



Department of Energy
Washington, DC 20585

WEATHERIZATION PROGRAM NOTICE: 23-9
EFFECTIVE DATE: September 20, 2023

SUBJECT: Weatherization Assistance Program Enhancement & Innovation Monitoring

INTENDED AUDIENCE: Weatherization Assistance Program (WAP) Enhancement and Innovation (E&I) Grantees, WAP E&I Subrecipients, and WAP E&I Contractors

PURPOSE: Issue monitoring policies and procedures for WAP E&I projects funded with annual WAP formula or Bipartisan Infrastructure Law (BIL) funds and provide checklists for the onsite monitoring of Grantees implementing E&I-funded projects.

RELATED GUIDANCE: Weatherization Assistance Program Enhancement & Innovation Policy and Reporting (currently, [Weatherization Program Notice \(WPN\) 23-5](#)), Department of Energy Monitoring of Bipartisan Infrastructure Law (BIL) in the Weatherization Assistance Program (currently, [WPN BIL 23-4](#)) and Weatherization Assistance Program Monitoring Procedures (currently, [WPN 20-4](#)).

SCOPE: The provisions of this Guidance apply to all Grantees awarded financial assistance under the Department of Energy's (DOE) WAP E&I grants.

LEGAL AUTHORITY: Title IV, Energy Conservation and Production Act, as amended, authorizes DOE to administer WAP (42 U.S.C. § 6861, *et. seq.*). The E&I Program is governed by [42 U.S.C. 6864d](#) and is funded on an annual basis by Congress through WAP appropriation. All grant awards made under WAP E&I shall comply with applicable laws and regulations. Although the E&I Program is not included in the [Code of Federal Regulations \(CFR\) Title 10, Chapter II, Subchapter D, Part 440](#), and some WAP rules are not applicable to E&I grants, all aspects of oversight outlined in [10 CFR 440.23](#) apply to E&I.

BACKGROUND: Within the [Consolidated Appropriations Act, 2021, Public Law \(P.L.\) 116-260](#), signed December 27, 2020, Congress reauthorized WAP and directed DOE to establish a new competitive program for "WAP Enhancement and Innovation," providing financial assistance to WAP Grantees, Subgrantees and other non-profit organizations. WAP E&I funding

availability is contingent on the total amount of DOE WAP funds appropriated annually by Congress.

Monitoring is a key activity to ensure oversight of public investment under WAP to prevent waste, fraud, and abuse. To safeguard public trust, DOE performs desktop reviews as well as onsite visits. Per the Funding Opportunity Announcement (FOA) requirements, DOE's authorized representatives must review project accomplishments and management control systems and, if needed, provide technical assistance. DOE monitoring will be performed in a manner that does not unduly interfere with or delay the work.

E&I Grantee Monitoring of Subrecipients and Contractors: Where applicable, Grantees are responsible for quality assurance and oversight of subrecipients and contractors. Grantees must assure compliance with applicable laws and rules, quality workmanship, appropriate assignment of work, and tracking of financial resources.

GUIDANCE: DOE will monitor Grantee required activities, project accomplishments, policies and procedures, management, and financial control systems against the minimum requirements of the Program and the Grantee's current, approved Statement of Project Objectives (SOPO), project budget, and National Environmental Policy Act (NEPA) determination. DOE performs comprehensive monitoring that includes:

- Onsite Monitoring
- Desktop Monitoring
- Ad Hoc Monitoring

Onsite Monitoring

During onsite monitoring, DOE will travel to the project site, review files and systems at the Grantee office and, depending on the project scope and timing of the visit, inspect in-progress and completed field work. DOE E&I Project Officers (PO) will coordinate scheduling of onsite visits with the Grantee. Frequency of onsite monitoring is based on several factors including, but not limited to, Federal travel availability, desktop, and ad hoc monitoring activities, open or in-process monitoring action items, and/or assessments and issues experienced by each Grantee.

Recognizing WAP E&I grants have varying components depending on the topic area of the award, DOE developed checklists responsive to those differences. Attached is the *E&I Grants Onsite Monitoring Checklist* that includes the materials necessary for DOE to conduct the review and the applicable questions Grantees should be prepared to answer, based on the topic area of their award.

The checklist of questions is broken out in the following sections:

- PROJECT TEAM & COORDINATION
- FINANCIAL/ADMINISTRATIVE
- PRIORITY OF SERVICE & ELIGIBILITY
- FIELD WORK
- EQUIPMENT/INVENTORY/MATERIALS
- GRANTEE MONITORING
- TRAINING & TECHNICAL ASSISTANCE
- FEEDBACK AND REPORTING

An onsite monitoring assessment will be issued to the Grantee within 30 calendar days of the completion of the visit within the Performance and Accountability for Grants in Energy (PAGE) system or through email, if needed. The monitoring assessment will include:

- An overview of the onsite monitoring visit;
- Deficiencies tracked as Action Items (categorized as either Finding, Concern or Recommendation);
- Best Practices;
- Training and Technical assistance (T&TA) recommendations; and,
- Follow-up actions required by the Grantee, including the development of a Corrective Action Plan (CAP) supported by a schedule and/or due dates.

The Grantee shall provide a written response to each Action Item within the monitoring assessment in PAGE and a CAP (if required) within 30 calendar days of the receipt of the onsite monitoring assessment.

Desktop & Ad Hoc Monitoring

The E&I PO will have regular communications with Grantees and conduct Desktop and Ad Hoc Monitoring as follows:

Desktop Monitoring:

- Occurs quarterly and annually.
- Requires review of the Federal Financial Reports (FFR) and Quarterly Performance Reports (QPR) Grantees submitted in PAGE on the 30th of the month following the end of the quarter.
- Includes review of Historic Preservation and Annual Reports submitted in PAGE.
- Verifies the Grantee complies with Program requirements, that project milestones align with the SOPO, or identifies needed corrective actions to become compliant.

- Identifies deficiencies, as needed, that result in DOE issuing a monitoring assessment with specific action items that may require the Grantee to submit a CAP within 30 calendar days.

Ad Hoc Monitoring:

- Completes an in-depth analysis of a key program component or process (e.g., policies and procedures, energy audit modeling, procurement, and training).
- Initiates when a specific trend or deficiency is identified through desktop and/or onsite monitoring.
- Includes additional ongoing desktop or onsite monitoring driven by Grantee performance or concerns surrounding possible fraud, waste, or abuse.
- Results in DOE providing technical assistance and/or issue a monitoring assessment to identify the specific improvements to resolve the deficiency. If needed, the assessment can include specific action items that may require the Grantee to submit a CAP within 30 calendar days.

The E&I PO will use reference materials as part of both desktop and ad hoc monitoring including but not limited to the Grantee's current award package, PAGE quarterly reports, correspondence, policies and procedures, reimbursement documentation, and Grantee quality control data to assist in this activity.

Monitoring Assessment and Action Item Definitions

A *monitoring assessment* is a short narrative report issued from PAGE that provides an overview of the monitoring activity, identifies any T&TA recommendations or best practices, and reviews the corresponding action item(s) that need to be addressed.

DOE uses three types of action items during monitoring to clarify program deficiencies and opportunities for improvement: *finding, concern, and recommendation*.

A Finding is:

- Non-compliance with a statutory or regulatory Program requirement and must include the citation for the requirement.
- Repeated or previously identified concerns (as defined below) that remain unaddressed and cause non-compliance with a statutory or regulatory Program requirement.

A Concern is:

- Inconsistencies between the Grantee's current approved SOPO or budget and actual implementation. As a reminder, the approved award package is subject to review during the DOE monitoring process.
- Identified Grantee practices that, at present, may not be out of compliance with statutory or regulatory Program requirements but do not reflect the safeguards/processes outlined in guidance specifically designed to ensure compliance with statutory and regulatory requirements.
- Identified non-compliance or omissions of activities prescribed in the Grantee's SOPO, budget, policies, or procedures that were the basis of the Grant award.
- Repeated Program recommendations (defined below) which remain unaddressed and can lead to potential non-compliance.

Both *Findings* and *Concerns* require the Grantee to develop a step-by-step CAP to address an identified deficiency. The CAP must identify the underlying cause(s) of the deficiency and how the Grantee will resolve the finding(s) or concern(s) within a proposed timeline. Within 30 calendar days of receiving the Monitoring Assessment, Grantees must submit a CAP via the Grantee Response to the specific finding(s) or concern(s) in PAGE, which must be approved by DOE. The [WAP Program Manager's Toolkit's](#) Monitoring section provides additional resources on CAP development, including a CAP template.

A Recommendation is:

- Actions/changes to the Grantee's approach identified by DOE to bring the Grantee into compliance with Program (statutory, regulatory, and Grantee) requirements.
- Actions suggested by DOE for the Grantee's consideration to improve the merits of the Program, optimize policies and procedures, and/or incorporate a best practice.
- T&TA options available to the Grantee.

Training and Technical Assistance

Throughout the project's period of performance, DOE may determine that a Grantee needs additional T&TA. DOE will provide in-depth T&TA to address action items or critically urgent issues. T&TA is not considered official monitoring but can complement observations made during onsite monitoring, desktop monitoring, and/or ad hoc monitoring.

CONCLUSION: This is an exciting evolution of WAP as we include E&I projects in our aim to assist low-income families across the country. DOE's monitoring and technical assistance approach is to ensure the WAP E&I Grantees are successful in project implementation and activities that align with the purpose of the funding. DOE appreciates working collaboratively with our E&I Grantees. As WAP E&I grants approach the end of the period of performance, DOE will publish additional guidance for closeout and final reporting guidance.

If you need additional information, please contact your respective DOE Project Officer.

Anna Maria Garcia
Associate Director
Office of State and Community Energy Programs

Attachment: E&I Grants Onsite Monitoring Checklist