

V.8.3 Monitoring Activities (PY2021)

I. INTRODUCTION

The State of Missouri historically has administered the Weatherization Assistance Program (WAP) through a supervised network of nonprofit subgrantee agencies. The state may procure new implementation subgrantees as described elsewhere in this document. As the granting agency for the statewide program, the Division of Energy (DE) is responsible for monitoring the performance of each WAP subgrantee.

DE conducts a fiscal/procedural risk assessment each year for all subgrantees to determine the percentage of client files that will be reviewed during the upcoming monitoring year. Based on the risk assessment, fiscal/procedural monitors will review a minimum of 5 percent of the client files of each of the subgrantee homes that they completed during that year (or a minimum of 10 client files, whichever is greater). For medium risk subgrantees a minimum of 9 percent of the client files of each of the subgrantee homes that they completed during that year will be reviewed (or a minimum of 15 client files, whichever is greater). For high risk subgrantees a minimum of 18 percent of the client files of each of the subgrantee homes that they completed during that year will be reviewed (or a minimum of 20 client files, whichever is greater). Every subgrantee is monitored at least once in the program year.

DE conducts a technical risk assessment each year for all subgrantees, which determines the percentage of completed homes that will be inspected during the upcoming monitoring year. Based on the risk assessment, for subgrantees assessed as low risk, technical monitors will inspect a minimum of 5 percent of each of the subgrantee homes that they completed during that year. For subgrantees assessed as medium risk, technical monitors will inspect a minimum 7.5 percent of each of the subgrantee homes that they completed during that year. For subgrantees assessed as high risk, technical monitors will inspect a minimum 10 percent of each of the subgrantee homes that they completed during that year. Additionally, for subgrantees where the auditor performs both the initial audit and final quality control inspection, as described in WPN 15-4 Section 3, the technical monitors will inspect a minimum of 10 percent of that subgrantee homes that they complete during that year. For subgrantees that use a combination of the Independent QCI and the Independent Auditor/QCI as outlined in WPN 20-4, Missouri will follow the standard monitoring protocol based on the risk assessment, plus inspect an additional 10 percent of the homes completed by the Independent Auditor/QCI, up to a total of 10 percent of all completed homes. DE technical monitors also inspect homes with initial audits, homes in progress and final inspections being performed by subgrantee staff during the monitoring visits, when applicable. Technical monitoring visits are conducted twice per year for each subgrantee. Approximately one-half of the total number of homes to be inspected for the year is inspected during each monitoring visit. All subgrantee final inspections as well as grantee technical monitoring for completed homes will be performed by a certified Quality Control Inspector as outlined in WPN 15-4 Section 3.

A. Monitoring Procedure

Monitoring enables DE to determine if the residents of Missouri are being adequately served and if the WAP is being operated in compliance with the federal/state regulations and requirements. Information obtained by the monitoring effort is used to determine:

- Internal controls and processes used by subgrantees
- Types of training and technical assistance required
- Fiscal integrity of subgrantees
- Production rates
- Proactive measures that may be taken to improve program operations
- Compliance with federal/state regulations and requirements
- Quality of weatherization work performed on clients homes
- Programmatic and Management Monitoring
 - Subgrantee Review
 - Subgrantees are reviewed through desk reviews and on-site monitoring visits.
 - Financial/Administrative
 - Desk reviews are conducted on an on-going basis through monthly reports of expenditures; clients served, and completed homes.
 - On-site reviews are held at least once each program year to review procedural, fiscal, technical and compliance issues.
 - Annual independent audits are reviewed to ensure audited financial schedules match financial reports during the year.
 - Equipment/Inventory/Materials
 - An annual equipment inventory is required. Equipment and vehicles are reportable with a cost equal to or greater than \$5,000.
 - Eligibility
 - Eligibility is reviewed during through desk reviews and on-site visits. Any issues of in-eligibility are deducted from future reimbursements.
 - Rental
 - Landlord agreement forms (if applicable) are reviewed to determine authorization from the client's landlord.
 - Feedback and Reporting
 - Monitoring reports are issued with findings and recommendations.
 - Follow-up action as a result of the monitoring report is due within 30 days for fiscal/procedural and 45 days for technical.
 - Energy Audits
 - Energy audits, including on-site evaluations and computerized audits, are reviewed during on-site technical monitoring visits and through desk reviews.
 - Field Work
 - Field work is reviewed during on-site technical monitoring visits.
 - Quality Assurance
 - Quality assurance is reviewed on-site during technical monitoring and by tracking subgrantee field inspectors reoccurring issues.

- Client satisfaction is tracked via a client survey during the quality assurance visits.
 - Training and Technical Assistance
 - Required technical training of personnel is review on-site during monitoring.
 - Training and Technical Assistance expenditures are reviewed via desk reviews through monthly reports of expenditures; clients served, and completed homes.
 - Staff or entity performing the monitoring
 - DE staff or contract monitors on behalf of the DE perform the monitoring.
 - How monitoring results are handled and required follow-up procedures
 - Corrective action plans from the subgrantees are required based upon findings from monitoring reports.
 - Required actions noted within the monitoring reports are required to be performed by the subgrantees lest future funding be withheld.
 - Follow-up action as a result of the monitoring report is due within 30 days for fiscal/procedural and 45 days for technical.
- Subgrantee Monitoring
 - Program Overview (Client File Review, Work Orders, etc.)
 - Client Files are reviewed for the following documents: weatherization application, proof of income, re-verification of income (if applicable), proof of ownership, landlord agreement (if applicable), NEAT or MHEA audit data, invoices, bills for materials and labor charges, work orders/estimates, recommended measures, utility bills, photos, work order changes, date of energy audit, date of final inspection, etc.
 - Annual household income is recalculated to determine compliance with Federal requirements for eligibility.
 - County statistics are reviewed to determine whether all areas are served equally based on population and poverty numbers.
 - Average cost per home is calculated and reviewed.
 - Financial/Administration
 - Subgrantees have appropriate insurance coverage for their agency and their personnel
 - Inventory
 - Materials inventory is valued using the First In, First Out (FIFO) inventory valuation method.
 - Energy Audits
 - Energy audits, including on-site evaluations and computerized audits, are reviewed during on-site technical monitoring visits and through desk reviews.
 - Qualifications & Training
 - Required training and certifications of subgrantee staff are evaluated on-site and through desk monitoring.
 - Weatherization of Units
 - Work performed on-site is reviewed during technical monitoring visits.

- Health and Safety
 - A limit for the average cost per home for Health & Safety costs is 18 percent of expenditures.
 - Installed health and safety measures are reviewed for proper installation
 - Homes monitored are reviewed for any health and safety measures that were not appropriately addressed.
- In Progress
 - Homes in progress are reviewed on-site during technical monitoring visits.
- Final Inspections
 - Final inspections are reviewed on-site during technical monitoring visits and through desk monitoring.
- Staff or entity performing the monitoring
 - DE staff or contract monitors on behalf of the DE perform the monitoring.
- How monitoring results are handled and required follow-up procedures
 - Corrective action plans from the subgrantees are required based upon findings from monitoring reports.
 - Required actions noted within the monitoring reports are required to be performed by the subgrantees lest future funding be withheld.
 - Follow-up action as a result of the monitoring report is due within 30 days for fiscal/procedural and 45 days for technical.
- Financial Monitoring
 - Financial Management/Accounting Systems and Operations
 - Subgrantee has accounting policies and procedures.
 - Bank reconciliations are performed in a timely manner.
 - Advance funding is deposited into an insured, interest bearing account.
 - Weatherization costs trace to the general ledger.
 - Weatherization reimbursements from DNR trace to the general ledger.
 - Audits
 - Follow-up of prior monitoring concerns.
 - Single Audit was performed by an independent auditor and prior audit concerns, if any, were addressed.
 - Payroll/Personnel
 - Crew labor is traced to timesheets.
 - Contract labor is traced to the contractor's invoice.
 - Vehicles and Equipment
 - All vehicles require both DOE and DE approval before the vehicle may be purchased.
 - Subgrantee completes and submits the Vehicle and Equipment Inventory Report by December 1 of each year.
 - Subgrantee completes and submits the Equipment/Vehicle Disposal Report no later than 90 days from the DE disposal approval letter.
 - Subgrantee completes and submits the Vehicle/Equipment/Building Purchase, Lease Request form for any leases, if applicable.
 - Procurement

- Subgrantee procurement requirements are met per Section V of the Weatherization Operations Manual.
- Sub-awards/Subgrantee Monitoring
 - Desk reviews are conducted on an on-going basis through monthly reports of expenditures; clients served, and completed homes.
 - Annual independent audits are reviewed to ensure audited financial schedules match financial reports during the year.
- Invoicing
 - Materials, contract labor, crew labor and incidental repair costs per the client file match invoices and work orders in the client file.
- Records Retention
 - All records are kept for three years.
- Staff or entity performing the monitoring
 - DE staff or contract monitors on behalf of the DE perform the monitoring.
- How monitoring results are handled and required follow-up procedures
 - Corrective action plans from the subgrantees are required based upon findings from monitoring reports.
 - Required actions noted within the monitoring reports are required to be performed by the subgrantees lest future funding be withheld.
 - Follow-up action as a result of the monitoring report is due within 30 days for fiscal/procedural and 45 days for technical.

B. Tentative Monitoring Schedule

Each subgrantee has fiscal monitoring occur once a year and technical monitoring occur twice a year. Below is a tentative monitoring schedule for PY21.

Subgrantee # From Annual File	Subgrantee Acronym	Fiscal Monitoring*	Technical Monitoring Visit 1*	Technical Monitoring Visit 2*
1	CSI	10/6/2021	9/6/2021	3/28/2022
2	DAEOC	3/10/2022	8/23/2021	1/24/2022
3	EMAA	1/19/2022	10/18/2021	4/25/2022
5	ESC	11/3/2021	8/30/2021	1/17/2022
6	GHCAA	4/6/2022	9/13/2021	3/7/2022
7	CMCA	5/18/2022	10/4/2021	4/11/2022
8	ULMSL	12/1/2021	12/13/2021	6/6/2022
9	JFCAC	6/8/2022	7/12/2021	1/31/2022
11	CAASTLC	1/5/2022	11/15/2021	5/23/2022
12	MOCA	11/17/2021	10/25/2021	5/2/2022
13	MVCAA	12/08/2021	12/6/2021	5/30/2022
14	NECAC	3/30/2022	12/16/2021	6/13/2022
15	NMCAA	5/11/2022	9/27/2021	4/4/2022
16	OAI	2/2/2022	8/9/2021	2/14/2022
17	OACAC	10/20/2021	12/20/2021	6/27/2022
18	SCMCAA	6/22/2022	8/2/2021	2/21/2022
19	WCMCAA	4/20/2022	11/1/2021	3/14/2022
36	CAAGKC	2/23/2022	11/08/2021	5/16/2022

* Dates are tentative and visits are for the week of the date.

II. PROBLEM RESOLUTION:

A variety of problems may arise during the course of a program year that may require different methods of resolution. Most problems can be placed into one of four categories:

1. Reporting

Reporting problems can generally be resolved using written communication explaining the problem. Where the problem is significant, an on-site visit will be made to gather the correct data and assist the subgrantee in developing better reporting procedures.

2. Housing Quality

A housing quality problem may be noticed during a field visit. Where significant problems are found in the workmanship on the home, the subgrantee will be required to return to the

home(s) and correct the problem. Where a problem is found to be widespread, the subgrantee will be required to notify DE of the resolution to the problem following procedures as defined in the Weatherization Program Operational Manual. This may include informal or formal staff training.

3. Safety

For safety issues, the subgrantee will be required to correct all deficient work and to re-inspect all completed homes with similar concerns, providing routine updates to DE until all concerns are corrected. DE will re-inspect to verify that corrections have been made either through an on-site inspection, photo documentation, or by telephone contact with clients.

4. Fiscal Compliance

DE will require subgrantees to take corrective action when a subgrantee is not in compliance with the federal and state requirements. The action taken will depend upon the nature of the problem. If, for example, a problem involves a disallowed cost, the subgrantee will be required to reimburse DE. DE will require the subgrantee to provide documented evidence of corrective action(s) when DE has determined that the subgrantee is not in compliance. DE will monitor subgrantee implementation of corrective actions during annual on-site monitoring visits.

The processes that DE follows for the discipline and/or removal of a subgrantee from the program are outlined in the Weatherization Program Operations Manual, Section 1, Subsection V and Subsection VI.

III. IMPROVEMENTS BASED ON PAST YEARS' EXPERIENCES

The Weatherization Assistance Program will continue to be upgraded to keep current with new accepted technology and improved ways of conducting business such as BPI certifications and NREL JTAs.

IV. QUALITY CONTROL MEASURES

A. Statewide Requirements

1. Inspections

See the Missouri WAP Grantee Master File V.5.3.

2. Work Measures

See the Missouri WAP Grantee Master File V.5.1.

B. Purchasing Controls

1. Materials Specifications 10 CFR 440 Appendix A (Revised)

Each subgrantee is required to specify material standards in their bid documents. Materials are required to meet or exceed standards specified in the most current 10 CFR Part 440 Appendix A and the Missouri WAP material standards list. DE requires all materials have a

long term life expectancy, if applicable. Missouri subgrantees require that vendors submit certification documentation for all major weatherization materials such as insulation and storm windows. Bid and contract documents are reviewed by DE.

2. Materials Purchasing Standards

Standards for competitive bidding are detailed in the Weatherization Program Operations Manual, Section 5.

C. On-Site or Local Controls

1. Responsibility for Post-Work Inspections

DE monitoring staff reviews the homes completed for each subgrantee for compliance with either the Independent QCI or Independent Auditor/QCI as outlined in WPN 15-4 Section 3 DOE Prescribed QCI Policy.

2. Accuracy of Work Orders and Inspections

The subgrantee Quality Control Inspectors are required to assure that proper work priorities were followed and that the work has been properly performed. DE monitoring staff will review the process. A subgrantee having problems will first be provided more technical assistance. Continued problems will result in further steps beginning with disqualification of subgrantee inspectors and ending with the subgrantee loss of DE funding. DE will implement this provision to emphasize the importance of completing work in a cost-effective and quality manner.

V. MONITORING REPORTS

DE will submit a monitoring report (fiscal/procedural and technical) to the subgrantee within 30 days of completing a monitoring visit. For subgrantee fiscal/procedural monitoring reports that contain recommendations that require implementation, DE requires that the subgrantee submit a corrective action plan within 30 days of receipt of the report. For subgrantee technical monitoring reports that contain recommendations that require implementation, DE requires that the subgrantee submit a corrective action plan within 45 days of receipt of the report. All corrective actions are reviewed for implementation during the subsequent fiscal/procedural or technical monitoring visit.

DE will report progress to DOE using the following method:

A. Submitting an Annual/Project Summary Report

The annual/project summary report documents the following:

- Number and types of monitoring visits scheduled and completed
- Significant findings
- Findings status
- Significant corrective actions
- Current management issues
- Assistance needs

An annual summary report will be provided to DOE giving an overview of the year end and the status of activities that were planned.

VI. STAFFING FOR MONITORING ACTIVITIES

DE staff are listed below by title and should correlate to the personnel section of the SF424A. Please note, this will not completely match the SF424A as not all positions or personnel services are utilized for monitoring activities.

Weatherization Technical Grants Supervisor: Technical Monitor and Monitoring Report Approval; Building Performance Institute (BPI) Quality Control Inspector; BPI Building Analysts; BPI Envelope Professional; BPI Healthy Homes Evaluator; EPA Certified Renovator; Energy Related Mold and Moisture training; OSHA Confined Space for Construction - **Grantee T&TA, 67 percent and Grantee Admin, 20 percent for this application**

Weatherization and Administrative Manager: Weatherization Program Director, Procedural/Fiscal Monitor and Monitoring Report Approval, and review and approval of reimbursement of monthly subgrantee expenditure reports, financial audit review and approval. – **Grantee Admin, 45 percent and Grantee T&TA, 15 percent for this application**

Research and Data Analyst: Grant administration, fiscal administration - **Grantee Admin, 5 percent for this application**

Associate Research/Data Analyst: Procedural/Fiscal Monitor (including payment desk monitoring) - **Grantee T&TA, 30 percent and Grantee Admin, 39 percent for this application**

Associate Weatherization Monitor Grants Officer: Procedural/Fiscal Monitor (including desk review of payment submissions and reports) - **Grantee T&TA, 65 percent and Grantee Admin, 22 percent for this application**

Accountant Grants Associate: Fiscal Monitor (including payment desk monitoring) - **Grantee Admin, 10 percent for this application**

Senior Weatherization Monitor Grants Specialist: Procedural/Fiscal Monitor (including desk review of payment submissions and reports) - **Grantee T&TA, 77 percent and Grantee Admin, 10 percent for this application percent**

Associate Weatherization Monitor Grants Officer: Procedural/Fiscal Monitor (including desk review of payment submissions and reports) - **Grantee T&TA, 50 percent and Grantee Admin, 37 percent for this application**

Senior Technical Monitor Environmental Program Analyst: Technical Monitor, Building Performance Institute (BPI) Quality Control Inspector; BPI Building Analysts Professional; BPI Healthy Home Evaluator; EPA Certified Renovator; OSHA Confined Space for Construction - **Grantee T&TA, 87 percent for this application**

Weatherization Technical Monitor Environmental Program Analyst: Technical Monitor, Building Performance Institute (BPI) Building Analyst; EPA Certified Renovator; OSHA Confined Space for Construction (forthcoming), BPI Energy Auditor (forthcoming); BPI Quality Control Inspector (forthcoming) - **Grantee T&TA, 50 and Grantee Admin, 37 percent for this application**

Weatherization Monitoring Environmental Program Analyst: Procedural/Fiscal Monitor (including desk review of payment submissions and reports) - **Grantee T&TA, 50 percent and Grantee Admin, 37 percent for this application percent**

Weatherization Monitoring Environmental Program Assistant: Procedural/Fiscal Monitor (including desk review of payment submissions and reports) - **Grantee T&TA, 65 percent and Grantee Admin, 22 percent for this application**

Associate Research/Data Analyst: Procedural/Fiscal Monitor (including payment desk monitoring) - **Grantee T&TA, 25 percent and Grantee Admin, 24 percent for this application**