

APPENDIX C: Budget Definitions

LIHEAP WEATHERIZATION ASSISTANCE PROGRAM 2019

BUDGET NOTES:

Equipment/ Services: List projected equipment purchases in excess of \$5,000 and services purchases in excess of \$25,000 (Use additional page if necessary). Prior written approval from IHCD is required before purchase can be made utilizing grant funds.

EQUIPMENT/SERVICES ITEMS	COST

EXPLANATION OF LINE ITEMS:

- .1 **ADMINISTRATION:** Subgrantees may use up to 8.5% of total Weatherization expenditures. Costs associated with administration include fiscal, executive, support operations, rent and utilities, supplies etc. This applies to *staff engaged in program administration*.
- .2 **LIABILITY INSURANCE:** Insurance coverage of \$ 750,000.00 covering the risks related to the property and personal liability claims of other parties against the insured party.
- .3 **SUPPLIES:** Direct costs of Weatherization specific supplies such as monoxers, blower doors, draft gauges, combustion analyzers, Sensit Heat exchanger test kits. *The limitation is a unit cost less than \$5,000 dollars.*
- .4 **EQUIPMENT:** Weatherization specific equipment such as vehicles with a unit cost *in excess of \$5,000* may be purchased under this line item. Prior written approval from IHCD is required before purchase.
- .5 **BASE PROGRAM OPERATIONS:** are direct costs and include the following:

The maximum allowable average costs per house may not exceed \$7,000.00 effective October 1, 2015.

Subgrantee Labor Costs: includes compensation of employees whose time and effort is directly involved in material installation, general office support, such as, but not limited to, crewmembers, estimators, inspectors, coordinators, and support staff. **Where employees work on multiple activities, a distribution of their salaries or wages must be supported by equivalent documentation of the activity percentage of work by the employee.**

Contracted Labor: Cost of professional services rendered by persons who are members of a particular profession or possess a special skill and are not Subgrantee staff

Non-labor Program Support includes direct costs of rent and utilities for Subgrantee labor, advertising, consumable supplies, office equipment, furnishings, and computer equipment.

Purchases charged will be at their actual prices after deducting all cash discounts, trade reimbursements, discounts or rebates and allowances.

Materials: Costs of installed materials by Subgrantee and contracted labor.

Material Handling: Actual costs including Warehousing Facility Costs such as leases, utilities and security. Transportation costs associated with material delivery, staff transportation to the work sites, vehicle maintenance and depreciation. Direct costs of staff including salaries, purchases etc. whose tasks involve with Inventory control. **Where employees work on multiple activities, a distribution of their salaries or wages must be supported by equivalent documentation of the activity percentage of work by the employee.**

- .6 **MECHANICAL OPERATIONS:** are direct costs associated with testing and evaluation of mechanical systems where at least \$300.00 has been obligated for work on combustion appliances in a dwelling. Allowable expenditures include Subgrantee labor costs, contracted labor, materials, and manufacturing of weatherization equipment as outlined above in the .5 Program Operations line item. ***The maximum allowable average amount is \$4,500.00 effective October 1, 2015.***
- .7 **CAPITAL INTENSIVE OPERATIONS:** are direct costs that include at least \$300 in mechanical systems repair or maintenance and base program functions have been performed. Allowable expenditures include Subgrantee labor costs, contracted labor, materials, and manufacturing of weatherization equipment as defined above in the .5 Program Operations line item. ***The maximum allowable average amount is \$11,500.00 effective October 1, 2015.***