

**E-mail MEMO:
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MEMO

WX-2017-2

TO: Agency Directors, Fiscal Officers and Weatherization Coordinators
FROM: Steve Divan, Weatherization Program Manager
RE: Weatherization Funds for Remodel/Move Expenses
DATE: 6/28/2017

Greetings,

During recent fiscal monitoring visits, it was determined that moving and remodeling expenses require prior approval from OHCS before weatherization funds may be utilized. The intent of this memo is to provide guidance in an effort to eliminate any potential misunderstandings in the future.

The CFR referencing this requirement is:

[§200.462 Rearrangement and reconversion costs.](#)

(a) Costs incurred for ordinary and normal rearrangement and alteration of facilities are allowable as indirect costs. Special arrangements and alterations costs incurred specifically for a Federal award are allowable as a direct cost with the prior approval of the Federal awarding agency or pass-through entity.

(b) Costs incurred in the restoration or rehabilitation of the non-Federal entity's facilities to approximately the same condition existing immediately prior to commencement of Federal awards, less costs related to normal wear and tear, are allowable.

In the event your agency is planning to remodel an existing or new space or planning a move, it will be necessary to submit a request to OHCS for advance approval. This request will be in writing and shall include:

- Projected costs;
- Grants to be used;
- Work scope of the remodeling;
- Requests will be sent to the Weatherization Program Manager.

If you have any questions, please contact me at (503) 986-0979.

Best Regards,

Steve Divan
Weatherization Program Manager