trained to determine if installation is adequate (hooked up, producing hot water, etc.). Disposal of appliances shall be according to the environmental standards in the Clean Air Act 1990, Section 608, as implemented by 40 CFR 82 (7/1/2006). Disposal shall be by contractor/vendor. Disposed units will be recycled when possible.</p>		
Required Testing/Inspection		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
<ul style="list-style-type: none"> Visual inspection of all water heaters and related piping for safety and leaks See Combustion Appliances section for related combustion safety testing requirements. 		
Allowable Testing/Inspection		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	
<p>If serious electrical hazards, gross overloads, or electrical wiring exposure are present, the energy auditor shall notify the owner and document in the client's file. If such condition is present, the client's home shall be deferred to resolve such major problems prior to any weatherization work.</p>		
Required Occupant Education		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	
<ul style="list-style-type: none"> Appropriate use and maintenance of units. Provide all paperwork and manuals for any installed equipment. Where combustion equipment is present, provide combustion safety and hazards information including how to recognize depressurization, dangers of CO poisoning, and fire risks associated with combustion appliance use. 		

6.19 – Worker Safety		
Required Actions		
Concur with DOE Guidance <input checked="" type="checkbox"/>	Alternative Guidance <input type="checkbox"/>	Results in Deferral/Referral <input type="checkbox"/>
DOE WAP H&S Funds <input checked="" type="checkbox"/>	Alternative Funds <input type="checkbox"/>	
Adherence to all federal, state, and local worker safety regulations (e.g., OSHA, EPA).		
Allowable Actions		
Allowed with DOE WAP H&S Funds <input checked="" type="checkbox"/>	Allowed with Alternative Funds <input type="checkbox"/>	

Since Hawaii's Weatherization Assistance Program mainly installs baseloads, subgrantees' auditors/assessors perform initial assessment, install baseloads, and perform final inspections. Installation of solar hot water systems and hybrid heat pump water heaters will be done by contractors. Room air conditioners and refrigerators are delivered and installed by vendors. Old units are disposed of by vendors per EPA guidelines. Workers must follow OSHA standards where required and take precautions to ensure the H&S of themselves and other workers. OSHA Confined Space requirements will be followed as applicable.

Equipment purchases to protect the health and safety of the worker (e.g., Personal Protective Equipment (PPE), jobsite cleaning supplies).

Prohibited Actions

Concur with DOE Guidance ☒

Using DOE funds for major repairs as defined by Hawaii's H&S Plan.

Define "major" repairs

"Major" repairs are defined as any repair exceeding the projected average cost per unit during the given program year.

Allowable Testing

Allowed with DOE WAP H&S Funds ☒

Allowed with Alternative Funds ☐

Environmental and surveillance testing required by OSHA regulation.

6.X – (Insert Additional H&S Items for Use of DOE WAP H&S funds)

Required Actions

Concur with DOE Guidance ☐

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☐

Alternative Funds ☐

Insert required item text

Allowable Actions

Allowed with DOE WAP H&S Funds ☐

Allowed with Alternative Funds ☐

If DOE WAP H&S Funds are used for any "allowable" actions, detail them here.

Prohibited Actions

Concur with DOE Guidance ☐

What is prohibited

Required Testing/Inspection

Concur with DOE Guidance ☐

Alternative Guidance ☐

Results in Deferral/Referral ☐

DOE WAP H&S Funds ☐

Alternative Funds ☐

Insert required item text

Allowable Testing/Inspection

Allowed with DOE WAP H&S Funds ☐

Allowed with Alternative Funds ☐

If DOE WAP H&S Funds are used for any "allowable" testing, detail them here.

Prohibited Testing/Inspection

Concur with DOE Guidance ☐

What is prohibited

Required Occupant Education

Concur with DOE Guidance ☐

Alternative Guidance ☐

Insert required item text

WEATHERIZATION ASSISTANCE PROGRAM
POLICY ADVISORY COUNCIL MEETING

830 Punchbowl Street, Office 420
Friday, March 19, 2024
11:00 a.m. – 11:20 a.m.

- I. Welcome and Introduction
- II. Program Year (PY) 2023
 - a. Planned Onsite Monitoring
 - b. PY 2023 Actual Award is \$371,550.00 (Total Award with Readiness Fund)
- III. Program Year (PY) 2024 WAP State Plan
 - a. Changes:
 - i. Estimated carryover budget from this year's PY23 award (\$107,334.06).
 - ii. Estimated award for PY 2024 is \$371,550.00 (Actual award for PY23)
 - iii. Average Cost Per Unit (ACPU) is \$8,497.00
 - iv. Readiness Fund ACPU is \$20,00.00
- IV. Question

Notice of Public Hearing

Weatherization Assistance Program State Plan

The State of Hawaii is estimated to receive \$371,550.00, in federal funds with additional \$72,845.00 (Readiness Fund) from the U.S. Department of Energy (DOE) through its Weatherization Assistance Program (WAP) for the July 1, 2024 – June 30, 2025 Program Year (PY) 2024. This estimated award is subject to change. Estimated carry over from WAP PY23 is \$107,334.06 (subject to change). In Hawaii, WAP funds are used to help low-income households reduce their energy costs by providing energy conservation education and weatherization measures on a statewide basis.

The State Office of Community Services (OCS) will be holding a public hearing remotely on the PY 2024 WAP State Plan on Friday, April 5, 2024 at 11:00 a.m. The hearing will be conducted via teleconference and video conference. OCS has a procurement exemption which allows Honolulu Community Action Program, Inc., Hawaii County Economic Opportunity Council, Maui Economic Opportunity, Inc., and Kauai Economic Opportunity, Inc. to provide WAP services statewide, pursuant to Title 10 Code of Federal Regulations (CFR) Part 440. A copy of the State Plan can be provided upon request (Jeffrey.V.Chua@hawaii.gov). Persons with special needs should email OCS at Jeffrey.V.Chua@hawaii.gov by Tuesday, April 2, 2024, to make appropriate arrangements.

The public is welcome to attend via their computers to provide comments during the hearing. To join the meeting from your computer, tablet, or smartphone, please type in the website address below:

<https://us06web.zoom.us/j/83272201788?pwd=Lbn6rzmOuloQx3hboOlcYixKfyE4ZB.1>

Meeting ID: 832 7220 1788

Passcode: 4N7mh4

Written comments may be submitted to OCS (email: Jeffrey.V.Chua@hawaii.gov; regular mail: Office of Community Services, 830 Punchbowl Street, Room 420, Honolulu, Hawaii 96813) until Tuesday, April 2, 2024 for consideration at the hearing. Information received will be considered prior to submittal for the PY 2024 WAP State Plan to the DOE.

By: Jovanie Domingo Dela Cruz
Executive Director
Office of Community Services

WEATHERIZATION ASSISTANCE PROGRAM
PUBLIC HEARING

State of Hawaii, Office of Community Services

Friday, April 5, 2024 at 11:00 a.m.

Good morning and welcome to the virtual public hearing on the State of Hawaii's Weatherization Assistance Program State Plan for Program Year 2024. The time is now 11:00 AM. Notice of this public hearing and a soft copy of a draft of the Program Year 2024 State Plan were made available on the State of Hawaii, Office of Community Services' website on March 20, 2024. This public hearing is being held remotely via teleconference and video conference. OCS has a procurement exemption designating Honolulu Community Action Program, Inc., Kauai Economic Opportunity, Inc., Hawaii County Economic Opportunity Council, and Maui Economic Opportunity, Inc. as the subgrantees of the WAP grant funding to provide statewide services.

We estimated the amount to be awarded to Hawaii for Program Year 2024 in addition to Readiness funds that are intended to address health and safety issues to reduce the frequency of deferrals.

Attendance will be recorded based on those present on our teleconference call. A transcription of the meeting will be included in the State Plan so before offering testimony, please state your name and affiliation.

Is there anyone in the room who would like to offer testimony?

CLOSING: Seeing none, this hearing is adjourned at 11:01 AM. Thank you.

HCEOC WEATHERIZATION ASSISTANCE PROGRAM

SOLAR WATER HEATING SYSTEM FINAL INSPECTION CHECKLIST

PROJECT INFORMATION:

Contractor/Installer Company Name	Date of Inspection:
Customer Name:	Inspector's Name:
Installation Address:	City/Zip Code:
Ambient Temp:	Solar Radiation:
Solar Tank Water Temp:	Time of Measurement:

SYSTEM CHECKLIST: Check off each inspected item below that apply.

	GENERAL REQUIREMENTS
	Back-up water heater is gas or electric and served by one of the following: HELCO, GASCO or OFF GRID ENERGY SUPPLY
	For roof installation, roof must have significant (more than 10 yrs) useful life remaining.
	Jurisdictional inspection(s) have been passed: Permit #: _____ Date: _____
	GENERAL SYSTEM REQUIREMENTS AND HARDWARE INSTALLATION (CHECK OFF ALL THAT APPLY) Collector Siting, Orientation, Mounting and Shading
	Any site limitations (tilt, orientation, shading, etc.) do not reduce calculated annual output by more than 25% of optimal output.
	Collector mounting is per manufacturer's specifications and framework will resist deterioration. Solar collectors are raised off roof surface or properly flashed to the roof.
	All roof and building penetrations are permanently sealed using appropriate materials and techniques.

	GENERAL EQUIPMENT AND INSTALLATION
	System is of workmanlike quality and complies with local codes.
	All components are new.
	Any building insulation disturbed due to system installation is restored to previous conditions.
	All valves, gauges and instruments are installed properly and labeled per manufacturer specifications.
	A thermometer is present that gives the temperature of the solar heated water.
	Corrosion between dissimilar metals has been avoided in all structural components.
	PLUMBING/PIPING
	There are no leaks in the system plumbing.
	Anti-convective piping with sweat fittings or threaded fittings (with flex copper piping) with high temp gaskets are installed at all hot water outlets and cold water inlets.
	Potable pressurized plumbing in unheated spaces is cross-linked polyethylene type.
	Cross-linked polyethylene piping underground or in unheated overhead spaces is continuous with no connections along the buried lengths or within the unheated overhead space.
	Piping runs are adequately and appropriated supported.
	High temperature rated closed cell foam pipe insulation with a minimum ¾ inch thickness is installed on all pipes in the system and first 5' of exposed cold water inlet piping.
	Pipe insulation is properly sized to fit pipe and continuously closed and sealed.
	Pipe insulation exposed to the outside is adequately protected and R-12 minimum insulation on potable water piping exposed to outdoor temperature or in unheated spaces.
	VALVES
	Fully Ported isolation valves are installed, enabling bypass of solar system.
	Anti-scald, pressure compensating tempering valve(s), are installed and a) On the downstream side of the backup water heater(s) b) Located after the anti-convective plumbing, and c) at or below 140F
	Temperature & pressure relief valve is installed on solar-storage tank.
	Backup Water Heater
	Auxiliary heater thermostat is set at 102F or set not to exceed 140F.
	Backup tanks must have a minimum of 40 gal of backup storage and appropriate insulation.
	If tank has added side wrap insulation, access panels to heating elements or gas burners are left uncovered.
	Solar Storage Tank

	Minimum solar storage tank capacity of 1.25 gallons/sq. foot of collector area is provided.
	Solar tank is insulated to manufacturer standards. If insulated to OSEIA standards, industry sticker is on tank.
	The potable water supplied to the solar storage tank meets minimum quality standards.
	Means for changing the sacrificial anode rod has been provided (if electrical).
	Specific System Requirements & Installation (check all that apply).
	All Passive Systems
	Adequate structural is present per manufacturer's specifications.
	Incoming supply line pressure does not exceed 70 psi, and pressure reducing valve is properly located.
	Pressure relief valve at temperature/pressure relief valve on solar tank is piped to drain.
	All Active Systems
	Incoming supply line pressure does not exceed 90 psi and pressure reducing valve is properly located.
	If pressure reducing valve, check valve and/or back flow prevention is/are on potable supply line to the system, a properly sized and located expansion tank is installed.
	Fill and drain valves have leak-proof caps.
	Circulation pump is installed with shaft orientated horizontally.
	System has been designed to allow for isolation of the circulation pump.
	Controller has correct settings and is mounted within 6 ft. of solar storage tank.
	Flow meter is provided in vertical piping to the collectors.
	If PV powered, a high temperature shut off function is installed and wired through the circulation pump.
	Active Drainback Systems
	150 psi pressure relief valve is installed on drainback tank.
	Drainback tank is insulated to manufacturer's standards for solar storage tanks.
	Customer Manual Contents
	Copy of Contractors system warranty.
	Copy of collector and tank manufacturer's warranties and owner's manuals
	Accurate as-built diagram showing all electrical elements of the system.
	Startup procedure, shutdown procedure and troubleshooting guidelines.
	Recommended maintenance procedures, including specific actions and frequency.
	Owner Education
	Owner understands basic system operation and maintenance.
	Owner can accurately read flow and gauges meter.
	Owner understands potential performance impacts of shading.
	Owner knows who to call in case of an emergency.
	Owner understands proper start-up and shut-down procedure.

INSPECTION ACKNOWLEDGEMENT AND INSPECTOR SIGNATURE

I certify that the system listed on this Solar Water Heating Inspection Checklist was installed as contracted and that the system complies with the requirements listed on this form. Should a subsequent, random inspection of the system identify a non-fatal program violation, I understand that I will be required to cure the violation within sixty (60) days of the random inspection report.

Inspector's Name:	Inspector's Signature:	Date:

STATE OF HAWAII

SINGLE AUDIT OF FEDERAL FINANCIAL ASSISTANCE PROGRAMS

FOR THE FISCAL YEAR ENDED JUNE 30, 2022



KEITH A. REGAN
COMPTROLLER

Independent Audit Contracted and Administered by
Office of the State Auditor

State of Hawaii
Single Audit of Federal Financial Assistance Programs
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**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND UNIFORM
GUIDANCE COMPLIANCE REPORTS**



**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 Auditor
State of Hawaii

We have audited, in accordance with the auditing standards generally accepted in the United States of America 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 Hawaii (the State) as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State's basic financial statements and have issued our report thereon dated December 30, 2022.


Our report includes a reference to other auditors who audited the financial statements of the Department of Transportation – Airports Division, which is a major enterprise fund; the Hawaii Employer-Union Health Benefits Trust Fund, the Water Pollution Control Revolving Fund, and the Drinking Water Treatment Revolving Loan Fund, which are nonmajor enterprise funds; and the Hawaii Public Housing Authority, the Hawaii Community Development Authority, and the Hawaii Health Systems Corporation, which are discretely presented component units, as described in our report on the State'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.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the State'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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the State's internal control. Accordingly, we do not express an opinion on the effectiveness of the State's internal control.

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Our consideration of internal control was for the limited purpose described in the preceding 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 were not identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal controls that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as Findings No. 2022-001 and 2022-003 to be material weaknesses.


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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as Finding No. 2022-002 to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the State's financial statements are free from 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's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.



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 State'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 State's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Accuity LLP

Honolulu, Hawaii
December 30, 2022



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

The Auditor
State of Hawaii

Report on Compliance for Each Major Federal Program

Qualified and Unmodified Opinions

We have audited the State of Hawaii's Department of Accounting and General Services, Department of Agriculture, Department of Budget and Finance, Department of Business, Economic Development and Tourism, Department of Commerce and Consumer Affairs, Department of Defense, Department of Human Resources Development, Department of Labor and Industrial Relations, Department of Land and Natural Resources, Department of Public Safety, Department of Taxation, and the Governor's Office (collectively, the State) compliance with the types of compliance requirements identified as subject to audit 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's major federal programs for the year ended June 30, 2022. The State's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Qualified Opinions on Assistance Listing No. 17.225, Unemployment Insurance, Assistance Listing No. COVID-19 17.225, COVID-19 Unemployment Insurance, and Assistance Listing No. COVID-19 84.425C, COVID-19 Education Stabilization Fund

In our opinion, except for the noncompliance described in the Basis for Qualified and Unmodified Opinions section of our report, the State complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on Assistance Listing (AL) No. 17.225, *Unemployment Insurance*, AL No. COVID-19 17.225, *COVID-19 Unemployment Insurance*, and AL No. COVID-19 84.425C, *COVID-19 Education Stabilization Fund*, for the year ended June 30, 2022.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State 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 identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2022.

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Basis for Qualified and Unmodified Opinions

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the State and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the State's compliance with the compliance requirements referred to above.

Matters Giving Rise to Qualified Opinion on Assistance Listing No. 17.225, Unemployment Insurance, Assistance Listing No. COVID-19 17.225, Unemployment Insurance, and Assistance Listing No. COVID-19 84.425C, COVID-19 Education Stabilization Fund


As described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding:

Finding No.	AL No.	Program or Cluster Name	Compliance Requirement
2022-006	17.225 COVID-17.225	Unemployment Insurance	Special Test and Provisions
2022-013	COVID-84.425C	Education Stabilization Fund	Reporting
2022-014	COVID-84.425C	Education Stabilization Fund	Subrecipient Monitoring

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

Other Matter – Federal Expenditures Not Included in the Compliance Audit

The State of Hawaii's basic financial statements include, among other departments and agencies, the operations of: Department of the Attorney General, Department of Education, Department of Hawaiian Home Lands, Department of Health, Department of Human Services, Department of Transportation, Drinking Water Treatment Revolving Loan Fund, Hawaii Community Development Authority, Hawaii Employer-Union Health Benefits Trust Fund, Hawaii Health Systems Corporation, Hawaii Housing Finance and Development Corporation, Hawaii Hurricane Relief Fund, Hawaii Public Housing Authority, Hawaii Tourism Authority, Judiciary, University of Hawaii, and the Water Pollution Control Revolving Fund which expended



\$5,534,281,659 in federal awards, which are not included in the accompanying schedule of expenditures of federal awards for the year ended June 30, 2022. Our compliance audit, described in the Qualified and Unmodified Opinions section of our report, did not include the operations of the Department of the Attorney General, Department of Education, Department of Hawaiian Home Lands, Department of Health, Department of Human Services, Department of Transportation, Drinking Water Treatment Revolving Loan Fund, Hawaii Community Development Authority, Hawaii Employer-Union Health Benefits Trust Fund, Hawaii Health Systems Corporation, Hawaii Housing Finance and Development Corporation, Hawaii Hurricane Relief Fund, Hawaii Public Housing Authority, Hawaii Tourism Authority, Judiciary, University of Hawaii, and the Water Pollution Control Revolving Fund, because these units separately engaged auditors to perform audits in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), or did not require an audit in accordance with the Uniform Guidance.

Responsibilities of Management for Compliance


Management is responsible for compliance with the requirements referred to above and for the design, implementation and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the State's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the State's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the State's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the State's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- 
- Obtain an understanding of the State's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the State's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

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 Findings No. 2022-004, 2022-005, 2022-007 through 2022-012, 2022-015, and 2022-016. Our opinion on each major federal program is not modified with respect to these matters.


Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questions costs. The State's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The State is responsible for preparing a corrective action plan to address each audit finding included in our auditors' report. The State's corrective action plan was not subjected to the auditing procedures applied in the audit of compliance, and accordingly, we express no opinion on it.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not 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 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 as Findings No. 2022-006, 2022-013 and 2022-014 to be material weaknesses.

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 in internal control over compliance, 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 as Findings No. 2022-004, 2022-005, 2022-007 through 2022-012, 2022-015, and 2022-016 to be significant deficiencies.


Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on the State's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The State's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 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 Hawaii as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the State of Hawaii's basic financial statements. We issued our report thereon dated December 30, 2022, which contained unmodified opinions on those financial statements. We did not audit the financial statements of the Department of Transportation – Airports Division, the Hawaii Employer-Union Health Benefits Trust Fund, the Water Pollution Control Revolving Fund, the Drinking Water Treatment Revolving Loan Fund, the Hawaii Public Housing Authority, the Hawaii Community Development Authority, and the Hawaii Health Systems Corporation. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. 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 basic financial statements. As described in Note 4 to the schedule of expenditures of federal awards, the accompanying schedule of expenditures of federal awards was prepared on the cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. 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 basic 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Accuity LLP

Honolulu, Hawaii
March 10, 2023

State of Hawaii
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor and Program Title (Pass-through Identifying Number)	Federal AL Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. DEPARTMENT OF AGRICULTURE			
U.S. Department of Agriculture Direct Programs			
Plant and Animal Disease, Pest Control and Animal Care	10.025	\$ 126,736	\$ -
Inspection Grading and Standardization	10.162	5,886	-
Market Protection and Promotion	10.163	6,000	-
Specialty Crop Block Grant Program – Farm Bill	10.170	462,455	-
Micro-Grants for Food Security Program	10.179	43,668	-
Rural Business Development Grant	10.351	26,080	-
Farm and Ranch Stress Assistance Network	10.525	287,131	-
Senior Farmers Market Nutrition Program	10.576	426,996	421,714
Cooperative Forestry Assistance	10.664	1,155,165	-
Wood Utilization Assistance	10.674	19,446	-
Urban and Community Forestry Program	10.675	136,856	75,179
Forest Legacy Program	10.676	139,854	-
Forest Stewardship Program	10.678	69,750	-
Forest Health Protection	10.680	401,901	-
Feral Swine Eradication and Control Pilot Program	10.934	12,824	-
Food Distribution Cluster			
Commodity Supplemental Food Program	10.565	1,458,425	1,437,798
Emergency Food Assistance Program (Administrative Costs)	10.568	668,841	620,735
Emergency Food Assistance Program (Food Commodities)	10.569	4,224,309	4,224,309
Total Food Distribution Cluster		6,351,575	6,282,842
Total U.S. Department of Agriculture Direct Programs		9,672,323	6,779,735
Pass-through from the State Department of Education			
Child Nutrition Cluster			
School Breakfast Program (1420-C)	10.553	57,333	-
National School Lunch Program (1420-C)	10.555	104,483	-
Total Child Nutrition Cluster		161,816	-
Pass-through from the State Department of Human Services			
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program (SNAP Cluster) (DHS-18-SNAP-5074 and DHS-22-SNAP-0038)	10.561	195,775	-
Total U.S. Department of Agriculture Pass-through Programs		357,591	-
Total U.S. Department of Agriculture		10,029,914	6,779,735
U.S. DEPARTMENT OF COMMERCE			
U.S. Department of Commerce Direct Programs			
National Oceanic and Atmosphere Administration –			
Management Support for Hawaiian Islands Humpback Whale,			
Joint Enforcement Agreement	11.U01	62,364	-
Interjurisdictional Fisheries Act of 1986	11.407	48,000	-
Fishery Products Inspection and Certification	11.413	4,246	-
Coastal Zone Management Administration Awards	11.419	2,592,208	1,602,442
Marine Sanctuary Program	11.429	261,053	-
Pacific Fisheries Data Program	11.437	483,887	-
Unallied Industry Projects	11.452	28,450	-
Meteorologic and Hydrologic Modernization Development	11.467	297,340	168,519
Unallied Science Program	11.472	517,002	-
Office for Coastal Management	11.473	424,790	-
Coral Reef Conservation Program	11.482	711,410	-
Manufacturing Extension Partnership	11.611	856,904	-
Marine Debris Program	11.999	32,984	-
Economic Development Cluster			
Economic Adjustment Assistance	11.307	1,271,858	68,500
Total Economic Development Cluster		1,271,858	68,500
Total U.S. Department of Commerce		7,592,496	1,839,461

(continued)

See accompanying notes to the schedule of expenditures of federal awards.

State of Hawaii
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor and Program Title (Pass-through Identifying Number)	Federal AL Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. DEPARTMENT OF DEFENSE			
U.S. Department of Defense Direct Programs			
Collaborative Research and Development	12.114	621,184	-
Military Construction, National Guard	12.400	2,042	-
National Guard Military Operations and Maintenance Projects	12.401	22,538,416	-
National Guard ChalleNGe Program	12.404	5,143,782	-
Economic Adjustment Assistance for State Governments	12.617	634,949	-
Total U.S. Department of Defense		28,940,373	-
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			
U.S. Department of Housing and Urban Development Direct Program			
Fair Housing Assistance Program – State and Local	14.401	120,419	-
Total U.S. Department of Housing and Urban Development		120,419	-
U.S. DEPARTMENT OF THE INTERIOR			
U.S. Department of the Interior Direct Programs			
Fish and Wildlife Management Assistance	15.608	42,336	-
Coastal Wetlands Planning, Protection and Restoration	15.614	729,205	231,328
Cooperative Endangered Species Conservation Fund	15.615	2,127,677	-
North American Wetlands Conservation Fund	15.623	30,000	-
Partners for Fish and Wildlife	15.631	16,792	-
State Wildlife Grants	15.634	1,599,835	-
Endangered Species Conservation – Recovery Implementation Funds	15.657	311,556	-
Candidate Species Conservation	15.660	155,747	-
Adaptive Science	15.670	247,028	-
Economic, Social and Political Development of the Territories	15.875	218,527	-
Historic Preservation Fund Grants-In-Aid	15.904	469,244	-
Outdoor Recreation – Acquisition, Development and Planning	15.916	606,984	-
Natural Resource Stewardship	15.944	27,005	-
Fish and Wildlife Cluster			
Sport Fish Restoration	15.605	2,689,877	-
Wildlife Restoration and Basic Hunter Education	15.611	3,257,800	-
Total Fish and Wildlife Cluster		5,947,677	-
Total U.S. Department of the Interior		12,529,613	231,328
U.S. DEPARTMENT OF JUSTICE			
U.S. Department of Justice Direct Programs			
State Criminal Alien Assistance Program	16.606	127,023	-
Stop School Violence	16.839	88,643	-
Equitable Sharing Program	16.922	14,518	-
Total U.S. Department of Justice Direct Programs		230,184	-
Pass-through from the State Department of the Attorney General			
COVID-19 – Coronavirus Emergency Supplemental Funding Program (20-VD-13 and 20-VD-11)	COVID-19 – 16.034	182,107	-
Crime Victim Assistance (19-V2-05, 19-V2-10 and 20-V2-05)	16.575	316,991	-
Residential Substance Abuse Treatment for State Prisoners (18-J2-01, 19-J2-01)	16.593	80,356	-
Edward Byrne Memorial Justice Assistance Grant Program (19-DJ-05 and 18-DJ-05)	16.738	33,664	-
Edward Byrne Memorial Competitive Grant Program (19-XT-01)	16.751	16,734	-
Total U.S. Department of Justice Pass-through Programs		629,852	-
Total U.S. Department of Justice		860,036	-

(continued)

See accompanying notes to the schedule of expenditures of federal awards.

State of Hawaii
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor and Program Title (Pass-through Identifying Number)	Federal AL Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. DEPARTMENT OF LABOR			
U.S. Department of Labor Direct Programs			
Labor Force Statistics	17.002	247,599	-
Compensation and Working Conditions	17.005	382,740	-
Unemployment Insurance	17.225	22,583,830	-
COVID-19 – Unemployment Insurance	COVID-19 – 17.225	680,402,907	-
Total Unemployment Insurance		702,986,737	-
Senior Community Service Employment Program	17.235	1,088,419	-
Trade Adjustment Assistance	17.245	336,722	-
H-1B Job Training Grants	17.268	172,833	-
Work Opportunity Tax Credit Program	17.271	152,978	-
Temporary Labor Certification for Foreign Workers	17.273	72,728	-
WIOA National Dislocated Workers Grants / WIA National Emergency Grants	17.277	1,440,457	995,628
Apprenticeship USA Grants	17.285	440,286	-
Occupational Safety and Health – State Program	17.503	1,362,241	-
Consultation Agreements	17.504	425,311	-
Local Veterans’ Employment Representative Program	17.804	122,414	-
Employment Service Cluster			
Employment Service / Wagner-Peyser Funded Activities	17.207	2,768,071	-
Disabled Veterans’ Outreach Program	17.801	396,935	-
Total Employment Service Cluster		3,165,006	-
WIOA Cluster			
WIOA Adult Program	17.258	2,332,558	1,089,365
WIOA Youth Activities	17.259	2,710,465	1,116,999
WIOA Dislocated Worker Formula Grants	17.278	1,575,446	918,323
Total WIOA Cluster		6,618,469	3,124,687
Total U.S. Department of Labor		719,014,940	4,120,315
U.S. DEPARTMENT OF TRANSPORTATION			
U.S. Department of Transportation Direct Program			
Highway Planning and Construction Cluster			
Highway Planning and Construction	20.205	751,429	-
Pass-through from the State Department of Transportation			
Federal Transit Administration			
Federal Transit – Capital Investment Grants (Federal Transit Cluster) (HI-03-0038-00)	20.500	8,202,329	-
Total U.S. Department of Transportation		8,953,758	-
U.S. DEPARTMENT OF THE TREASURY			
U.S. Department of Treasury Direct Program			
Equitable Sharing	21.016	23,394	-
COVID-19 – Emergency Rental Assistance Program	COVID-19 – 21.023	166,988,300	166,988,300
COVID-19 – Homeowner Assistance Fund	COVID-19 – 21.026	49,975,000	20,275,000
COVID-19 – Coronavirus State and Local Fiscal Recovery Funds	COVID-19 – 21.027	1,340,220,839	236,220,851
Total U.S. Department of the Treasury		1,557,207,533	423,484,151
U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION			
U.S. Equal Employment Opportunity Commission Direct Program			
Employment Discrimination – State and Local Fair Employment Practices Agency Contracts	30.002	151,177	-
Total U.S. Equal Employment Opportunity Commission		151,177	-

(continued)

See accompanying notes to the schedule of expenditures of federal awards.

State of Hawaii
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor and Program Title (Pass-through Identifying Number)	Federal AL Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. GENERAL SERVICES ADMINISTRATION			
U.S. General Services Administration Direct Program			
Donation of Federal Surplus Personal Property	39.003	834,139	-
Total U.S. General Services Administration		834,139	-
U.S. NATIONAL ENDOWMENT FOR THE ARTS			
U.S. National Endowment for the Arts Direct Program			
Promotion of the Arts – Partnership Agreements	45.025	1,396,794	1,018,967
Total U.S. National Endowment for the Arts		1,396,794	1,018,967
U.S. SMALL BUSINESS ADMINISTRATION			
U.S. Small Business Administration Direct Program			
Federal and State Technology Partnership Program	59.058	28,253	-
State Trade Expansion	59.061	595,813	-
Total U.S. Small Business Administration		624,066	-
U.S. DEPARTMENT OF VETERANS AFFAIRS			
U.S. Department of Veterans Affairs Direct Program			
Grants to States for Construction of State Home Facilities	64.005	18,824,055	-
Veterans Cemetery Grants Program	64.203	4,413,669	-
Total U.S. Department of Veterans Affairs		23,237,724	-
U.S. ENVIRONMENTAL PROTECTION AGENCY			
U.S. Environmental Protection Agency Direct Programs			
Regional Wetland Program Development Grants	66.461	124,204	-
Performance Partnership Grants	66.605	209,061	-
Total U.S. Environmental Protection Agency Direct Programs		333,265	-
Pass-through from the State Department of Health			
Air Pollution Control Program Support (920A31.001)	66.001	99,895	-
Nonpoint Source Implementation Grant (DOH319)	66.460	188,376	-
Total U.S. Environmental Protection Agency Pass-through Programs		288,271	-
Total U.S. Environmental Protection Agency		621,536	-
U.S. DEPARTMENT OF ENERGY			
U.S. Department of Energy Direct Programs			
State Energy Program	81.041	654,716	-
Weatherization Assistance for Low-Income Persons	81.042	275,023	249,115
Renewable Energy Research and Development	81.087	377,651	-
State Energy Program Special Projects	81.119	11,030	-
Total U.S. Department of Energy		1,318,420	249,115
U.S. DEPARTMENT OF EDUCATION			
U.S. Department of Education Direct Program			
COVID-19 – Education Stabilization Fund	COVID-19 – 84.425C	12,799,081	3,950,000
Total U.S. Department of Education Direct Program		12,799,081	3,950,000
Pass-through from the University of Hawaii			
Career and Technical Education – Basic Grants to States (V048A20011)	84.048A	59,180	-
Total U.S. Department of Education Pass-through Program		59,180	-
Total U.S. Department of Education		12,858,261	3,950,000

(continued)

See accompanying notes to the schedule of expenditures of federal awards.

State of Hawaii
Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

Federal Grantor / Pass-through Grantor and Program Title (Pass-through Identifying Number)	Federal AL Number	Federal Expenditures	Amount Provided to Subrecipients
U.S. ELECTION ASSISTANCE COMMISSION			
U.S. Election Assistance Commission Direct Program			
Help America Vote Act Requirements Payments	90.401	49,376	-
HAVA Election Security	90.404	1,401,367	-
Total U.S. Election Assistance Commission		1,450,743	-
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			
U.S. Department of Health and Human Services Direct Programs			
Food and Drug Administration Research	93.103	198,221	-
Refugee and Entrant Assistance – State Administered Programs	93.566	31,837	22,418
Community Services Block Grant	93.569	3,319,435	3,134,003
COVID-19 – Community Services Block Grant	COVID-19 – 93.569	1,632,023	1,554,479
Total Community Services Block Grant		4,951,458	4,688,482
Centers for Medicare and Medicaid Services (CMS)			
Research, Demonstrations & Evaluations	93.779	278,779	-
Total U.S. Department of Health and Human Services Direct Programs		5,460,295	4,710,900
Pass-through from the State Department of Health			
Epidemiology & Laboratory Capacity for Infectious Diseases (NU50CK000553)	93.323	1,034,234	-
Total U.S. Department of Health Pass-Through Program		1,034,234	-
Pass-through from the State Department of Human Services			
Temporary Assistance for Needy Families (2101HITANF, DHS-17-ETPO-4031 and DHS-21-ETPO-0049)	93.558	1,252,754	134,998
Low-Income Home Energy Assistance (G-2101HILIEA and G-2201HILIEA)	93.568	318,696	291,371
Total U.S. Department of Health and Human Services Pass-through Programs		1,571,450	426,369
Total U.S. Department of Health and Human Services		8,065,979	5,137,269
U.S. DEPARTMENT OF HOMELAND SECURITY			
U.S. Department of Homeland Security Direct Programs			
Non-profit Security Grant Program	97.008	4,805	-
Boating Safety Financial Assistance	97.012	692,899	-
Community Assistance Program State Support Services Element	97.023	58,353	-
Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	100,820,452	89,226,360
National Dam Safety Program	97.041	85,289	-
Emergency Management Performance Grants	97.042	3,614,650	943,137
Cooperating Technical Partners	97.045	107,135	-
Pre-Disaster Mitigation	97.047	2,297,946	2,249,615
COVID-19 – Presidential Declared Disaster Assistance to Individuals and Households – Other Needs	COVID-19 – 97.050	1,696,611	-
Port Security Grant Program	97.056	1,024,786	268,129
Homeland Security Grant Program	97.067	4,214,174	127,980
Earthquake Consortium	97.082	30,641	-
Financial Assistance for Targeted Violence and Terrorism Prevention	97.132	155,151	-
Total U.S. Department of Homeland Security		114,802,892	92,815,221
Total Expenditures of Federal Awards		\$ 2,510,610,813	\$ 539,625,562

(concluded)

See accompanying notes to the schedule of expenditures of federal awards.

State of Hawaii
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

1. Reporting Entity

The accompanying schedule of expenditures of federal awards (SEFA) includes the federal grant activity of the following State of Hawaii departments and agencies:

- Department of Accounting and General Services
- Department of Agriculture
- Department of Budget and Finance
- Department of Business, Economic Development and Tourism
- Department of Commerce and Consumer Affairs
- Department of Defense
- Department of Human Resources Development
- Department of Labor and Industrial Relations
- Department of Land and Natural Resources
- Department of Public Safety
- Department of Taxation
- Governor's Office

Certain other departments and agencies within the State of Hawaii obtained separate audits performed in accordance with Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and accordingly, separate Uniform Guidance submissions are made. (See Note 2.)

2. Other State of Hawaii Departments and Agencies Not Included in the Accompanying Schedule of Expenditures of Federal Awards

The following is a summary of State of Hawaii departments and agencies that obtain separate Uniform Guidance audits or do not receive federal grants and, therefore, do not obtain an audit under the Uniform Guidance. Awards listed in these audit reports are not included in the accompanying SEFA:

- Department of the Attorney General
- Department of Education
- Department of Hawaiian Home Lands
- Department of Health
- Department of Human Services
- Department of Transportation
- Drinking Water Treatment Revolving Loan Fund
- Hawaii Community Development Authority
- Hawaii Employer-Union Health Benefits Trust Fund
- Hawaii Health Systems Corporation
- Hawaii Housing Finance and Development Corporation
- Hawaii Hurricane Relief Fund
- Hawaii Public Housing Authority

State of Hawaii
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

- Hawaii Tourism Authority
- Judiciary
- University of Hawaii
- Water Pollution Control Revolving Fund

3. Basis of Accounting

The basic financial statements of the State of Hawaii have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP). The Governmental Accounting Standards Board is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

4. Basis of Presentation

The information in this schedule is presented in accordance with the requirements of the Uniform Guidance. Expenditures reported in the schedule are reported on the cash basis of accounting.

5. Nonmonetary Assistance

The SEFA contains values of a nonmonetary assistance program. As provided by program regulations, property received under AL No. 39.003, *Donation of Federal Surplus Personal Property*, and food commodities received under AL No. 10.553, *School Breakfast Program*, AL No. 10.555, *National School Lunch Program*, and AL No. 10.569, *Emergency Food Assistance Program*, are presented at the estimated fair value at the time of donation.

6. Unemployment Insurance

State unemployment tax revenues and government contributions are used to pay benefits under federally approved State unemployment law. Of the \$702,986,737 reported as expenditures for AL No. 17.225, *Unemployment Insurance*, and AL No. COVID-19 – 17.225, *COVID-19 – Unemployment Insurance*, \$680,402,907 represented expenditures of the State.

7. Relationship to Federal and State Financial Reports

The regulations and guidelines governing the preparation of Federal and State financial reports vary by Federal and State agency and among programs administered by the same agency. Accordingly, the amounts reported in the Federal and State financial reports do not necessarily agree with the amounts reported in the accompanying SEFA which is prepared as explained in Notes 3 and 4 above.

8. Indirect Costs

The State does not use the 10% de minimis indirect cost rate allowed under the Uniform Guidance.

State of Hawaii
Notes to Schedule of Expenditures of Federal Awards
Year Ended June 30, 2022

9. Research and Development Cluster Expenditures

The SEFA includes the following Research and Development amounts:

Federal Grantor and Program Title	Federal AL Number	Federal Expenditures
U.S. Department of Commerce Direct Programs		
Interjurisdictional Fisheries Act of 1986	11.407	\$ 48,000
Marine Sanctuary Program	11.429	261,053
Pacific Fisheries Data Program	11.437	483,887
Unallied Industry Projects	11.452	28,450
Coral Reef Conservation Program	11.482	711,410
Total U.S. Department of Commerce		<u>1,532,800</u>
U.S. Department of Defense Direct Programs		
Collaborative Research and Development	12.114	621,184
Total U.S. Department of Defense		<u>621,184</u>
U.S. Department of the Interior Direct Programs		
Fish and Wildlife Management Assistance	15.608	42,336
Coastal Wetlands Planning, Protection and Restoration	15.614	729,205
Cooperative Endangered Species Conservation Fund	15.615	2,127,677
State Wildlife Grants	15.634	1,599,835
Adaptive Science	15.670	247,028
Economic, Social and Political Development of the Territories	15.875	218,527
Natural Resource Stewardship	15.944	27,005
Total U.S. Department of the Interior		<u>4,991,613</u>
U.S. Environmental Protection Agency Direct Programs		
Regional Wetland Program Development Grants	66.461	124,204
Total U.S. Environmental Protection Agency		<u>124,204</u>
U.S. Department of Health and Human Services Direct Programs		
Food and Drug Administration Research	93.103	198,221
Total U.S. Department Health and Human Services Direct Programs		<u>198,221</u>
Total Research and Development Cluster		<u>\$ 7,468,022</u>

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section I – Summary of Auditors’ Results

Financial Statements

Type of auditors’ report issued

Unmodified

Internal control over financial reporting

- Material weaknesses identified?
- Significant deficiencies identified?

☒ yes ☐ no
☒ yes ☐ none reported
☐ yes ☒ no

Noncompliance material to financial statements noted?

Federal Awards

Internal control over major programs

- Material weaknesses identified?
- Significant deficiencies identified?

☒ yes ☐ no
☒ yes ☐ none reported

Type of auditors’ report issued on compliance for major programs

Qualified

An unmodified opinion was issued on the State of Hawaii’s compliance with its major federal programs for the year ended June 30, 2022, except for the requirements regarding special tests and provisions for AL No. 17.225, *Unemployment Insurance* , and AL No. COVID-19 – 17.225, COVID-19 – *Unemployment Insurance* , and reporting and subrecipient monitoring for AL No. COVID-19 – 84.425C, *COVID-19 – Education Stabilization Fund* , for which the opinion on compliance was qualified.

Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance?

☒ yes ☐ no

Dollar threshold used to distinguish between type A and type B program

\$7,531,832

Auditee qualified as low-risk auditee?

☐ yes ☒ no

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Identification of Major Programs

Federal AL Number	Name of Federal Program or Cluster
20.500	Federal Transit – Capital Investment Grants (Federal Transit Cluster)
COVID-19 – 21.023	COVID-19 – Emergency Rental Assistance Program
COVID-19 – 21.026	COVID-19 – Homeowner Assistance Fund
COVID-19 – 21.027	COVID-19 – Coronavirus State and Local Fiscal Recovery Funds
64.005	Grants to States for Construction of State Home Facilities
COVID-19 – 84.425C	COVID-19 – Education Stabilization Fund
97.036	Disaster Grants – Public Assistance (Presidentially Declared Disasters)
	Unemployment Insurance
17.225	Unemployment Insurance
COVID-19 – 17.225	COVID-19 – Unemployment Insurance
	Fish and Wildlife Cluster
15.605	Sport Fish Restoration
15.611	Wildlife Restoration and Basic Hunter Education

FINANCIAL STATEMENT FINDINGS

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section II – Financial Statement Findings

Finding No. 2022-001: Internal Control over Financial Reporting (Material Weakness)

State Department of Accounting and General Services

Condition

The State's internal control over financial reporting could be improved. During our audit of the fiscal year 2022 financial statements, we identified multiple deficiencies that, when considered in the aggregate, indicated a material weakness in the State's internal control over financial reporting.

The process used by the State Department of Accounting and General Services (DAGS) Accounting Division to consolidate required information from State departments and agencies to prepare the State's Annual Comprehensive Financial Report (ACFR) (e.g., preparing Governmental Funds financial statements on a modified accrual basis and the Government-Wide financial statements on an accrual basis) is inefficient, time consuming, and causes delays in statewide financial reporting.

Information necessary to prepare such accounting entries must be obtained from other State departments and agencies. For the year ended June 30, 2022, DAGS requested formal reporting information packages to obtain the financial information from State departments but did not receive timely responses from some of the departments, including information for the implementation of Governmental Accounting Standards Board Statement No. 87, *Leases*.

A similar finding was reported as a material weakness in the prior year as Finding No. 2021-001.

Criteria

Management is responsible for establishing and maintaining internal control over financial reporting, the objectives of which are to provide management with reasonable, but not absolute, assurance that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The DAGS Accounting Division is responsible for preparing the ACFR in accordance with GAAP.

Effect

Due to the untimely submission of information to DAGS, inadequate review of journal entries by the departments, and issues in accounting for capital assets at the department-level, audit adjustments and reclassifications were necessary to properly report the fiscal year 2022 financial statements.

Other misstatements identified were not corrected as they were deemed to be immaterial to the financial statements.

Cause and View of Responsible Officials

The deficiencies are due to inefficiencies in the financial statement preparation process, the lack of timely information from various departments, the lack of review at the departments, and inadequate staffing within DAGS Accounting Division.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Recommendation

DAGS should continue to develop well-defined, systematic, efficient and orderly processes for financial reporting that include a comprehensive set of policies and procedures necessary to establish internal control over financial reporting. The process and its key attributes (e.g., overall timing, methodology, format and frequency of analyses) should be formally documented, approved, communicated to other departments and agencies, and monitored on a regular basis.

DAGS should also develop plans for the adoption of new accounting standards that may have a material effect on the State's financial statements well in advance of effective dates to allow for timely and accurate implementation.

DAGS should ensure adequate staffing within the Accounting Division or procure for professional services.

Furthermore, individuals who perform reviews of journal entries at the departments should be adequately trained to review for proper source codes, appropriations, and object codes being used. Departments should perform a thorough review of post-closing journal entries to ensure all items from various schedules are reflected in the post-closing journal entries. Departments should also ensure construction projects are properly classified as in-progress, transferred to the proper depreciable asset class when placed in service, or written off as expenses if abandoned or otherwise not capitalizable. Departments should ensure capital assets schedules provided to DAGS are complete and accurate.

Adherence to these policies and procedures will facilitate the processing of complete, accurate and timely financial information.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Finding No. 2022-002: Accounting for Component Units and Proprietary Funds (Significant Deficiency)

State Department of Accounting and General Services

Condition

During fiscal year 2008, DAGS implemented a financial statement policy on reporting material component units (CU) and proprietary funds (PF), which indicated that only material CUs and PFs would be reported as discretely presented CUs and major PFs in the ACFR. Materiality was determined based on certain quantitative criteria determined by DAGS. During the year ended June 30, 2013, DAGS revised its financial reporting policy to comply with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34*.

Consequently, although DAGS determined that the Stadium Authority, Hawaii Strategic Development Corporation, Hawaii Technology Development Corporation, Natural Energy Laboratory of Hawaii, and Agribusiness Development Corporation met the definition of discretely presented CUs as defined in GASB Statement No. 61, these CUs did not meet the materiality thresholds under the State's policy, and thus were not disclosed as discretely presented in the June 30, 2022 ACFR. Instead, these entities were reported as blended component units within the State's governmental activities and the governmental funds to which they were administratively attached.

DAGS also determined that the Department of Labor and Industrial Relations – Disability Compensation Fund, the Department of Public Safety – Correctional Industries Fund, the Department of Accounting and General Services – State Parking Revolving Fund, and the Department of Accounting and General Services – Motor Pool Fund met the definition of PFs as defined in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. However, they did not meet the materiality threshold under the State's financial reporting policy. Therefore, these PFs were not reported as PFs in the June 30, 2022 ACFR but were reported as part of the State's governmental activities and within the governmental funds to which they were administratively attached.

A similar finding was reported in the prior year as Finding No. 2021-002.

Criteria

CUs are legally separate organizations that the State must include as part of its financial reporting entity for fair presentation in conformity with GAAP. CUs have unique accounting and reporting requirements as established by GASB Statement No. 61. The GASB accounting standards provide defined criteria for determining whether a particular legally separate entity is a discretely presented CU of the State.

Similarly, Enterprise Funds that meet the definition of proprietary funds established by GASB Statement No. 34 should be reported within the PF financial statements and the business-type activities in the government-wide financial statements.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Effect

In accordance with the State's policy, the CUs and PFs noted above were incorrectly included in the governmental activities and respective governmental funds in the State's ACFR, rather than as discretely presented CUs or PFs, despite meeting the discretely presented CU and PF criteria under GAAP.

A summary of account balances and funds that were incorrectly classified by State management is presented below (amounts expressed in millions):

	<u>Revenues</u>	<u>Expenditures</u>	<u>Assets</u>
Discretely presented component units			
Stadium Authority	\$ 14.7	\$ 5.8	\$ 42.7
Hawaii Strategic Development Corporation	-	-	0.1
Hawaii Technology Development Corporation	26.0	2.1	25.7
Natural Energy Laboratory of Hawaii	5.0	5.2	10.3
Agribusiness Development Corporation	3.5	3.1	87.9
Nonmajor proprietary funds			
Department of Accounting and General Services – State Parking Revolving Fund	\$ 3.2	\$ 3.0	\$ 12.5
Department of Accounting and General Services – State Motor Pool Fund	2.2	2.0	2.3
Department of Public Safety – Correctional Industries Fund	8.2	6.2	5.6
Department of Labor and Industrial Relations – Disability Compensation Fund	14.9	16.1	11.0

Cause and View of Responsible Officials

In determining which CUs and PFs should be presented as discretely presented CUs and nonmajor PFs in the ACFR, management did not follow the guidelines described in GASB Statements No. 61 and 34, respectively. DAGS also determined that some of the potential CUs and PFs are unable to close their accounting records and to complete audits in a timely manner, such that audited financial statements would not be available for the preparation of the ACFR. Therefore, application of GASB Statements Nos. 34 and 61 would require time and resources to complete and would likely delay the completion of the ACFR.

Recommendation

DAGS should consider changing the ACFR accounting and reporting policy to conform to the provisions of GASB Statements No. 34 and 61.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Finding No. 2022-003: IT General Control Deficiencies (Material Weakness)

Condition

Information technology (IT) is a strategic element of the State's operations. Because of the high volume of transactions at the State, the establishment of internal controls over processes incorporating IT is critical to its operations. As part of our financial statement audit of the State for the year ended June 30, 2022, we performed an IT general controls review of selected State departments' systems, including the following systems operated by the Department of Labor and Industrial Relations (DLIR) and DAGS:

DLIR	DAGS
UI BPS	HawaiiPay
UI Tax	FAMIS
QWRS	Statewide Inventory System
UI Employer website	CWWS

Our review resulted in IT control deficiencies in the areas of logical security and change management as follows:

Logical security

DLIR

- Annual user access review over the UI Employer Website was not performed timely.

DAGS

- The annual user access review over HawaiiPay users at Department of Taxation was not performed in a timely manner.

Change management

DLIR

- Developers have access to the production environment.
- No evidence to support that developers are properly segregated from the production environment for the UI Employer Website and no monitoring control in place to detect unauthorized changes.

Collectively, the number and related number of the IT control deficiencies resulted in an overall material weakness.

A similar finding was reported as a significant deficiency in the prior year as Finding No. 2021-003.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Criteria

When IT is used to initiate, record, process and report on transactions included in the financial statements, the systems and related processes should include internal controls to prevent or detect potential misstatements.

Effect

Internal controls in the areas of logical security and change management address the following risks:

Logical security

Unauthorized access to financial systems could result in the loss of data, unauthorized or nonexistent transactions being made, or transactions being inaccurately recorded.

Change management

Unauthorized or untested changes promoted to the production environment could cause the financial systems to either process data differently than intended or unexpectedly compromise the integrity of the data maintained.

Cause and View of Responsible Officials

The State's IT policies and procedures do not include internal control procedures addressing the risks discussed above or such controls are not consistently followed.

Recommendation

We recommend that DLIR and DAGS perform the following:

Logical security

DLIR/DAGS

- Ensure access permissions are reviewed as part of the annual user access review.

Change management

DLIR

- Remove developers' access to the production environment.
- Ensure that developer access to the UI Employer Website is properly restricted from the production environment.

**FEDERAL AWARD FINDINGS
AND QUESTIONED COSTS**

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Section III – Federal Award Findings and Questioned Costs

Finding No. 2022-004: SEFA (Significant Deficiency)

Condition

The State's current accounting process for certain departments does not track federal funds individually within the general ledger system. Instead, one appropriation account is often created and assigned to the respective department and multiple federal grants expended by the department are grouped within the one appropriation account. For a department that receives and expends multiple federal awards, it must prepare and maintain separate accounting records outside of FAMIS, the State's accounting system, to segregate the cash balances, receipts and expenditures by each grant. These separate accounting records are maintained by multiple accountants in larger departments and are not combined and reconciled with FAMIS periodically.

A similar finding was reported in the prior year as Finding No. 2021-004.

Criteria

The Office of Management and Budget (OMB) issued the Uniform Guidance, which is codified in Title 2 CFR Part 200 and requires non-federal entities that expend \$750,000 or more in federal awards in a year to have a Single Audit conducted on its federal award programs and SEFA.

The Uniform Guidance established responsibilities for auditees, including:

- Identify all federal awards received and expended and the federal programs under which they were received.
- Maintain internal control over federal programs that provide reasonable assurance that the auditee is managing federal awards in compliance with laws, regulations and provisions of contracts or grant agreements that could have a material effect on each of its federal programs.
- Prepare appropriate financial statements, including the SEFA.

Effect

Due to the deficiencies in internal control over SEFA preparation noted, there was a misstatement in the SEFA for the year ended June 30, 2022 and related notes to the SEFA that were not detected by management's internal controls, but was subsequently identified and corrected as part of our auditing procedures. For AL No. COVID-19 – 21.019, *COVID-19 – Coronavirus Relief Fund*, amounts were improperly calculated which resulted in expenditures being overstated by approximately \$21,000,000.

Cause and View of Responsible Officials

A thorough review of each department's reconciliation of its separate accounting records that track federal expenditures to FAMIS was not performed by someone knowledgeable to ensure that the expenditure amounts were accurately reported. Although formal reporting instructions were created by DAGS to establish internal control over preparing the SEFA and sent to other departments for the year ended June 30, 2022, certain departments failed to follow the instructions and process established by DAGS.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Recommendation

We recommend DAGS enforce its established process for preparing the SEFA. We also recommend DAGS provide training to the other departments to ensure proper information is provided by the departments for DAGS to accurately prepare the State's SEFA. We also recommend DAGS and other departmental personnel review and keep abreast of reporting guidance issued by the OMB.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-005:	Eligibility (Significant Deficiency)	\$ 1,986
State Agency:	DLIR	
Federal Agency:	Department of Labor	
AL Number and Title:	17.225 – <i>Unemployment Insurance</i> COVID-19 – 17.225 – <i>COVID-19 – Unemployment Insurance</i>	
Award Number and	UI-3644-21-55-A-15 2021	
Award Year:	UI-3590-20-60-A-15 2020	
	UI-35700-21-55-A-15 2021	
	UI-37219-22-55-A-15 2022	
Repeat Finding?	No	

Condition

During our audit, we selected a non-statistical sample of fifty benefit payments made during the year and identified three payments where the recipients did not make the minimum number of work search contacts.

Criteria

Pursuant to State *Handbook of Unemployment Benefits*, the following requirements must be met to become eligible for benefit payments:

- 1) Be totally or partially unemployed;
- 2) File an application to establish an unemployment insurance claim;
- 3) File a claim certification on a weekly or bi-weekly basis to request payment of benefits;
- 4) Register for work with the State Workforce Development Division;
- 5) Participate in re-employment services;
- 6) Be physically and mentally able to work;
- 7) Be ready and willing to seek and accept work by making three or more work search contacts every week;
- 8) Serve a one-week waiting period; and
- 9) Report for interviews.

Effect

Failure to comply with the eligibility requirements results in noncompliance with the terms of the award and may result in recapture of funds by the awarding agency.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Cause and View of Responsible Officials

The department experienced a staffing shortage and was unable to investigate cases within a timely manner.

Recommendation

We recommend that the State department follow the policies and procedures established to comply with eligibility requirements. Furthermore, we recommend that the department formalize any modifications to the work search requirements used in practice as allowed under HRS Section 12-5-34.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-006:	Special Tests and Provisions (Material Weakness)	\$ _____ –
State Agency:	DLIR	
Federal Agency:	Department of Labor	
AL Number and Title:	17.225 – <i>Unemployment Insurance</i> COVID-19 – 17.225 – <i>COVID-19 – Unemployment Insurance</i>	
Award Number and Award Year:	UI-37219-22-55-A-15 2022	
Repeat Finding?	Yes	

Condition

During our audit, we examined the Benefit Accuracy Measurement (BAM) summary report and identified minimum cases and timeliness requirements were not met regarding paid and denied claims.

Criteria

Pursuant to 20 CFR Part 602, the BAM system requires the State department to complete a minimum number of unemployment cases timely in order to maintain a current database. The required number of cases and the timeliness percentages for completing paid and denied claims are as follows:

Paid Claims

- Minimum cases: 480 paid cases
- Timeliness percentages: Complete 70% within 60 days, 95% within 90 days, and 98% within 120 days

Denied Claims

- Minimum cases: 450 denied cases (150 cases for each category: monetary, separation and non-separation)
- Timeliness percentages: Complete 60% within 60 days, 85% within 90 days, and 98% within 120 days

Effect

Failure to meet timeliness requirements prevents the granting agency from maintaining a current database.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Cause and View of Responsible Officials

Due to the COVID-19 pandemic, the department was significantly impacted with an increase in unemployment claims. Furthermore, the department experienced a staffing shortage and was unable to process the minimum number of cases and/or investigate cases within a timely manner.

Recommendation

We recommend that the State department develop new policies and procedures to handle the increase in unemployment claims and follow existing policies and procedures established to comply with claim handling requirements.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-007:	Subrecipient Monitoring (Significant Deficiency)	\$ _____ –
State Agency:	Governor’s Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.023 – <i>COVID-19 – Emergency Rental Assistance Program</i>	
Award Number and Award Year:	American Rescue Plan Act 2021 (ARPA)	
Repeat Finding?	Yes	

Condition

During our audit, we examined a non-statistical sample of three subawards and noted untimely evaluation of the subrecipients’ risk of noncompliance for two subawards.

Criteria

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward.

Effect

Without evaluating the subrecipient’s risk of noncompliance and determining the appropriate subrecipient monitoring procedures necessary, the State may not be providing the appropriate level of monitoring over its subrecipients.

Cause and View of Responsible Officials

Due to resource constraints in Office of Federal Awards Management (OFAM), the program personnel were unable to perform the subrecipients’ risk of noncompliance in a timely manner.

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200 which requires the reporting of all necessary federal award information to subrecipients and risk assessments of subrecipients. Management should develop procedures that ensure the State’s responsibilities as a pass-through entity are fulfilled, including a formal analysis of each subrecipient’s risk of noncompliance with each of the respective subaward requirements. This evaluation of risk may include consideration of such factors as the following:

- The subrecipient’s prior experience with the same or similar subawards;

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

- The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR Part 200, Subpart F, and the extent to which the same or similar subaward has been audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of federal awarding agency monitoring.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-008:	Cash Management (Significant Deficiency)	\$ —
State Agency:	Governor's Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.026 – <i>COVID-19 – Homeowner Assistance Fund</i>	
Award Number and Award Year:	ARPA 2021	
Repeat Finding?	No	

Condition

During our audit, we examined three haphazardly selected cash disbursements and identified two instances totaling approximately \$15,500,000 in which the time elapsing between the receipt of federal award and the disbursement was greater than 25 days. While the expenditures were allowable costs under the grant, it does not appear the State disbursed these federal advances as soon as administratively feasible.

Criteria

31 CFR Section 205.33 requires the State to minimize the time between the receipt of federal funds from the federal government and the State's disbursement of the funds for federal program purposes. Therefore, the timing and amount of funds being requested and received must be as close as administratively feasible to the State's actual cash outlay for direct program costs and the proportionate share of any allowable indirect costs. Based on our testing, we determined 25 days to be a reasonable period of time to disburse cash after receipt from the federal government.

Effect

Without minimizing time between the drawdown and disbursement of federal funds, the State is not in compliance with federal requirements.

Cause and View of Responsible Officials

The lag in disbursing the funds was attributed to the U.S. Department of the Treasury providing the State an upfront lump sum advance to administer the program.

Recommendation

As the exceptions were caused by a lump sum advance provided from the U.S. Department of the Treasury, we recommend that program management contact the awarding agency to obtain best practices for cash management.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-009:	Reporting (Significant Deficiency)	\$ —
State Agency:	Governor's Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.026 – <i>COVID-19 – Homeowner Assistance Fund</i>	
Award Number and Award Year:	ARPA 2021	
Repeat Finding?	No	

Condition

During our audit, we tested a non-statistical sample of two subawards and found no evidence that the reporting required by Section 2, *Full Disclosure of Entities Receiving Federal Funding*, of the Federal Funding Accountability and Transparency Act ("FFATA") was completed.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
2	2	0	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$38,822,930	\$38,822,930	\$0	\$0	\$0

Criteria

Section 2, *Full Disclosure of Entities Receiving Federal Funding*, of the FFATA requires an entity to report subcontracts made under federally-awarded contracts by the end of the month following the month in which the prime recipient awards any subgrant greater than or equal to \$30,000.

Effect

Failure to file required reports reduces transparency on the use of program funds and represents an instance of noncompliance with the requirements of 2 CFR Part 200.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Cause and View of Responsible Officials

Program personnel were unable to file the FFATA reports due to the Federal Award Identification Number (FAIN) not being available on the FFATA Subaward Reporting System (FSRS), a federal government website.

Recommendation

As the error appears to be caused by the FSRS, we recommend that program management continue to monitor the status of the FSRS and file the necessary FFATA reports when enabled.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-010:	Subrecipient Monitoring (Significant Deficiency)	\$ _____ –
State Agency:	Governor’s Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.026 – <i>COVID-19 – Homeowner Assistance Fund</i>	
Award Number and Award Year:	ARPA 2021	
Repeat Finding?	No	

Condition

During our audit, we examined a non-statistical sample of two subawards and found no evidence of evaluation of the subrecipients’ risk of noncompliance at the time of the subawards.

Criteria

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward.

Effect

Without evaluating the subrecipient’s risk of noncompliance and determining the appropriate subrecipient monitoring procedures necessary, the State may not be providing the appropriate level of monitoring over its subrecipients.

Cause and View of Responsible Officials

Due to resource constraints in OFAM, the program personnel were unable to perform the subrecipients’ risk of noncompliance in a timely manner.

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200 which requires the reporting of all necessary federal award information to subrecipients and risk assessments of subrecipients. Management should develop procedures that ensure the State’s responsibilities as a pass-through entity are fulfilled, including a formal analysis of each subrecipient’s risk of noncompliance with each of the respective subaward requirements. This evaluation of risk may include consideration of such factors as the following:

- The subrecipient’s prior experience with the same or similar subawards;

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

- The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR Part 200, Subpart F, and the extent to which the same or similar subaward has been audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of federal awarding agency monitoring.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-011:	Suspension and Debarment (Significant Deficiency)	\$ _____ –
State Agency:	Governor’s Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.027 – <i>COVID-19 – Coronavirus State and Local Fiscal Recovery Funds</i>	
Award Number and Award Year:	ARPA 2021	
Repeat Finding?	No	

Condition

During our audit, we tested a non-statistical sample of seven subawards and found no evidence indicating that program personnel verified whether any of the contractors were not federally suspended or debarred.

Criteria

According to 2 CFR 200.214, regulations restrict awards, subawards and contracts with certain parties that are debarred, suspended, or otherwise excluded from, ineligible from, or ineligible for participation in federal assistance programs or activities. Therefore, verification is required that either checks the System for Award Management (SAM), an official website for the U.S. Government, collects a certification from the contractor, or adds a clause or condition to the contract.

Effect

Without evaluating the contractors’ status on the SAM before executing agreements, the State may pass through federal funding to ineligible entities.

Cause and View of Responsible Officials

Program personnel responsible for procurement indicated that a review for the federal SAM website was performed prior to the execution of the contract, however, no formal documentation of the review was retained.

Recommendation

We recommend that program management retain evidence of the suspension and debarment review, including who performed the procedure and the date performed, prior to entering into the agreement.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-012:	Subrecipient Monitoring (Significant Deficiency)	\$ _____ –
State Agency:	Governor’s Office	
Federal Agency:	Department of the Treasury	
AL Number and Title:	COVID-19 – 21.027 – <i>COVID-19 – Coronavirus State and Local Fiscal Recovery Funds</i>	
Award Number and Award Year:	ARPA 2021	
Repeat Finding?	No	

Condition

During our audit, we examined a non-statistical sample of seven subawards and found no evidence of evaluation of the subrecipients’ risk of noncompliance at the time of the subaward for one of the subawards tested.

Criteria

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient’s risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward.

Effect

Without evaluating the subrecipient’s risk of noncompliance and determining the appropriate subrecipient monitoring procedures necessary, the State may not be providing the appropriate level of monitoring over its subrecipients.

Cause and View of Responsible Officials

Due to resource constraints within OFAM, program personnel were unable to perform the subrecipient’s risk of noncompliance in a timely matter.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200, which requires the reporting of all necessary federal award information to subrecipients and risk assessments of subrecipients. Management should develop procedures that ensure the State department's responsibilities as a pass-through entity are fulfilled, including a formal analysis of each subrecipient's risk of noncompliance with each of the respective subaward requirements. This evaluation of risk may include consideration of such factors as the following:

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR Part 200, Subpart F, and the extent to which the same or similar subaward has been audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of federal awarding agency monitoring.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-013:	Reporting (Material Weakness)	\$ —
State Agency:	Governor's Office	
Federal Agency:	Department of the Education	
AL Number and Title:	COVID-19 – 84.425C – <i>COVID-19 – Education Stabilization Fund</i>	
Award Number and	Coronavirus Aid, Relief, and	2020
Award Year:	Economic Security Act (CARES)	2021
	Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA)	
Repeat Finding?	No	

Condition

During our audit, we tested a non-statistical sample of four subawards and found no evidence that the reporting required by Section 2, *Full Disclosure of Entities Receiving Federal Funding*, of the FFATA was completed for three subawards and one instance of untimely submission.

Transactions Tested	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
4	3	1	0	0
Dollar Amount of Tested Transactions	Subaward Not Reported	Report Not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
\$6,357,000	\$757,000	\$5,600,000	\$0	\$0

Criteria

Section 2, *Full Disclosure of Entities Receiving Federal Funding*, of the FFATA requires an entity to report subcontracts made under federally-awarded contracts by the end of the month following the month in which the prime recipient awards any subgrant greater than or equal to \$30,000.

Effect

Failure to file required reports reduces transparency on the use of program funds and represents an instance of noncompliance with the requirements of 2 CFR Part 200.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Cause and View of Responsible Officials

Due to changes in program personnel, there was miscommunication between the parties responsible for filing the FFATA reports.

Recommendation

We recommend that program personnel ensure that required FFATA reports are filed timely.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-014:	Subrecipient Monitoring (Material Weakness)	\$ —
State Agency:	Governor's Office	
Federal Agency:	Department of Education	
AL Number and Title:	COVID-19 – 84.425C – <i>COVID-19 – Education Stabilization Fund</i>	
Award Number and	CARES	2020
Award Year:	CRRSA	2021
Repeat Finding?	No	

Condition

During our audit, we examined a non-statistical sample of two subawards and found no evidence that evaluations of the subrecipients' risk of noncompliance and applicable federal award information was communicated to the subrecipients at the time of the subawards.

Criteria

2 CFR Section 200.332(a) requires subawards to clearly identify information, such as the FAIN, identification of whether the award is R&D, period of performance, and indirect cost.

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related the subaward.

Effect

By not including the required information in the subaward, subrecipients may have trouble complying with federal grant requirements. Furthermore, without evaluating the subrecipient's risk of noncompliance and determining appropriate subrecipient monitoring procedures necessary, the State may not be providing the appropriate level of monitoring over its subrecipients.

Cause and View of Responsible Officials

Program personnel improperly determined first-tier subrecipients resulting in applicable federal award information not being communicated in the subawards and not assessing the subrecipients' risk of noncompliance not being performed.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200 which requires the reporting of all necessary federal award information to subrecipients and risk assessments of subrecipients. Management should develop procedures that ensure the State's responsibilities as a pass-through entity are fulfilled, including providing subrecipients all applicable federal award information and performing a formal analysis of each subrecipient's risk of noncompliance with each of the respective subaward requirements. The risk evaluation may include consideration of the following factors:

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits including whether or not the subrecipient receives a Single Audit in accordance with 2 CFR Part 200, Subpart F, and the extent to which the same or similar subaward has been audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of federal awarding agency monitoring.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-015:	Special Tests and Provisions (Significant Deficiency)	\$ _____ –
State Agency:	Governor’s Office	
Federal Agency:	Department of Education	
AL Number and Title:	COVID-19 – 84.425C – <i>COVID-19 – Education Stabilization Fund</i>	
Award Number and Award Year:	S425C200001	2020
Repeat Finding?	No	

Condition

During our audit, we examined a non-statistical sample of two subawards and found no evidence of consultation with private school officials.

Criteria

Section 1117(a)(4)(A) of the Elementary and Secondary Education Act requires that a recipient must provide equitable services to students and teachers in private schools as determined in consultation with private school officials.

Effect

Without evidence of program personnel’s consultation with private school officials, the State is unable to support its assertion of compliance with federal requirements.

Cause and View of Responsible Officials

Program personnel indicated a consultation meeting took place; however, no formal documentation was retained.

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements and retain necessary documentation to comply with federal program requirements.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

		Questioned Cost
Finding No. 2022-016:	Subrecipient Monitoring (Significant Deficiency)	\$ —
State Agency:	Department of Defense	
Federal Agency:	Federal Emergency Management Agency	
AL Number and Title:	97.036 – <i>Disaster Grants – Public Assistance</i>	
Award Number and	4282-DR-HI	2016
Award Year:	4366-DR-HI	2018
	4395-DR-HI	2018
	4604-DR-HI	2021
Repeat Finding?	No	

Condition

During our audit, we examined a non-statistical sample of six subawards and found no evidence of evaluation of any of the subrecipients' risk of noncompliance at the time of the subaward. Furthermore, the most recent Single Audit report for one of the subrecipients selected for testing was not reviewed by program personnel for any potential findings.

Criteria

Per 2 CFR Section 200.332(b), a pass-through entity is required to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring procedures related to the subaward.

Per 2 CFR Section 200.332(d), a pass-through entity is required to monitor the activities of the subrecipient as necessary to ensure the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward. Monitoring must include a review of financial performance reports, following up with the subrecipient to ensure timely and appropriate action on all deficiencies, issuing management decision for applicable audit findings, resolving audit findings, and verifying that each subrecipient is audited as required by 2 CFR 200, Subpart F.

Effect

Without evaluating the subrecipient's risk of noncompliance and determining the appropriate subrecipient monitoring procedures necessary, the State may not be providing the appropriate level of monitoring over its subrecipients.

State of Hawaii
Schedule of Findings and Questioned Costs
Year Ended June 30, 2022

Cause and View of Responsible Officials

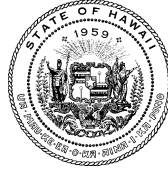
Due to changes in personnel responsibilities, there was miscommunication between the parties responsible for evaluating the risk of noncompliance. Furthermore, the Single Audit report for one of the subrecipients was not reviewed due to oversight as the program personnel was unaware that the subrecipient is separately audited.

Recommendation

We recommend that program management ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200 which requires the reporting of all necessary federal award information to subrecipients and risk assessments of subrecipients. Management should develop procedures that ensure the State department's responsibilities as a pass-through entity are fulfilled, including a formal analysis of each subrecipient's risk of noncompliance with each of the respective subaward requirements. This evaluation of risk may include consideration of such factors as the following:

- The subrecipient's prior experience with the same or similar subawards;
- The results of previous audits including whether or not the subrecipient receives a single audit in accordance with 2 CFR Part 200, Subpart F, and the extent to which the same or similar subaward was audited as a major program;
- Whether the subrecipient has new personnel or new or substantially changed systems; and
- The extent and results of Federal awarding agency monitoring (e.g., if the subrecipient also receives Federal awards directly from a Federal awarding agency).

JOSH GREEN M.D.
GOVERNOR
KE KIA'ĀINA



KEITH A. REGAN
COMPTROLLER
KA LUNA HO'OMALU HANA LAULĀ

MEOH-LENG SILLIMAN
DEPUTY COMPTROLLER
KA HOPE LUNA HO'OMALU HANA LAULĀ

STATE OF HAWAII | KA MOKU'ĀINA O HAWAII
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES | KA 'OIHANA LOIHELU A LAWELawe LAULĀ
P.O. BOX 119, HONOLULU, HAWAII 96810-0119

March 10, 2023

ACC 23.U007

Accuity LLP
999 Bishop Street, Suite 1900
Honolulu, HI 96813

Gentlemen:

Thank you for the opportunity to provide comments on the Schedule of Findings and Questioned Costs issued in connection with the Single Audit of Federal Financial Assistance Programs for the fiscal year ended June 30, 2022. We have also attached our comments on the status of prior audit findings.

We commend Accuity LLP's staff for the cooperative and professional manner in which they conducted themselves during this audit.

If you have any questions, please call Ms. Lenora D. Fisher, Accounting Division at 586-0600.

Sincerely,

A handwritten signature in blue ink, appearing to be "K. Regan".

KEITH A. REGAN
Comptroller

Attachments

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

State of Hawaii
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Finding No.	Description	Department	Classification	Status		Current Year Finding No.
				Resolved	Unresolved	
2021-001	Internal Control Over Financial Reporting	DAGS	Material Weakness		X	2022-001
2021-002	Accounting for Component Units and Proprietary Funds	DAGS	Significant Deficiency		X	2022-002
2021-003	IT General Control Deficiencies	DLIR; DAGS	Significant Deficiency		X	2022-003
2021-004	Schedule of Expenditures of Federal Awards	DAGS	Material Weakness		X	2022-004
2021-005	Special Tests and Provisions	DLIR	Material Weakness		X	2022-006
2021-006	Special Tests and Provisions	DLIR	Significant Deficiency	X		
2021-007	Allowable Costs	DLIR	Significant Deficiency	X		
2021-008	Subrecipient Monitoring	Governor's Office	Significant Deficiency		X	2022-007
2021-009	Subrecipient Monitoring	DLIR	Significant Deficiency	X		
2021-010	Subrecipient Monitoring	Governor's Office	Significant Deficiency	X		
2019-010	Earmarking	DLNR	Material Weakness		X	
2019-011	Special Tests and Provisions	DLNR	Significant Deficiency	X		
09-01	Improve Controls over Inmate Agency Accounts	DPS	Material Weakness		X	

State of Hawaii
Summary Schedule of Prior Audit Findings
Year Ended June 30, 2022

Corrective Actions Taken for Unresolved Findings

Finding No. 2021-001: Internal Control Over Financial Reporting

In fiscal year 2022, DAGS requested formal reporting information packages from State departments but did not receive timely and accurate responses from some departments. As a current year finding (Finding No. 2022-001) is reported, Finding No. 2021-001 will not be carried forward.

Finding No. 2021-002: Accounting for Component Units and Proprietary Funds

No corrective action was taken in fiscal year 2022. As a current year finding (Finding No. 2022-002) is reported, Finding No. 2021-002 will not be carried forward.

Finding No. 2021-003: IT General Control Deficiencies

Corrective actions were taken in fiscal year 2022 to mitigate a number of the previously reported deficiencies; however, corrective action is still ongoing. As a current year finding (Finding No. 2022-003) is reported, Finding No. 2021-003 will not be carried forward.

Finding No. 2021-004: Schedule of Expenditures of Federal Awards

Formal reporting instructions were created by DAGS and sent to other departments and agencies for the year ended June 30, 2022. As a current year finding (Finding No. 2021-004) is reported, Finding No. 2021-004 will not be carried forward.

Finding No. 2021-005: Special Tests and Provisions

DLIR continues to improve its internal controls to comply with requirements. As a current year finding (Finding No. 2022-006) is reported, Finding No. 2021-005 will not be carried forward.

Finding No. 2021-008: Subrecipient Monitoring

No corrective actions were taken in fiscal year 2022. As a current year finding (Finding No. 2022-007) is reported, Finding No. 2021-008 will not be carried forward.

Finding No. 2019-010: Earmarking

DLNR continues to improve its internal controls to comply with earmarking requirements.

Finding No. 09-01: Improve Controls over Inmate Agency Accounts

A new system is being developed to assist the programs in addressing Inmate Accounts issues. Implementation of the new system is anticipated to be completed by fiscal year 2024.

CORRECTIVE ACTION PLAN

SECTION II – FINANCIAL STATEMENT FINDINGS

2022-001 – Internal Control over Financial Reporting (Material Weakness)

State Department of Accounting and General Services

Condition

The State's internal control over financial reporting could be improved. During our audit of the fiscal year 2022 financial statements, we identified multiple deficiencies that, when considered in the aggregate, indicated a significant deficiency in the State's internal control over financial reporting.

The process used by DAGS Accounting Division to consolidate required information from State departments and agencies to prepare the State's Annual Comprehensive Financial Report (ACFR) (e.g. preparing Governmental Funds financial statements on a modified accrual basis and the Government-Wide financial statements on an accrual basis) is inefficient, time consuming, and causes delays in statewide financial reporting.

Information necessary to prepare such accounting entries must be obtained from other State departments and agencies. For the year ended June 30, 2022, DAGS requested formal reporting information packages to obtain the financial information from State departments but did not receive timely responses from some departments, including information for the implementation of Government Accounting Standard Boards Statement No. 87, *Leases*.

A similar finding was reported in the prior year as Finding No. 2021-001.

Current Status of Corrective Action Plan

Concur.

The Department of Accounting and General Services (DAGS) will continue to develop a well-defined, systematic, efficient, and orderly process for financial reporting that will include a comprehensive set of policies and procedures necessary to establish internal control over financial reporting. The process will be formally documented, approved, communicated to other departments and agencies, and monitored on a regular basis.

DAGS will review audit entries for use of proper source codes, object codes, and appropriation accounts and work with individuals who perform reviews of journal entries at the identified departments on specific issues relating to proper use of such codes and accounts. Departments will be reminded to perform a thorough review of post-closing journal entries to ensure all items from various schedules are reflected in the post-closing journal entries and all the journal entries properly reflect what is shown on the schedules.

While DAGS will continue to improve efficiencies within the current system, significant efficiencies are not anticipated to be achieved until implementation of a new financial system. A new financial system will improve internal controls and facilitate a more efficient financial reporting process, allowing more time for review and analysis of financial results.

DAGS has completed a draft of a new chart of accounts for the whole state which will assist in the reporting and compliance of the ACFR and SEFA reports. The procurement of a new accounting system has been recently awarded and expected to run by June 30, 2025. With this new system, it would address or mitigate financial reporting deficiencies.

Person Responsible

Lenora D. Fisher, Administrator, DAGS Accounting Division

Anticipated Date of Completion

June 30, 2025

2022-002 – Accounting for Component Units and Proprietary Funds (Significant Deficiency)

State Department of Accounting and General Services

Condition

During fiscal year 2008, DAGS implemented a financial statement policy on reporting material component units (CU) and proprietary funds (PF), which indicated that only material CUs and PFs would be reported as discretely presented CUs and major PFs in the ACFR. Materiality was determined based on certain quantitative criteria determined by DAGS. During the year ended June 30, 2013, DAGS revised its financial reporting policy to comply with GASB Statement No. 61, *The Financial Reporting Entity: Omnibus – an Amendment of GASB Statements No. 14 and 34*.

Consequently, although DAGS determined that the Stadium Authority, Hawaii Strategic Development Corporation, Hawaii Technology Development Corporation (HITDC), Natural Energy Laboratory of Hawaii, and Agribusiness Development Corporation met the definition of discretely presented CUs as defined in GASB Statement No. 61, these CUs did not meet the materiality thresholds under the State's policy, and thus were not disclosed as discretely presented in the June 30, 2022 ACFR. Instead, these entities were reported as blended component units, within the State's governmental activities and the governmental funds to which they were administratively attached.

DAGS also determined that the Department of Accounting and General Services – State Parking Revolving Fund, the Department of Accounting and General Services – State Motor Pool Fund, the Department of Public Safety – Correctional Industries Fund, and the Department of Labor and Industrial Relations – Disability Compensation Fund met the definition of PFs as defined in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. However, they did not meet the materiality threshold under the State's financial reporting policy. Therefore, these PFs were not reported as PFs in the June 30, 2022 ACFR but were reported as part of the State's governmental activities and within the governmental funds to which they were administratively attached.

A similar finding was reported in the prior year as Finding No. 2021-002.

Current Status of Corrective Action Plan

Concur.

DAGS will review the State's policy annually regarding the reporting of discretely presented Component Units and nonmajor Proprietary Funds as compared with Governmental Accounting Standards Board Statement Nos. 34 and 61.

Person Responsible

Lenora D. Fisher, Administrator, DAGS Accounting Division

Anticipated Date of Completion

June 30, 2025

2022-003 – IT General Control Deficiencies (Material Weakness)

The Department of Tax (DoTax), Department of Labor and Industrial Relations (DLIR) and the Enterprise Technology Services (ETS) address their respective IT control deficiencies in the areas of logical security, change management, and IT operations as follows:

Logical Security

DLIR

- Annual user access review over the UI Employer Website was not performed timely.

Current Status of Corrective Action Plan

Concur.

DLIR-UI will schedule annual user access review and make sure to document the process. UI will perform review of UI Employer Website annually. Next review is scheduled for March 2023.

Person Responsible

Joni Muramoto, DLIR-UI Program Specialist

Anticipated Date of Completion

July 2023

DAGS

- The annual user access review over HawaiiPay users at Department of Taxation (DOTAX) was not performed in a timely manner.

Current Status of Corrective Action Plan

The Hawaii Information Portal (HIP) HR and Payroll user access reviews were completed outside of the fiscal year. There was a transition of the DOTAX HR Officer, and the Acting HR Officer did not receive the user access review information for HIP. Going forward, DOTAX will verify the departments HawaiiPay users are correct annually. DOTAX will complete HIP HR and Payroll user access reviews upon receiving the user access information from HIP administrators.

Person Responsible

Emill Acosta, Accountant VI

Anticipated Date of Completion

July 1, 2023

Change Management

DLIR

- Developers have access to the production environment.

Current Status of Corrective Action Plan

Concur.

DLIR is working with ETS to remove developers access to the production environment. Developers are able to request access for emergency situations. A special login is provided for a limited time to address the emergency. This emergency process has been in place for 2+ years.

Person Responsible

Bennett Yap, DLIR IT Chief

Anticipated Date of Completion

July 2023

- No evidence to support that developers are properly segregated from the production environment for the UI Employer Website and no monitoring control in place to detect unauthorized changes.

Current Status of Corrective Action Plan

Concur.

DLIR is working with the vendor to understand controls and/or have access to a SOC-1 report.

Person Responsible

Bennett Yap, DLIR IT Chief

Anticipated Date of Completion

July 2023

Section III – Federal Award Findings and Questioned Costs

Finding No. 2022-004 – SEFA (Significant Deficiency)

Condition

The State's current accounting process for certain departments does not track federal funds individually within the general ledger system. Instead, one appropriation account is often created and assigned to the respective department and many federal grants expended by the department are grouped within the one appropriation account. For a department that receives and expends multiple federal awards, it must prepare and maintain separate accounting records outside of FAMIS, the State's accounting system, to be able to segregate the cash balances, receipts and expenditures by each grant that it receives. These separate accounting records are maintained by multiple accountants in the larger departments and are not combined and reconciled into FAMIS periodically.

A similar finding was reported in the prior year as Finding No. 2021-004.

Current Status of Corrective Action Plan

Concur.

DAGS' management has developed a well-defined process for Federal financial reporting that includes a comprehensive set of policies and procedures necessary to establish internal control over preparing the SEFA. DAGS will remind the departments to follow these established policies and procedures when preparing the SEFA.

DAGS has completed a draft of a new chart of accounts for the whole state which will assist in the reporting and compliance of the ACFR and SEFA reports. The procurement of a new accounting system has been recently awarded and expected to run by June 30, 2025. With this new system, it would address or mitigate financial reporting deficiencies.

Person Responsible

Lenora D. Fisher, Administrator, DAGS Accounting Division

Anticipated Date of Completion

June 30, 2025

Finding No. 2022-005 – Eligibility (Significant Deficiency)

State Department of Labor and Industrial Relations

AL Number: 17.225 **Program Title:** Unemployment Insurance

Direct Award from: UI-3644-21-55-A-15, UI-3590-20-60-A-15, UI-35700-21-55-A-15,
UI-37219-22-55-A-15

Condition

Per Administrative Rule 12-5-35(c), an individual may be considered available for work for any week if they make a minimum of three work search contacts each week, unless the individual is exempt from the work search requirements or be subject to a modified work search requirement consistent with and reflective of local area policies and local labor market opportunities.

Findings identified three claimants who did not comply with the above requirements and were improperly paid.

Current Status of Corrective Action Plan

Concur.

Hawaii will resend our revised written procedures regarding Administrative Rule 12-5-35(c) dated January 16, 2020, to ensure staff is aware and compliant with our Work Search requirements to ensure proper payment of benefits in the future. To address the modified work search requirements for specific islands or locality, Hawaii will provide staff with a written policy regarding this matter.

Person Responsible

Sheryl Maligro, UI Program Specialist Supervisor

Anticipated Date of Completion

June 30, 2023

Finding No. 2022-006 –Special Tests and Provisions (Material Weakness)

State Department of Labor and Industrial Relations

AL Number: 17.225 **Program Title:** Unemployment Insurance

Direct Award from: UI-37219-22-55-A-15

Condition

Both and/or either the minimum number of cases and timeliness percentages for paid and denied claims including monetary, separation, and nonseparation, were not met.

Current Status of Corrective Action Plan

Concur.

1. The BAM unit was short staffed an investigator from March 2022. The vacancy was filled on January 17, 2023.
2. The number of paid and denied claims was increased and the BAM supervisor was assigned denied cases.
3. The unit anticipates to meet the minimum number of 480 paid and 450 denied cases effective FY 23-24 which begins in July 2023.
4. The unit has made great strides and is currently meeting the denied timeliness requirements and 60 day paid timeliness requirement.
5. The unit has brought on an experienced adjudicator to fill a vacancy and learn BAM methodology. The unit has worked cohesively to assist colleagues with investigative tasks. Other areas contribute to this effort by assisting with the assembly of new case files for the BAM investigators. This collective effort allows the unit to make progress to our goals. The BAM supervisor continues to help and monitors case completion and timeliness to ensure the unit works toward achieving the BAM requirements.

Person Responsible

Sheryl Ozaki, UI Quality Control Supervisor

Anticipated Date of Completion

June 2024

Finding No. 2022-007 – Subrecipient Monitoring (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.023 **Program Title:** Emergency Rental Assistance Program

Direct Award from: U.S. Department of Treasury

Condition

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. The auditing firm selected three subawards and noted untimely evaluation of the subrecipients' risk of noncompliance for two subawards. The auditing firm noted that one assessment was performed 2 days after a subaward was made, and for the second subaward, an assessment was performed 172 days after the subaward was made.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel are familiar with federal program requirements, including compliance with 2 CFR Section 200.331(b) which requires an evaluation of each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-008 – Cash Management (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.026 **Program Title:** Homeowner Assistance Fund

Direct Award from: U.S. Department of Treasury

Condition

Per 31 CFR Part 205, the State must minimize the time between the drawdown of Federal funds from the Federal government and subsequent disbursement for Federal program purposes.

The auditing firm haphazardly tested 3 expenditures of the 7 transactions that occurred in fiscal year 2022 and found that the time between drawdown and disbursement of Federal funds by the State was not minimized.

Current Status of Corrective Action Plan

Concur.

The U.S. Treasury wired Homeowner Assistance Funds (HAF) as a lump sum payment thus B&F did not have to submit a drawdown request to obtain the funds. Since B&F did not have control over the timing of the receipt of the funds, it is unclear how B&F could have complied with the requirement of 31 CFR Part 205 to minimize the timing of the disbursement of the funds. B&F had consulted with the U.S. Treasury on how to best comply with this requirement but has not received a response thus far.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-009 – Reporting (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.026 **Program Title:** Homeowner Assistance Fund

Direct Award from: U.S. Department of Treasury

Condition

A prime recipient of a federal award is required to file a Federal Funding Accountability and Transparency Act (FFATA) report to the FFATA Subaward Reporting System (FSRS) by a specific period for any subaward greater than or equal to \$30,000.

The auditing firm haphazardly tested the two subawards executed in FY 2022 and noted that B&F was unable to file FFATA reports on FSRS.gov.

Current Status of Corrective Action Plan

Concur.

The HAF award is not listed on the pre-populated Worklist in FSRS thus subaward reports could not be filed for the award. The U.S. Treasury is aware that recipients are unable to report subawards in FSRS due to this unresolved technical issue between Treasury and FSRS. B&F will monitor the FSRS website and file the necessary FFATA reports if/when possible.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-010 – Subrecipient Monitoring (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.026 **Program Title:** Homeowner Assistance Fund

Direct Award from: U.S. Department of Treasury

Condition

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring for the subaward.

The auditing firm selected a sample of two subawards that were executed in FY 2022. The auditing firm noted that program management did not evaluate the subrecipient's risk of noncompliance prior to the execution of the subawards.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel are familiar with Federal program requirements, including compliance with 2 CFR Section 200.332(b) which requires an evaluation of each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-011 – Suspension and Debarment (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.027 **Program Title:** Coronavirus State and Local Fiscal Recovery Fund

Direct Award from: U.S. Department of Treasury

Condition

2 CFR Section 200.214 requires non-federal entities to comply with non-procurement debarment and suspension regulations. The regulations in 2 CFR Part 180 restrict awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs or activities.

The auditing firm selected a sample of subawards that were open in FY 2022. There was no evidence of a suspension or debarment review for 100% (7 out of 7) of the sample of subawards tested. The auditing firm was unable to verify that the State had checked whether the entities were federally suspended or debarred on the SAM.gov website prior to executing the subawards.

Current Status of Corrective Action Plan

Concur.

B&F will modify its procedures to check for debarment or suspension on SAM.gov prior to issuing a subaward to an entity and retain evidence of the verification including who performed the check and the date performed.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-012 – Subrecipient Monitoring (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 21.027 **Program Title:** Coronavirus State and Local Fiscal Recovery Fund

Direct Award from: U.S. Department of Treasury

Condition

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward. The auditing firm selected a sample of 7 subawards active in FY 2022. The auditing firm noted that program management did not evaluate the subrecipient's risk of noncompliance at the time of the subaward for one of the subawards tested.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel are familiar with federal program requirements, including compliance with 2 CFR Section 200.332(b) which requires an evaluation of each subrecipient's risk of noncompliance with federal statutes, regulations, and the terms and conditions of the subaward.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-013 – Reporting (Material Weakness)

Governor's Office care of State Department of Budget and Finance

AL Number: 84.425C **Program Title:** COVID 19 – Education Stabilization Fund

Direct Award from: U.S. Department of Education

Condition

A prime recipient of a Federal award is required to file a Federal Funding Accountability and Transparency Act (FFATA) report to the FFATA Subaward Reporting System (FSRS) by a specific period for any award to a subrecipient greater than or equal to \$30,000.

The State awarded Governor's Emergency Education Relief Fund (GEER) I and II funds to the Research Corporation of the University of Hawaii (RCUH). At the time of award, RCUH was improperly designated as a subrecipient rather than a grants management contractor. RCUH's role was to disburse GEER funds in the form of innovation grants to various public/private schools and non-profit organizations. Innovation grants were awarded to 31 organizations. B&F did not file FFATA reports for the recipients of the 31 innovation grants. B&F did file a FFATA report for RCUH.

Subsequently, the U.S. Department of Education (US DOE) provided additional guidance to B&F and suggested that the FFATA reports be amended to remove RCUH as a subrecipient and for B&F to submit a FFATA report to FSRs for the organizations that received innovation grants.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel are familiar with all grant requirements, including compliance with 2 CFR Part 200 for the determination of subrecipients and FFATA reporting requirements. In addition, B&F will work with U.S. DOE to take appropriate action to address the lack of FFATA reports for the recipients of GEER innovation grants.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-014 – Subrecipient Monitoring (Material Weakness)

Governor's Office care of State Department of Budget and Finance

AL Number: 84.425C **Program Title:** COVID 19 – Education Stabilization Fund

Direct Award from: U.S. Department of Education

Condition

2 CFR Section 200.332(a) requires a pass-through entity to ensure that every subaward is clearly identified to the subrecipient as a subaward and provide specific Federal award information to subrecipients at the time of the subaward.

2 CFR Section 200.332(b) requires a pass-through entity to evaluate each subrecipient's risk of noncompliance for purposes of determining the appropriate subrecipient monitoring related to the subaward.

Due to the improper determination of the Research Corporation of the University of Hawai'i as a subrecipient rather than a grants contractor, State program management did not ensure Federal award information was included in the subawards to the entities ultimately determined to be first tier subrecipients.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel are familiar with all grant requirements including compliance with 2 CFR Section 200.332 (a) and (b) which requires the reporting of specific Federal award information to subrecipients and performing an evaluation of each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-015 – Special Tests and Provisions (Significant Deficiency)

Governor's Office care of State Department of Budget and Finance

AL Number: 84.425C **Program Title:** COVID 19 – Education Stabilization Fund

Direct Award from: U.S. Department of Education

Condition

A local education agency that receives funds under the Governor's Emergency Education Relief (GEER I) Fund program must provide equitable services to students and teachers in private schools. During the audit, B&F was unable to locate documentation to verify that timely consultation with private school officials occurred.

Current Status of Corrective Action Plan

Concur.

B&F will ensure that program personnel maintain evidence of compliance with all grant requirements.

Person Responsible

Mark K. Anderson, Office of Federal Awards Management, Administrator

Anticipated Date of Completion

July 1, 2023

2022-016 – Subrecipient Monitoring (Significant Deficiency)

Department of Defense

AL Number: 97.036 **Program Title:** Disaster Grants – Public Assistance

Direct Award from: Federal Emergency Management Agency (FEMA)

Condition

The requirement to evaluate each subrecipients' risk of noncompliance was not being conducted during the audit timeframe of the awards that were audited. There was internal miscommunication as to who in the Hawaii Emergency Management Agency (HIEMA) is responsible for performing the risk assessments.

Current Status of Corrective Action Plan

Concur.

HIEMA has implemented a Risk Assessment Policy to ensure the assessments are completed at the beginning of the grant process and conducted annually to ensure continued compliance with all grant requirements. Resilience and the Grants teams will continue to work together to ensure this process is adhered to.

Person Responsible

Brian Fisher – Hawaii Emergency Management Agency – Disaster Assistance Project Manager
Lauren Mark – Hawaii Emergency Management Agency – Grants Program Manager

Anticipated Date of Completion

The Risk Assessment Policy was implemented on February 8, 2023 and outlines steps to be taken by all Grants Team members and Resilience Branch Point of Contacts to ensure compliance.

TRAINING AND TECHNICAL ASSISTANCE (T&TA) PLAN TEMPLATE

1.0 – GENERAL INFORMATION

COMMENTS THAT DO NOT GENERALLY FIT INTO THE AVAILABLE TABLES BELOW

Training and Technical Assistance (T&TA) needs are evaluated using training assessment surveys, areas of improvements identified during monitoring visits by the Weatherization Program Specialist and Program Administrator, and desk monitoring. The state T&TA budget is calculated based on the amount of training that will be provided by DLIR-OCS during the program year and the estimated costs associated with attending national conferences(i.e., airfare, lodging and per diem)

DLIR-OCS plans to use T&TA funds to expand the weatherization workforce by allocating T&TA funds to Subgrantees to use for their training new hire staffs.

DLIR-OCS plans to use T&TA funds to encourage Subgrantees' WAP staff to continue to improve the quality of work, and train new staff.

2.0 – OVERALL T&TA PLAN

YOUR OVERALL T&TA PLAN MUST INCORPORATE SUGGESTIONS AND FEEDBACK THE FOLLOWING ELEMENTS.

FEEDBACK FROM INTERNAL AND EXTERNAL REVIEWS, EXAMPLES INCLUDE:

- FEEDBACK FROM DEPARTMENT OF ENERGY (DOE) PROJECT OFFICER (PO) MONITORING VISITS
- INTERNAL STATE AUDITS
- GRANTEE MONITORING OF THE SUBGRANTEES
- OFFICE OF INSPECTOR GENERAL (OIG) REPORTS
- AMERICAN CUSTOMER SATISFACTION INDEX FEEDBACK, AND
- OTHER. EXAMPLES INCLUDE:
 - TRAINING FEEDBACK
 - TRAINING RETENTION ACTIVITIES

DLIR-OCS training needs assessment survey incorporates suggestions and feedback from Subgrantee monitoring visits, American customer satisfaction index feedback and general feedback from DOE's monitoring visits.

EXISTING OR PLANNED ACCREDITED TRAINING CENTER PARTNERSHIP OR WORKING RELATIONSHIP.

DLIR-OCS works with NASCP and Energy Outwest to find accredited training centers and trainers who can provide effective training specific to the State of Hawaii's weatherization program.

PREPARATIONS FOR FUTURE/UPCOMING PROGRAM REQUIREMENTS, EXAMPLES INCLUDE:

- **UPDATED STANDARD WORK SPECIFICATIONS (SWS)**
- **MIGRATION TO ONLINE WEATHERIZATION ASSISTANT**
- **INCLUSION OF SPECIFIC LANGUAGE FROM WEATHERIZATION PROGRAM NOTICES (WPN)**

DLIR-OCS updated Hawaii's Field Guide, approved as of March 23, 2022 to ensure alignment with the Standard Work Specifications.

DLIR-OCS updated Hawaii's priority list on July 7, 2021 to include small multifamily homes. the field standards to ensure alignment with the Standard Work Specifications.

WHAT PROTOCOLS ARE IN PLACE WHICH ENSURE UNTRAINED STAFF ARE NOT LEFT WITHOUT SUPERVISIONS DURING FIELD OPERATIONS?

Subgrantees are responsible for training new staff and ensuring supervision during field operations until staff are fully trained. When Subgrantees notify DLIR-OCS that a new staff was hired to provide weatherization services, DLIR-OCS reminds the Subgrantee

to train the new staff.

PARTNERSHIPS WITH THE STATEWIDE HOME PERFORMANCE INDUSTRY ON TRAINING ISSUES; IF APPLICABLE.

Not applicable.

HOW DOES ANALYSIS CONDUCTED, AS DETAILED IN SECTION V.6 OF THE ANNUAL APPLICATION, INFLUENCE THE DEVELOPMENT OF T&TA ACTIVITIES AND PRIORITIES?

DLIR-OCS utilizes training assessment surveys, analysis of findings identified during on-site monitoring by the Weatherization Program Specialist and requests for T&TA made by the Subgrantees to plan T&TA activities.

3.0 – WORKFORCE CREDENTIALS

DESCRIBE THE FOLLOWING ASPECTS OF YOUR T&TA PLAN RELATED TO WORKFORCE CREDENTIALS.

FEDERALLY REQUIRED CREDENTIALS. EXAMPLES INCLUDE:

- ENVIRONMENTAL PROTECTION AGENCY LEAD RENOVATION, REPAIR, AND PAINTING PROGRAM
- HOME ENERGY PROFESSIONALS QUALITY CONTROL INSPECTOR CERTIFICATION

Not Applicable due to WPN 22-4

GRANTEE/STATE REQUIRED CREDENTIALS. EXAMPLES INCLUDE:

- BUILDING PERFORMANCE INSTITUTE BUILDING ANALYST
- GRANTEE-DEVELOPED CERTIFICATIONS

Not Applicable due to WPN 22-4

SUBGRANTEE/LOCAL REQUIRED CREDENTIALS. EXAMPLES INCLUDE:

- CONTRACTOR LICENSING

Subgrantees are responsible for knowing local construction building codes in order to be able to properly assess a unit during the energy audit for any health and safety issues since the Subgrantees do not have any licensed contractors on staff, they are responsible for ensuring their contractors hold the necessary license to conduct business in their island.

INDUSTRY REQUIRED CREDENTIALS. EXAMPLES INCLUDE:

- **EQUIPMENT/MATERIAL MANUFACTURE CERTIFICATION**
- **VENDOR CERTIFICATION**
(E.G. EQUIPMENT/MATERIAL MANUFACTURE CERTIFICATION, VENDOR CERTIFICATION)

Not applicable.

PROCESS FOR MAINTAINING WORKFORCE CREDENTIALS

Not applicable.

HOW CREDENTIALS ARE TRACKED

Not applicable.

4.0 – TRAINING

GRANTEES HAVE TWO OPTIONS TO DESCRIBE THEIR TRAINING.

- USE THE EMBEDDED SPREADSHEET* TO IDENTIFY AND DESCRIBE THE TRAINING SCHEDULE FOR GRANTEE AND SUBGRANTEE STAFF. INCLUDE TECHNICAL AND NON-TECHNICAL TRAINING.
- OR USE THE FIELDS BELOW TO IDENTIFY AND DESCRIBE THE TRAINING SCHEDULE FOR GRANTEE AND SUBGRANTEE STAFF. INCLUDE TECHNICAL AND NON-TECHNICAL TRAINING.

GRANTEE'S ARE TO INCLUDE THE FOLLOWING IN THEIR DESCRIPTIONS REGARDLESS OF WHAT OPTION IS BEING USED TO DESCRIBE THEIR TRAINING PLAN:

- SPECIFY WHETHER ATTENDANCE IS MANDATORY, AND THE RAMIFICATIONS FOR NON-COMPLIANCE.
- SPECIFY IF THE T&TA PLAN SPANS MULTIPLE PROGRAM YEARS (PY), INDICATE WHICH TRAININGS ARE INTENDED IN THE CURRENT PY AND WHICH ARE PLANNED FOR FUTURE PYs.

* THE EMBEDDED SPREADSHEET, IF COMPLETED AT THE END OF THE YEAR TO RECORD DELIVERED TRAINING, CAN BE USED AS DOCUMENTATION FOR THE REQUIRED ANNUAL T&TA REPORT. DOUBLE CLICK TO OPEN SPREADSHEET. ENTER INFORMATION AND CLOSE. IT WILL AUTOMATICALLY SAVE YOUR INFORMATION

DLIR-OCS will provide training and technical assistance to staff:

1. Routine Training & Technical Assistance for Subgrantee Staff: Technical assistance covering any programmatic aspect of operations will be provided during monitoring visits by the monitoring staff or if problems are encountered. If the monitoring staff identifies major problems, more extensive technical assistance will be scheduled immediately after the monitoring visit to address the issues identified. Technical assistance related to the actual installation of weatherization measures will be provided either by DOE approved training providers.
2. State Office Staff Training: DLIR-OCS plans to attend the Winter Training Conference tentatively scheduled for 2024 and Annual Training Conference on year 2024. WAP staff will have the opportunity to interact with their peers, gain additional knowledge and skills in the weatherization area and obtain technical training at the conference. In addition, DLIR-OCS will continue to participate in monthly calls-in with DOE and NASCSP.

PROGRAMMATIC/ADMINISTRATION TRAINING
<ul style="list-style-type: none"> • FINANCIAL (I.E. 2 CFR 200) • MANAGEMENT (I.E. 10 CFR 440)
<p>DLIR-OCS encourages Subgrantees to review and evaluate their financial and administrative policies and procedures to see if any updates are necessary. IF DLIR-OCS Identifies any areas of weakness in regard to financial or management procedures, then DLIR-OCS will use a DOE IREC approved trainer to provide a technical support to the Subgrantee.</p>
<p>COMPREHENSIVE TECHNICAL TRAINING ALIGNED TO THE JOB TASK ANALYSIS (IDENTIFY AT WHAT INTERVALS WORKERS WILL RECEIVE REGULAR, COMPREHENSIVE TRAINING AS REQUIRED BY WEATHERIZATION PROGRAM NOTICE (WPN) 15-4)</p>
<ul style="list-style-type: none"> • QUALITY CONTROL INSPECTOR • ENERGY AUDITOR • CREW LEAD • RETROFIT INSTALLER/TECHNICIAN <p>DLIR-OCS Subgrantees require their staff to mandatory training. Since Hawaii is exempt from requiring certified BPI workers, DLIR-OCS Subgrantees are required to ensure that all WAP staff receive the necessary trainings to provide quality weatherization work.</p>
<p>SPECIFIC TECHNICAL TRAINING</p>
<ul style="list-style-type: none"> • TOPICS IDENTIFIED DURING MONITORING VISIT(S) • ENERGY MODELING • HEALTH & SAFETY. ALL H&S TOPICS IN WPN 17-7 REQUIRE SOME LEVEL OF TRAINING FOR ALL AFFECTED WORKERS, THE FREQUENCY OF THIS TRAINING IS A GRANTEE DECISION. EXAMPLES INCLUDE: <ul style="list-style-type: none"> ○ AIR CONDITIONING AND HEATING SYSTEMS ○ ASBESTOS ○ BIOLOGICALS AND UNSANITARY CONDITIONS ○ BUILDING STRUCTURE AND ROOFING ○ CODE COMPLIANCE ○ COMBUSTION GASES ○ ELECTRICAL ○ FORMALDEHYDE, VOLATILE ORGANIC COMPOUNDS (VOCs), FLAMMABLE LIQUIDS, AND OTHER AIR POLLUTANTS ○ FUEL LEAKS ○ GAS RANGE/OVENS ○ HAZARDOUS MATERIALS DISPOSAL ○ INJURY PREVENTION OF OCCUPANTS AND WEATHERIZATION WORKERS ○ LEAD BASED PAINT ○ EPA’S LEAD RENOVATION, REPAIR & PAINTING PROGRAM (RRP)MOLD/MOISTURE ○ PESTS ○ RADON ○ SAFETY DEVICES ○ VENTILATION AND INDOOR AIR QUALITY <ul style="list-style-type: none"> ▪ AMERICAN SOCIETY OF HEATING REFRIGERATION AND AIR-CONDITIONING ENGINEERS (ASHRAE) ○ WINDOW REPAIR, DOOR REPAIR

<ul style="list-style-type: none"> ○ WORKER SAFETY <ul style="list-style-type: none"> ▪ OSHA ○ ADDITIONAL TOPICS AS DESCRIBED IN HEALTH & SAFETY PLAN • CLIENT EDUCATION (TRAINING WORKERS TO CONDUCT CLIENT EDUCATION). EXAMPLES INCLUDE: <ul style="list-style-type: none"> ○ ENERGY SAVINGS STRATEGIES ○ PROGRAM-SPECIFIC INFORMATION. EXAMPLES INCLUDE: <ul style="list-style-type: none"> ▪ WHAT TO EXPECT ▪ ADDITIONAL RESOURCES ○ HEALTH & SAFETY ISSUES
<p>When DLIR-OCS identifies a specific technical training need, DLIR-OCS consults with NASCSP to find the best trainer to help address the technical issues.</p>
<p style="text-align: center;">CONFERENCES. EXAMPLES INCLUDE:</p> <ul style="list-style-type: none"> • ENERGY OUTWEST • BUILDING PERFORMANCE ASSOCIATION • NATIONAL ASSOCIATION FOR STATE AND COMMUNITY SERVICE PROVIDERS • COMMUNITY ACTION PARTNERSHIP
<p>DLIR-OCS encourages Subgrantees to attend technical and programmatic conferences either in person or virtual, and emails information on all national conferences to all Subgrantees.</p>
<p style="text-align: center;">OTHER, PLEASE SPECIFY:</p>
<p style="text-align: center;">DESCRIBE OTHER TRAINING ACTIVITIES HERE</p>

<h2 style="margin: 0;">5.0 – TECHNICAL ASSISTANCE</h2> <p style="margin: 0;">DESCRIBE THE TECHNICAL ASSISTANCE ACTIVITIES INCLUDED IN THE T&TA BUDGET CATEGORY.</p>
PROGRAMMATIC/ADMINISTRATION SUPPORT
None
TECHNICAL SUPPORT
None
HEALTH & SAFETY SUPPORT ACTIVITIES
N/A

MONITORING
WHAT PERCENTAGE OF T&TA FUNDING IS ALLOCATED TO MONITORING? (IF DEFINED IN SECTION B OF THE BUDGET DETAILS WITHIN THE ANNUAL APPLICATION, INCLUDE THAT WITHIN YOUR DESCRIPTION BELOW.)
DLIR-OCS allocated \$1,200 of T&TA funding to monitoring.
OTHER, PLEASE SPECIFY
DESCRIBE OTHER TECHNICAL ASSISTANCE ACTIVITIES HERE

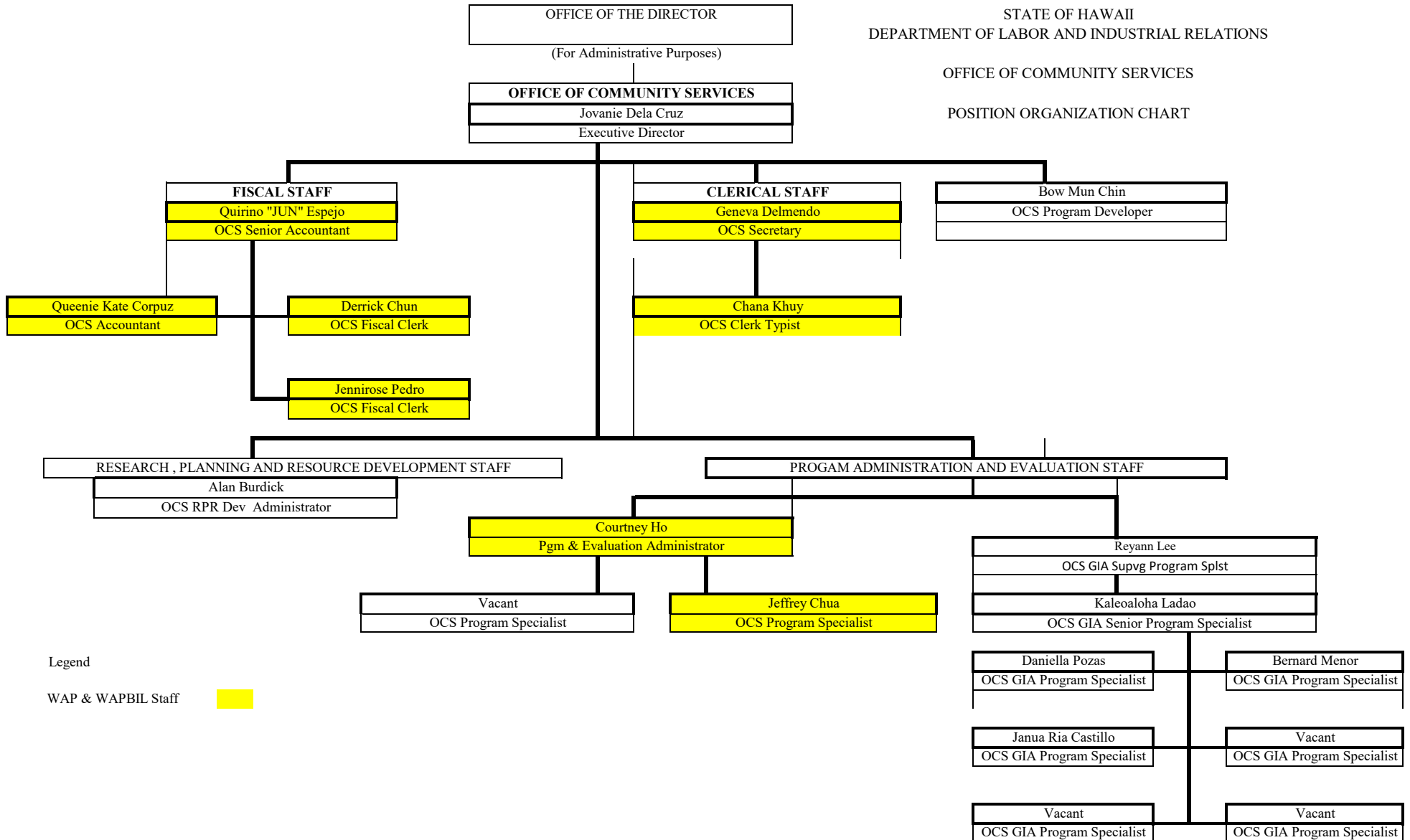
6.0 CLIENT EDUCATION
DESCRIBE WHAT CURRENT AND PLANNED CLIENT EDUCATION MATERIALS AND/OR ACTIVITIES ARE INCLUDED IN THE T&TA BUDGET CATEGORY. ONLY THOSE PAID FOR WITH T&TA FUNDS NEED TO BE MENTIONED.
NOTE: THIS DOES NOT INCLUDE TRAINING WORKERS TO DELIVER CLIENT EDUCATION. THIS SHOULD BE DESCRIBED IN THE TRAINING SECTION, ABOVE.
CLIENT EDUCATION ACTIVITIES PRIOR TO, DURING AND AFTER WEATHERIZATION WHICH ADDRESS THE WEATHERIZATION PROCESS AND ENERGY SAVINGS DETAILS
Subgrantees utilize household income eligibility for the other programs to conduct outreach & education. Client education is also provided more in-depth as part of the final inspection.
<p style="text-align: center;">CLIENT EDUCATION ACTIVITIES REGARDING H&S ISSUES AS INDICATED IN WPN 22-7</p> <ul style="list-style-type: none"> ○ AIR CONDITIONING AND HEATING SYSTEMS ○ ASBESTOS ○ BIOLOGICALS AND UNSANITARY CONDITIONS ○ BUILDING STRUCTURE AND ROOFING ○ CODE COMPLIANCE ○ COMBUSTION GASES ○ ELECTRICAL ○ FORMALDEHYDE, VOLATILE ORGANIC COMPOUNDS (VOCs), FLAMMABLE LIQUIDS, AND OTHER AIR POLLUTANTS ○ FUEL LEAKS ○ GAS RANGE/OVENS ○ HAZARDOUS MATERIALS DISPOSAL ○ INJURY PREVENTION OF OCCUPANTS AND WEATHERIZATION WORKERS ○ LEAD BASED PAINT ○ EPA'S LEAD RENOVATION, REPAIR & PAINTING PROGRAM (RRP)MOLD/MOISTURE ○ PESTS ○ RADON ○ SAFETY DEVICES ○ VENTILATION AND INDOOR AIR QUALITY <ul style="list-style-type: none"> ▪ AMERICAN SOCIETY OF HEATING REFRIGERATION AND AIR-CONDITIONING ENGINEERS (ASHRAE) ○ WINDOW REPAIR, DOOR REPAIR ○ WORKER SAFETY

<ul style="list-style-type: none">▪ OSHA○ ADDITIONAL TOPICS AS DESCRIBED IN HEALTH & SAFETY PLAN
DESCRIBE H&S CLIENT EDUCATION ACTIVITIES/RESOURCES HERE

STATE OF HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS

OFFICE OF COMMUNITY SERVICES

POSITION ORGANIZATION CHART



Legend

WAP & WAPBIL Staff

