

Weatherization Assistance Program MONITORING PLAN

I. PURPOSE

The rules governing the Weatherization Assistance Program (WAP) require the Program be monitored, but the monitoring methods are intentionally flexible. The following guidelines have been established by a committee comprised of Department of Energy (DOE) Headquarters staff, Project Management Center (PMC) Project Officers and Managers, and National Energy Technology Laboratory (NETL) procurement staff.

The purpose of these monitoring guidelines is to provide direction to the monitoring teams, specifically the Contracts Specialists and Project Officers assigned the responsibility of monitoring the Weatherization Assistance Program at the State (Grantee) level. The purpose of monitoring is to provide an objective review and analysis of the specific programs by focusing on:

- The programmatic requirements of the grant – reviewing the accomplishments, adherence to state plans, milestones, and production – against the mission of the program.
- The administrative requirements of the grant – reviewing records for compliance against the States' policies and procedures and the Federal rules and regulations.

II. BACKGROUND

In administering the DOE grant funds, the PMC Project Officers and Contracts Specialists are responsible for monitoring and evaluating Grantees' operations. Monitoring is an effective management tool for evaluating program performance against the State Plan and identifying training and technical assistance needs. The monitors, specifically the Project Officer and Contracts Specialist, must have sufficient documentation to support findings and are expected to use professional judgment in arriving at conclusions concerning the sufficiency of programmatic, administrative, and financial management.

The effectiveness, depth, and validity of evaluative assessment depend a great deal upon the analytical skill and ability of the monitors to recognize need for assistance and/or corrective action. The monitors should have a thorough knowledge of program regulations, policies and guidelines, as well as, what constitutes the necessary components of effective program implementation. A general approach for monitoring Grantees is, therefore, set forth and can be adapted to the needs of a particular State as circumstances warrant.

III. OBJECTIVES

- To determine whether Grantees' policies, processes, and procedures for management, accounting, procurement, and property control systems are in place and functioning adequately;
- To determine whether costs reimbursed are auditable, (i.e., allowable, reasonable, trackable, and allocable under the grant terms and conditions, OMB Circulars, and applicable DOE Regulations and Guidelines);
- To assist the Grantee in implementing strategies and processes adopted by DOE and the network and ensure these strategies are being effectively carried out (e.g., Weatherization *Plus* Initiatives).

- To identify administrative, programmatic, financial, and technical problems that, when corrected, will result in improved program management or efficiency;
- To determine whether there is a need for training and technical assistance to strengthen and improve the Grantees' program operations;
- To evaluate DOE Grantees' monitoring of their Subgrantees for compliance with applicable regulations and policies, to identify weaknesses, and to provide recommendations for improvements, if needed.

IV. PROGRAM OVERSIGHT

DOE Headquarters

DOE Headquarters is responsible for the oversight and operation of the WAP. Headquarters is also responsible for establishing the overall monitoring policy and procedures, recognizing training and technical assistance opportunities, and identifying areas of coordination with other federal programs. The goal is to administer the program consistently throughout the nation.

The WAP utilizes the WinSAGA system to manage the WAP grants. DOE Headquarters reviews the WinSAGA reports and data and looks for areas of overlap and opportunities to provide technical assistance. In addition to the regular review of reports, Headquarters staff should make an annual trip to the PMC at each location to engage in program review discussions with PMC staff. Together, the PMC and Headquarters staff should review the current monitoring procedures and schedules in place. If possible, this review should coincide with a PMC monitoring visit to a Weatherization Grantee and, if plausible, a Weatherization Subgrantee. Such site visits will allow Headquarters staff the benefit of seeing firsthand the Program at the State and local level.

V. MONITORING ROLES

PMC Project Officers

The primary purpose of the PMC's monitoring of Weatherization Grantees is to ensure compliance with applicable Federal program regulations, Office of Management and Budget Circulars, and Program Guidance and offer suggestions to maximize the effectiveness of WAP activities. Programmatic and administrative monitoring also ensures projects are on track and on schedule.

Desk Monitoring

Desk monitoring allows the PMC to review the status of projects and activities included in the State Plan and to assess the financial status of the program. The WAP utilizes the WinSAGA system to manage the WAP grants. Quarterly/annual reports are filed by the States. Financial and project status are included in these reports. Review and approval of these reports and written response from the PMC on activity progress is the primary monitoring requirement for the WAP. The PMC should document its quarterly/annual review of Grantee submissions and provide feedback to each Grantee.

The PMC has the authority and responsibility to contact a Grantee to question why milestones are behind schedule, obtain more information about major accomplishments to highlight activities for DOE Headquarters, determine the reason for a low expenditure rate, inquire if technical assistance is needed in a certain area, or offer suggestions that are project-specific so information can be shared. This feedback and all correspondence from each Grantee should be included in the official grant file.

On-Site Monitoring

The PMC should conduct a formal on-site monitoring visit to each Grantee at least every 24 months. In coordination with Headquarters, the PMC will determine a monitoring schedule that considers the availability of program direction funds, the availability of programmatic and administrative management staff, and Grantees prior performance. This schedule should allow for at least one site visit per state within a 24 month period. Exceptions to this requirement should be justified by the PMC Project Officer and Contracts Specialist to the Headquarters Program Liaison.

To take full advantage of the on-site monitoring, certain steps should be taken. Section “V. On-Site Monitoring Steps” of this document provides specific guidelines and steps that should be followed to ensure a thorough and consistent monitoring approach.

Contracts Specialists

The Contracts Specialists are responsible for monitoring the Grantees for financial compliance against Grantee policies and procedures and Federal rules and regulations. Again, the goal is to administer the program consistently throughout the nation.

Through review of the WinSAGA reports, the Contracts Specialist will identify any areas of concern or any discrepancies in the financial procedures. Contracts Specialists will provide an administrative review, based on the submissions from the State and information contained in the WinSAGA reports, and submit a written assurance to the PMC Project Officer including a summary paragraph for inclusion in the final report going back to the State. The Contract Specialist’s report will be coordinated with the PMC Project Officer’s report and then placed in the official grant file.

VI. ON-SITE MONITORING STEPS

Step 1 - Pre-trip review of records and files at the Project Management Center

1. Prepare a monitoring file or notebook to include:
 - A copy of the Monitoring Guidelines
 - A copy of the Grantee’s State Plan
 - A copy of the awarding documents and most recent modifications, if useful
 - A copy of any pertinent documents, if useful, including notations of any items that need to be researched further on-site (missing report information, etc.)
2. Read and analyze data from **Weatherization** State Plan and any performance or financial reports to determine:
 - Average cost per unit (PUA)
 - Ratio of expenditure categories to each other (Admin., Program Operations, H&S, etc.)
 - Past performance; planned units vs. actual units completed
 - Planned expenditures vs. actual expenditures
3. Review prior monitoring reports related to this Grantee to include any prior visit findings and/or resolutions, program reviews and/or other program evaluations
4. Determine status of Financial Audits. Are there unresolved, questioned issues, or findings from current or previous audits?
5. Review the following if they have been received from the **Weatherization** Grantee:
 - Sample of Grantee monitoring instrument
 - Copies of Grantee Policies, Procedures, and Field Guides or Standards
 - Copy of Grantee T&TA Plan

6. Add pertinent materials from the above review to the monitoring file
7. Prepare a list of possible questions to be asked the Grantee related to the above materials, if necessary
8. Review any issues or concerns regarding the Grantee with other PMC staff, Contracts Specialists, and HQ staff

Step 2 – Mailing of Monitoring Schedule and Preparatory Notes to Grantee

In setting up the monitoring visit, the PMC Project Officer should interface with the Program Manager at the State to determine the time/dates that will work for both the PMC and the Grantee. In this exchange, the Project Officer should articulate the objectives of the monitoring visit (e.g., scope, program year(s) to be covered, whether the visit will include field visits, and staff that should be available during the visit).

During this call, or immediately following, the PMC Project Officer and Contracts Specialist should devise a list of documents the State should forward for review and/or submit prior to the site visit. (See Attachment 1 for *Pre-Visit Items to be Sent/Received from Grantee* and Attachment 2 for the *WAP On-Site Monitoring Instrument*.) By receiving these documents in advance, the PMC Project Officer and Contracts Specialist can review and flag specific issues that need to be addressed or researched further, saving time during the on-site visit.

All information related to the monitoring visit – dates, scope, anticipated state participants, and items requested should be sent via mail or email to the signature authority on the grant with copies to the State Director and Program Manager.

Step 3 - Pre-monitoring Orientation briefing to Grantee Management at Grantee's office

Arrange for a pre-monitoring orientation briefing. If possible, this meeting should include all personnel who work with the Program or are paid with funds from the grant. Record the list of participants for the visit report.

The orientation briefing should include the following:

- An explanation of what the monitor (or monitoring team) plans to accomplish during the trip, i.e., the broad purpose and scope of the visit;
- An opportunity for the Grantee and PMC Project Officer (and Headquarters and/or Contracts Specialist, if applicable) to get acquainted and understand job functions and responsibilities related to the grant;
- The opportunity for the PMC Project Officer and Grantee staff to establish a schedule of proposed activities for the remainder of the visit. The exit briefing should be scheduled during this meeting, as well. An attempt should be made to include in the exit interview all personnel who attended the orientation (initial) briefing and any other pertinent Grantee management staff.

Step 4 - Using the On-Site Monitoring Instrument, cover the following:

Programmatic and Administrative Management Areas:

- 1. Organization**
 - Grantee
 - Subgrantees
- 2. General Administration and Program Management**
 - Plan Development
 - Policy Advisory Council
 - Implementation
 - Feedback and Reporting
- 3. Technical Management and Administration**
 - Energy Audits
 - Field Work
 - Rental Property
 - Health and Safety
- 4. Training and Technical Assistance**
- 5. Monitoring**
- 6. Local Agency Visit and Observations**
- 7. Success Stories**
- 8. Miscellaneous Questions**

Financial Management Areas:

- 1. Financial Management and Administration**
- 2. Payroll and Personnel**
- 3. Equipment**
- 4. Supplies/Materials**
- 5. Procurement**
- 6. Record Retention**

Step 5 – Summation of Monitoring Results

The PMC Project Officer, or monitoring team, should detail in their notes any observations, concerns, and findings during their review/visit, along with, the resulting recommendations and/or required actions. In most instances, the summation of results will be a series of observations and/or concerns and the recommended actions.

Formal findings and the required actions are only cited in the case of non-compliance. By definition, formal findings are the actual determinations made by the PMC Project Officer and/or Contracts Specialist, based upon the results of his or her monitoring of the WAP grant. The purpose of stated findings is to facilitate review or action by WAP officials while disclosing the grounds (or basis) for the recommendations and required actions directed by the PMC Project Officer and/or Contracts Specialist.

Step 6 - Exit briefing

At the conclusion of the review, the PMC Project Officer, or monitoring team, creates a list of concerns, findings, or observations, as well as program strengths and weaknesses, in preparation for the exit briefing. The PMC Project Officer also prepares a list of corrective actions, if necessary, and helps develop a plan for implementing the improvements.

Any suspected findings of waste, fraud, or abuse should not be identified in those terms, but should be identified as findings of a serious nature during the exit briefing. Findings appearing to be of a serious nature will be carefully reviewed with PMC and Headquarters Management staff, and any further follow-up may involve communications from other people and agencies, as necessary.

During the exit briefing, the PMC Project Officer should also ask if there are any suggestions for improving any of the applicable DOE procedures or processes.

Step 7 - Final Report

The Final Report should articulate any specific items identified in either Step 5 or Step 6 and any concerns or issues raised by the Contract Specialist during their desk monitoring, if they were not on the actual site visit. Any actions required by the State should be addressed in the first few paragraphs of the report. Where there are suspicions of waste, fraud, or abuse, they should be clearly identified, along with any additional follow-up that may be necessary, in the Final Report sent to the State.

The Final Report should be sent to the signature authority on the grant with a copy sent to the agency head (Director, President, Secretary, etc.) and Program Manager within 45 days of the visit and must specify how long the State has to respond to the report.

A cover letter transmitting the Final Report, signed by the PMC Intergovernmental Projects and Outreach Division Director, at the respective location, should accompany the Final Report. The report itself is signed by the reviewing officials, the PMC Project Officer and Contracts Specialist.

Step 8 – Follow-Up with Grantee on any Actions Required

After the Grantee responds to the report, the PMC accepts or rejects the Grantee's response. The response may include commitments to certain actions to remedy any findings cited during the site visit. If so, these actions should be monitored routinely through desk monitoring and, if necessary, a follow-up site visit initiated.

If the Grantee's response is rejected by the PMC, further negotiations and correspondence are required. If the Grantee fails to respond, the PMC sends another copy of the final report and any specific findings that require Grantee action. If the Grantee still does not respond or refuses to comply, the PMC can consider initiating remedial actions contained in the DOE Financial Assistance Rules (10 CFR Part 600.243). Once the PMC accepts the Grantee's response, the PMC sends the Grantee a final letter of acceptance. All copies of correspondence are kept in the official grant file and a copy is sent to DOE Headquarters.

VII. REFERENCES – RULES, REGULATIONS, AND GUIDELINES

Specific regulatory criteria for the Weatherization Assistance Program will be found in the following publications:

Programmatic and Administrative:

- (1) Department of Energy Weatherization Assistance for Low-Income Persons – 10 CFR, Part 440, Final Rule, as amended
- (2) Weatherization Assistance Program Guidance Documents and Program Notices

Financial:

- (1) Title 10 – Code of Federal Regulations – Part 600 (10 CFR 600) – Uniform Administrative Requirements for Grants and Cooperative Agreements
- (2) 2 CFR, Part 225 - Cost Principles for State, Local, and Indian Tribal Governments (OMB Circular A-87)
- (3) 2 CFR, Part 230 - Cost Principles for Non-Profit Organizations (OMB Circular A-122)
- (4) Office of Management and Budget (OMB) Circular A-133 - Audits of States, Local Governments, and Non-Profit Organizations (Single Audit Act)

Attachment 1

Pre-Visit Items to be Sent/Received from Grantee

1. Send to Grantee the following information:
 - Dates of visit
 - Scope of visit (type of monitoring & what the visit will include)
 - Program year(s) to be covered
 - Decide if visit will include Subgrantee site visits and if so, the scope/schedule/location for visits
 - Draft tentative schedule to review with Grantee Program Manager
 - Determine Grantee agency staff that will need to be available during the visit
 - Copy of On-Site Monitoring Instrument with any additional specific instructions or requests to have the information returned prior to the visit
 - Draft Initial Briefing/Orientation notes and agenda to include:
 - Introductions
 - Background information on monitor(s)

2. Confirm/request of Grantee Program Manager the following:
 - All the information listed above
 - Reserve time with key personnel (e.g. Agency Director, Fiscal Officer, etc.)
 - Ask for the following items to be either sent in advance or ready for review during the visit:
 - Programmatic/Administrative*
 - Organizational/Management Chart
 - Sample monitoring records and files
 - Grantee Administrative/Program Policies/Procedures
 - On-Site Monitoring Instrument to be reviewed and completed as much as possible prior to visit, if possible
 - Financial*
 - Most recent Financial Audit of Grantee (and correspondence of Findings)
 - Grantee Procurement Policies/Procedures
 - Sample copy of Grantee/Subgrantee Contracts
 - Any other grants the Grantee holds that fall under WAP's purview
 - Make Other Arrangements:
 - Tell Grantee Program Manager arrival time at the Grantee office
 - Ask for initial meeting with all appropriate staff for basic introductions and orientation of visit
 - Ask for a small room with telephone to be made available for use by PMC Project Officer, or monitoring team, during the visit, if possible

Weatherization Assistance Program On-Site Monitoring Instrument

I. PROGRAMMATIC AND ADMINISTRATIVE MONITORING

- 1. Organization**
 - Grantee
 - Subgrantees

- 2. General Administration and Program Management**
 - Plan Development
 - Policy Advisory Council
 - Implementation
 - Feedback and Reporting
 - Rental Property

- 3. Technical Management and Administration**
 - Energy Audits
 - Field Work
 - Health and Safety

- 4. Training and Technical Assistance**

- 5. Monitoring**

- 6. Local Agency Visit and Observations**

- 7. Success Stories**

- 8. Miscellaneous Questions**

II. FINANCIAL MONITORING

- 1. Financial Management and Administration**
 - Payroll and Personnel
 - Equipment
 - Supplies/Materials
 - Procurement
 - Record Retention

I. PROGRAMMATIC AND ADMINISTRATIVE MONITORING

1. ORGANIZATION

Grantee Organizational Structure:

Review the Grantee organization chart with the Program Manager and note the following:

- a. Provide a brief description of the organization that administers the Weatherization Assistance Program.
- b. Does the description provided in the State Plan for all personnel paid for with grant funds match the organization chart?
- c. Are there written, up to date, job descriptions for all personnel?
- d. What is the staffing level and balance among staff (administrative, technical, and financial, etc.)?
- e. Does the time spent on the grant as indicated in the State Plan match the actual time spent working on the Program?
- f. Are there any other agreements that are currently run through this Grantee?

Subgrantees:

- a. Is each Subgrantee a Community Action Agency, local government, or non-profit agency?
- b. Has each Subgrantee been selected on the basis of comment at a public hearing and does it have the following: experience and current performance in Weatherization activities; experience in serving low-income persons, and capacity to undertake work on a timely basis?
- c. How many Subgrantees are administering the WAP? Review a map of their territories and the number of units planned for completion, for feasibility, practicality and cost-effectiveness.
- d. Do Subgrantees have waiting lists and if so how long are they?
- e. Who determines income eligibility of applicants? Please explain the process and provide copies of guidance provided to Subgrantees on the procedures they must follow.
- f. What are the priority criteria for serving eligible applicants? (High energy users, high energy burden, elderly, physically challenged, etc.) Do the reports reflect the stated priority?
- g. Are there specific issues with Subgrantees that DOE should be aware of?

2. GENERAL ADMINISTRATION AND PROGRAM MANAGEMENT

Plan Development:

- a. What instruments and procedures are in place and used by the Grantee to ensure compliance with program objectives and Federal regulations and policies?
- b. How is Quality Assurance implemented and measured?
- c. Describe the rationale used for planning future program production and expenditure levels.
- d. How are the Subgrantee production goals determined?
- e. What is the process for the development of the State Plan?
- f. How are the Per Unit Average and the split between program operations and administrative costs determined?
- g. Is there a feedback system in place to provide the Subgrantees with progress reports and updates relative to their role in the implementation of the State Plan?

Policy Advisory Council (PAC):

- a. Explain the composition of the PAC, how it is determined, the length of service, and how the council membership is renewed.
- b. How does the PAC review the State Plan and do they provide any input?
- c. Has the PAC been involved in major policy decisions in the past year?
- d. How often does the PAC meet?
- e. Are minutes from the last meeting available?

Implementation:

- a. How does the Grantee determine the amount of Administration funds for both the Grantee and the Subgrantees?
- b. Are there procedures in place to provide additional administrative funds to qualified Subgrantees that fall under \$350,000?
- c. How are T&TA activities/expenditures influenced by the production goals of the individual Subgrantees?
- d. How often does the Grantee hold meetings with the Subgrantees?
- e. Are there a stated number of units which must be weatherized in the contracts with Subgrantees?
- f. Do the contracts contain conditions which are specific to certain organizations?
- g. Do the local agencies receive funds from more than one funding source for Weatherization activities?
- h. What are the funding levels?

- i. Are other funds expended separately or in conjunction with the DOE Program?
- j. Does the Subgrantee account for different funding sources by unit? By measure?
- k. Does the Subgrantee maintain separate files for different funding sources?

Feedback and Reporting:

- a. Are there adequate written procedures for the preparation and submission of DOE reports including timing of reports and requirements of the final report?
- b. Are the current contracts between the Grantee and Subgrantees signed and properly executed by both parties?
- c. Is there a data base collection system, with individual unit data in place for use as a management tool?
- d. Who prepares quarterly reports to DOE: Financial Status Report (FSR) and Program Status Report (PSR)? Who submits them to DOE?
- e. How does the Grantee ensure that quarterly reports are completed accurately and submitted on time to PMC?
- f. How are the Per Unit Average and the split between program operations and administrative costs determined?
- g. Is there a process the Grantee uses for regularly comparing planned statewide production and expenditure goals to actual production and expenditures? If so, how often are comparisons made and by whom?
- h. What sanctions are imposed on Subgrantees not meeting their production goals?
- i. What are the major barriers and obstacles, both currently and perpetually, which make program administration and management challenging to the Grantee?
- j. Explain the Grantee processes for identifying and correcting performance problems. (If applicable, are there copies of letters and reports to Subgrantees?)

Rental Property:

- a. Are rental units being weatherized under the DOE Weatherization Grant?
- b. Are financial contributions required from the landlord in order to do weatherization?
- c. What assurance is there that rental property is not being unduly or excessively enhanced?
- d. Is there a Rental Agreement in the State Plan, and are the Subgrantees using it?

- e. Is there a plan to ensure that the benefits of the WAP program to the occupants of rental units are protected?

3. TECHNICAL MANAGEMENT AND ADMINISTRATION

Energy Audits:

- a. Does the Grantee have up to date DOE-approved energy audits or priority lists that the Subgrantees use for:
 - Single Family Units?
 - Mobile Homes?
 - Multi-Family Units?
- b. When were the audits/priority lists last approved by DOE?
- c. What requirements are in place to ensure that energy audits are conducted (or priority lists consulted) prior to any weatherization work?
- d. Are the input variables updated at the Subgrantee level (e.g. costs for materials and labor, weather, unit characteristics, etc.) and how often?
- e. How are costs for energy-related incidental repairs treated with regard to the energy audit?
- f. Who conducts the energy audit, or selects the applicable priority list, and how are they trained?
- g. Are there procedures in place to ensure the auditors are qualified, such as certification or number of required training hours before hiring or within a certain period after employment?

Field Work:

- a. Does the Grantee have a Field Guide or Program Standards document that describes how Weatherization field work is being performed?
- b. How is the Weatherization field work being performed at the local level? Do the Subgrantees use in-house crews or subcontractors for weatherization installations? Please provide a breakdown of who uses in-house labor vs. subcontractors and for what purposes.
- c. When subcontractors are used, who provides the materials for the work being completed, the Subgrantees or subcontractors?
- d. When subcontractors are used, does the Grantee review the procurement bid packages and specifications for work?
- e. Does the Grantee review procurement of subcontractors to ensure free and open competition?
- f. How do Subgrantees ensure subcontractor compliance with their contract and with program rules and regulations?
- g. Do Subgrantees inspect non-employee (contractor, volunteer, etc.) work prior to making payments?

- h. Is there evidence of problems with subcontractors (quality of work, billing, timing, training), and if so, how are these problems resolved?
- i. Are blower door tests conducted on houses weatherized? And, if so, how often and what is the process? (For example, on every unit; pre- and post-testing, interim testing during work, etc.)
- j. Are other diagnostic tests, such as pressure differential measurements, combustion appliance testing, etc?
- k. Do the Subgrantees conduct 100% inspections of completed units? How does the Grantee check this?
- l. How does the Grantee ensure that units are inspected prior to the Subgrantee submitting them as completed units?
- m. What is the title of the individual that conducts the final inspection of completed jobs? Is this individual responsible for any other work on the unit?
- n. Are there requirements in place that document the completion of the inspections and who performed them?
- o. If an inspector finds work that needs to be re-done or corrected, what are the processes and procedures?
- p. Is a client signature required upon completion of work?
- q. How does the Grantee ensure that materials and measures installed by Subgrantees are in compliance with DOE's Appendix A?
- r. How many units of production does the Grantee inspect on an annual basis? Who performs the inspections?
- s. Does the Grantee's Weatherization Program Manager review inspection procedures conducted by Grantee staff, and if so how often?

Health and Safety:

- a. Does the Grantee have an approved written Health and Safety Plan? Has it been updated in accordance with the current Health and Safety Program Notice and the most recent Annual Program Guidance?
- b. Are health and safety procedures and priorities being implemented as required in the program guidance?
- c. Have all pertinent Subgrantee staff received the required health and safety training (Lead Safe Weatherization, Moisture and Mold, etc.)?
- d. Does the Grantee require each Subgrantee to have a designated "competent Health and Safety Officer"?

- e. Does the Grantee require the use of respiratory equipment by Subgrantee personnel? If so, are pulmonary exams required of staff prior to use of respirators?
- f. Does the Grantee require Subgrantees to have a hazardous materials communication program to inform workers about potential hazards regarding materials used?
- g. Does the Grantee require Subgrantees to maintain Material Safety Data Sheets (MSDS)?
- h. Does the Grantee require Subgrantees to inform clients of the hazardous materials used on the client's home and to determine if any member of the client's household has any medical condition that may require specific precautions during weatherization work? Who is responsible for notifying the clients?

VIII. MONITORING

Subgrantee Monitoring

- a. Does the Grantee use a monitoring guide/instrument that addresses administrative, financial, programmatic, and technical aspects of the Subgrantee's performance? If so, please provide a copy.
- b. Does the monitoring guide include a review of all major areas covered by the Subgrantee contract and the State Plan?
- c. How often are Subgrantees monitored?
- d. How many Subgrantees were monitored in this program year?
- e. What processes and procedures are in place for tracking findings from Grantee monitoring visits and ensuring that program goals and objectives are being addressed and accomplished?
- f. What sanctions are imposed for Subgrantees that fail to comply with program requirements?
- g. Are the monitoring files complete with completed forms, reports/letters, and documentation of actions required?
- h. Are there issues that the Grantee is not raising with Subgrantees, but should, such as: per unit averages; administration to program operations expenditure ratios; low or high expenditure homes being done frequently, etc.?
- i. Does the Grantee regularly receive financial audits of Subgrantees, and are they reviewing and taking action on them?
- j. Does the Grantee ensure that Subgrantees are purchasing the minimum required insurance policies, such as liability and Pollution Occurrence Insurance?
- k. How does the Grantee ensure that client eligibility criteria is being met?
- l. How does the Grantee review timekeeping practices and procedures at the Subgrantee level?

IX. TRAINING AND TECHNICAL ASSISTANCE (T&TA)

- a. How does the Grantee determine the needs and allocate/use T&TA funds (e.g., monitoring, state central procurement of training versus local procurement of training, etc.)?
- b. Explain how training is provided on the following activities, and are they addressed in the State Plan?
 - Technical Training
 - Program Management Training
 - Procurement Training
 - Subcontracting Training
 - Inventory Control Training
 - Health and Safety Training
- c. Are the T&TA activities listed in the State Plan being conducted? (both Grantee and Subgrantee)
- d. How does the Grantee determine the training needs, the use of T&TA funds, and their allocation?
- e. How does the Grantee monitor the use of T&TA funds provided to Subgrantees?
- f. Are the results of monitoring T&TA activities of Subgrantees used in planning statewide T&TA activities to be conducted by the Grantee?
- g. How is technical, field-related training handled by the Grantee? By Grantee staff or by subcontractors, or a combination of both?
- h. Does the Grantee participate in T&TA activities provided by the PMC/DOE (Regional/National Conferences, Trainings by PMC subcontractors – e.g., MSU)?
- i. Is sufficient funding and emphasis being provided by the Grantee for Grantee and Subgrantee staff to attend training conferences and workshops as emphasized by DOE?

X. LOCAL AGENCY VISIT AND OBSERVATIONS

- a. Prepare detailed notes on agency visited, staff met with, and any observations of Grantee monitoring process or units visited.

XI. SUCCESS STORIES

- a. List any recent success stories that would help articulate the way “Weatherization Works” in this state. (May include any leveraging, client testimonials, public information stories, partnerships, successes with program integration or other aspects indicating how the Grantee has evolved.)

XII. MISCELLANEOUS QUESTIONS

- a. What is the most important role the Project Management Center (PMC) Weatherization Manager can play from the Grantee's perspective?
- b. What changes would the Grantee like to see in the PMC's role in order to be of the greatest assistance to them?
- c. What changes would the Grantee like to see implemented in the program?
- d. Are there issues the Grantee would like to raise with DOE?
- e. How would the Subgrantees respond if asked, "What issue do you have with the Grantee?"

Prepared by: _____

II. FINANCIAL MONITORING

1. FINANCIAL MANAGEMENT AND ADMINISTRATION

- a. Is there a written financial operations manual/guidelines, and do they clearly address:
 - Lines of Responsibility
 - Accounting Standards
 - Payment Procedures
 - Approval Authority
 - Record Keeping Requirements
- b. Describe the type of accounting system (cash or accrual) used by the Grantee?
- c. Describe the system for comparing actual expenditures to budgeted amounts on a periodic basis?
- d. Are periodic financial reports used as a management control tool? How?
- e. How frequently are financial audits conducted on the Grantee?
- f. Who conducts the financial audits? State Auditor (); Independent Auditing Firm hired by the State (); Other () _____ (*please specify*)
- g. Is the Weatherization Program specifically reviewed in the audit?
- h. In the most recent audit report; were there any findings specific to WAP? If so, what corrective actions were taken? Have the actions been appropriate and effective?
- i. Are there any outstanding audit findings affecting other agency programs that may apply to or impact WAP, that are yet to be resolved?

Payroll and Personnel:

- a. Are personnel policies on job classifications, time and attendance, leave and overtime established in writing, and distributed to employees?
- b. Is there a plan for allocating costs when personnel are being charged to more than one grant, and has it been presented to DOE?
- c. Are allowable costs determined to be in accordance with approved budgets and cost principles?
- d. What procedures are in place for the Grantee to ensure that Subgrantees maintain adequate documentation and monitoring of personnel issues such as timesheets, time allocations, and leave?

Equipment:

- a. Is there a master inventory list of vehicles, tools, and equipment? Do the inventory records indicate to which grant inventory/equipment has been charged?
- b. What is the process to ensure that purchases/leases meet all financial and program requirements, including DOE prior approval, where applicable?
- c. Are there written procedures covering the inventory, maintenance, and disposition of equipment, and how are they checked to ensure compliance with DOE requirements?
 - i. At the Grantee level:
 - ii. At the Subgrantee level:
- d. What are the safeguards in place to ensure that equipment costs are charged to the appropriate program (and category)?
- e. What type of equipment is often purchased and used by the Grantee, and who is responsible for maintaining it?
- f. Are vehicles/equipment purchased by the Grantee or the Subgrantee with DOE weatherization funds?
- g. Are vehicles/equipment purchased with DOE weatherization funds used for other Programs? If so, how is compensation made to the DOE Program?
- h. Are the vehicles/equipment currently being used adequate for the job?

Materials and Supplies

- a. Are there written procedures covering the purchase of materials and supplies, and how are they checked to ensure compliance with the DOE State Plan?
- b. What is the process to ensure that material costs are properly charged to the appropriate program (and category)?

Procurement:

- a. Describe the Procurement process and segregation of duties as they pertain to WAP procurement activities.
- b. Is the Grantee following the State's procurement standards?
- c. What criteria determine the use and selection of Subgrantees?
- d. Are there procedures in place for Subgrantees to follow to ensure open and free competition in the award of their subcontracts? Explain.
- e. Do the procurement procedures specifically address purchase procedures?

- f. How are efforts made to ensure fairness in bidding and contracting procedures with small businesses, women's business enterprises, and minority-owned firms?
- g. Explain how the procurement procedures provide controls that a) avoid the purchase of unnecessary or duplicative items, b) obtain the most economical purchase, and c) analyze lease versus purchase alternatives.
- h. Is appropriate prior written approval obtained from DOE on proposed sole source procurements, and equipment/vehicle purchases, as required?
- i. At what point in the process is the Subgrantee reimbursed (before work is started, as work is in progress, upon receipt of invoice, upon final project)?
- j. Does the Grantee have unobligated carryover? If so, what percentage of the prior year's federal formula allocation?
- k. What is the plan in place to address how these balances will be reduced?

Record Retention:

- a. Are there established procedures to ensure that records will be retained for at least three years after delivery of the final report to DOE? Does the Grantee require a longer time period?
- b. Do the property records retained specify which grant the property/equipment has been charged?

Prepared by: _____