**Section 100.430 Cost Restrictions**

a) The following cost restrictions apply to funds allocated to the county for IHWAP, which are based on such factors as the number of basic component activities conducted in the previous year.

1) Of those funds provided for weatherization materials, labor and related program support specified in 10 CFR 440.18(c) (1995), an amount not to exceed 25% of applied labor and materials will be allowed for program support.

2) Of those funds available to provide weatherization materials, labor, and related program support specified in 10 CFR 440.18(c), no more than $2500 (U.S. Department of Energy), $5000 (U.S. Department of Health and Human Services) and $7500 (State) may be spent on any one dwelling unit.

3) Expenditures for IHWAP may include:

A) the cost of purchase and delivery of weatherization materials;

B) labor costs to supplement wages paid to training participants and to employ labor or to engage contractors to install weatherization materials;

C) transportation of weatherization materials, tools, equipment and work crews to a storage site and to the site of weatherization work;

D) maintenance, operation, and insurance of vehicles used to transport materials and laborers;

E) maintenance of tools and equipment;

F) purchase or lease of tools, equipment and vehicles;

G) employment of on-site supervisory personnel;

H) storage of weatherization materials, tools and equipment;

I) the cost of incidental repairs if such repairs are necessary to make the installation of weatherization materials effective; and

J) the cost of liability insurance for weatherization projects for personal injury and property damage.

4) No grant funds may be used for any of the following purposes:

A) to weatherize a dwelling unit that is designated for acquisition or clearance by a federal, State or local program within 12 months from the date weatherization of the dwelling unit would be scheduled to be completed; and

B) to install or otherwise provide materials for a dwelling unit weatherized prior to October 1, 1993 with grant funds under this or other federal weatherization programs administered by HHS or DOE, unless the dwelling unit has been damaged by fire, flood or act of God and repair of the damage to weatherization materials is not paid for by insurance.

b) The following cost restrictions apply to IHWAP heating system work. Cost restrictions for the various types of service to be offered (tune-up, repair, retrofit, replacement) shall be promulgated annually by the Department no later than July of each program year.

1) Expenditures for heating system work may include the following:

A) the costs to purchase and deliver weatherization materials for heating systems, including automatic or mechanical furnace ignition devices; flue vent devices; materials for heating and cooling system tune-ups, repairs and retrofit modifications that will result in improved energy efficiency; heat exchangers; waste heat recovery devices; replacement burners, furnaces, or boilers or any combination; replacement space heaters where the space heaters were permanently installed, including wood/coal burning stoves; products to improve the efficient circulation of heated water or air throughout the dwelling unit (e.g., fansystems, piping, ductwork, etc.); decentralized domestic water heaters; and

B) the costs of material handling, such as storage, transporting, purchasing, inventory and other related costs.

2) Labor and related program support costs include:

A) the costs to install supplemental weatherization materials by a Heating, Air Conditioning and Refrigeration contractor who has been licensed by a municipality if the municipality licenses contractors in accordance with Section 11-32-1 of the Illinois Municipal Code [65 ILCS 5/11-32-1].

B) the costs of related program support, such as assessment/audits, final inspections, equipment, small tools and other local agency costs associated with providing weatherization assistance to eligible persons/dwelling units.

3) The costs of local agency liability insurance for weatherization projects for personal injury and property damage.

(Source: Section 100.430 recodified from 89 Ill. Adm. Code 109.430 at 33 Ill. Reg. 9466)