



Administrative Monitoring Webinar

Weatherization Assistance Program
Program Year 2014

Today's Webinar

- Purpose and goals of administrative monitoring visits
- Desk monitoring
- On-site monitoring visits
- Monitoring reports
- Effects of monitoring findings
- Questions

Purpose and Goals of Administrative Monitoring

- U.S. Department of Energy (DOE) requires Grantees (Commerce) to monitor Weatherization Subgrantees (Service Providers) at least once every Program Year
- Goals:
 - Ensure compliance
 - Identify and correct issues of non-compliance
 - Ensure quality of work and adequate program management
 - Develop T&TA to correct major deficiencies

Desk Monitoring

- Thorough review prior to each visit, ongoing review throughout the Program Year
- Major review items:
 - Previous monitoring reports
 - Fiscal audits
 - eHeat financial data
 - WA data
 - Budget and production goals vs. actuals

Desk Monitoring – Cont'd



**WEATHERIZATION ASSISTANCE PROGRAM
DESK MONITORING REVIEW
(ADMIN)**

SERVICE PROVIDER		PROGRAM YEAR	
		VISIT DATE	

PREVIOUS MONITORING LETTER(S)	PY	Required Action(s) Identified

PREVIOUS MONITORING LETTER(S)	PY	Other Issues or Recommendations Identified

Desk Monitoring – Cont'd

eHEAT FUND BALANCE REPORT	FUND	Major Discrepancies or Concerns

FISCAL AUDIT	Weakness or Deficiency Identified? <input type="checkbox"/> Yes (explain below) <input type="checkbox"/> No
AUDIT DATES	

WA REPORT	MISSING DATA	COST CENTER ERROR	CONTENT ERROR	ISSUE
FROM/TO				
AUDIT STATUS				
OPEN WORK ORDERS				
ALL EVENTS COST CENTER				

Production

- Service Providers are expected to:
 - Perform to the extent of their allocation
 - To complete the required minimum number of units during each Program Year
 - Revise production plans as needed in order to meet goals and deadlines

On-Site Monitoring Visits

Commerce Preparation

- Confirm date and time of visit
- Email monitoring questionnaire, review when returned
- Review desk monitoring report
- Email list of documents to be made available
 - Ex: T&TA ledger, procurement policy, organizational chart

On-Site Monitoring Visits

Service Provider Preparation

- Complete or update the questionnaire and email it to your monitor
- Ensure contractor and household files are organized, accessible, and complete
- Put together any documents requested by your monitor in advance

On-Site Monitoring Visits

- Entrance meeting
- Discussion of pressing issues
- Review of recurring issues in past reports
- Monitoring questionnaire review and discussion of local SP's internal process
- Household file review
- Contractor file review
- Exit meeting

Entrance Meeting

- Who:
 - Executive Director, Weatherization Coordinator, Fiscal Director, and any other key staff
- The entrance meeting is an opportunity to introduce any new staff, discuss expectations for the day, pressing issues, and past monitoring findings or recurring issues

Questionnaire & Process Discussion

- The monitoring questionnaire serves as the basis for discussion around:
 - Service to clients
 - Program management and work flow
 - Key program staff
 - Internal controls
 - Fiscal/payment procedures
 - Procurement process
 - Training needs

Household File Review

- General documentation requirements
 - Dwelling eligibility
 - Verification that dwelling was not weatherized after 9/30/1994
 - Household eligibility
 - eHeat application summary
 - Client Checklist
 - Final inspection form

Household File Review – Cont'd

- Procurement
 - Compare work orders to set pricing lists for SPs who use this method of procurement
 - Bid documentation
 - Notice for bids
 - Documentation of bids received
 - Written response to successful and unsuccessful bidders (responsive bidders only - Y)
 - Materials and labor must be split on bids

Household File Review – Cont'd

- Payment Tracking
 - Material and labor must be split on invoices
 - Signed lien waiver must be received prior to payment, must identify amount to be paid
 - Verify that cost centers and amounts match between Work Orders, invoices, payments and eHeat/WA data
 - Copies of permits where required
 - File must include payment authorization and payment date
 - Ex: Signature of approver, copy of check or verification of date paid

Household Files – Best Practices

- Use a checklist in every file. Make sure it includes everything listed in the WAP Manual, Section 3, Page 6.
- Internal controls –more than one set of eyes on each file
- Include notes that explain any irregularities
- Files should be easy to understand
- Use a system that works best for your agency and keep consistent

Contractor File Review

- Required Documentation:
 - Active license (general/building shell contractors, electricians and plumbers)
 - Active bond (mechanical contractors, electricians and plumbers)
 - Active liability insurance (see MN statute 326B.86 Subd. 2.)
 - Active workers compensation insurance (if applicable - see MN Statute 176)
 - Active auto insurance policy

Contractor File Review – Cont'd

- Required Documentation
 - Lead certifications for building shell contractors:
 - Lead Safe Firm
 - Lead Safe Work
 - Lead Renovator
 - Verification of debarment search
 - <https://www.sam.gov/portal/SAM/>
 - Criminal background check
 - <https://cch.state.mn.us/>

MN Department of Health lead certifications do not meet EPA Requirements

Contractor Files – Best Practices

- Identify a staff member who will check for expired documentation
- Track expiration dates for all required documentation in one place
- Set reminders for expiration dates
- Communicate with contractors to avoid project interruption
- Copies of an application is not acceptable (license app, etc)

Other Review

- Accounting statements for Weatherization funds
- Inventory list
- Production goals vs. actual production
- Written financial procedures
- Agency procurement policy and procurement documentation for large purchases

Exit Meeting

- Review of any compliance issues or other items of concern found during visit
- Highlight any best practices observed
- Action steps and timelines
- We encourage agencies to ask questions and clarifications
- Some review and questions may need post-visit follow up

Monitoring Letter

- Summary of visit: who was involved, items reviewed
- Identifies if items reviewed were found to be in compliance
- Lists required actions for items out of compliance
- Recommendations and observations may be included
- Requires either confirmation of receipt (if no required actions) or a response to any required actions

Continued Desk Monitoring

- Commerce monitors all Service Provider activity throughout the Program Year
 - FSR vs Cash Request amounts
 - eHeat vs WA cost center data
 - Quarterly budget goals vs eHeat data
 - Production goals vs WA data

High Risk Subgrantees

- Federal Rules – 10 CFR 600.212
- Service Providers are considered high risk if Commerce determines the Provider:
 - Has a history of unsatisfactory performance
 - Is not financially stable
 - Has financial or program management systems that do not meet federal requirements
 - Lacks organizational capacity to carry out program responsibilities
 - Has not conformed to terms and conditions of the award
 - Is otherwise not responsible

High Risk Subgrantees – Cont'd

- Commerce has two procedures for responding to high-risk subgrantees (WAP Policy Manual, Section 4, Page 3)
 - Procedure 1: Corrective Action Plan
 - Procedure 2: Corrective Action Plan with additional requirements or restrictions
- Special conditions (10 CFR 600)
 - Reimbursement payments only
 - Stoppage of work or withholding new funds
 - Requiring additional financial reports
 - Requiring training

Fund Recapture

- Commerce may also recapture funds from Service Providers who:
 - Are not conforming to policy or contract requirements or,
 - Who are unable to spend their full allocation

Training and Technical Assistance

- Commerce is in partnership with Service Providers to be good stewards of Federal and State funds
- Monitoring identifies statewide and local training needs
- Future training offerings are shaped by monitoring results

Summary

- Monitoring visits are required by DOE and take place to ensure compliance with program requirements and local Service Provider's capacity to deliver Weatherization services
- Commerce monitors Service Providers through annual on-site visits and ongoing desk monitoring

Questions?

Additional questions should be sent to
weatherization.commerce@state.mn.us