



U.S. Department of Energy 2009 American Reinvestment and Recovery Act

Office of Energy Efficiency and Renewable Energy
Weatherization and Intergovernmental Program

Monitoring Plan for Weatherization Assistance Program
State Energy Program
Energy Efficiency and Conservation Block Grants

August 14, 2009



**Monitoring Plan for Weatherization Assistance Program
State Energy Program
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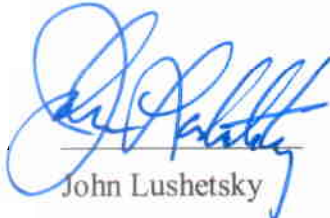
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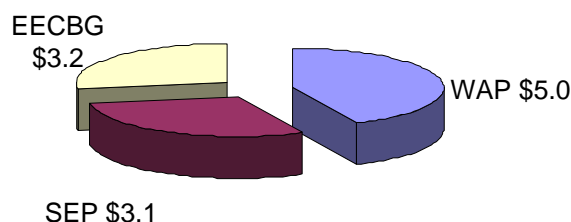
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1. Background

In February 2009, President Obama signed the American Reinvestment and Recovery Act (Recovery Act). This bill authorized \$787 billion in new investments to stimulate the economy, create and support hundreds of thousands of living wage jobs, and invest in hundreds of government programs identified as successful public partnerships with States and local communities. The U.S. Department of Energy (DOE) received nearly \$40 billion earmarked for a variety of ongoing or new projects in the DOE portfolio. \$11.3 billion was designated for three major programs operated by the Office of Energy Efficiency and Renewable Energy (EERE)'s Office of Weatherization and Intergovernmental Program (OWIP): the Weatherization Assistance Program (WAP), the State Energy Program (SEP), and the Energy Efficiency and Conservation Block Grants (EECBG).

The Recovery Act established fund distribution and expenditure timeframes, and it mandated Federal agencies to provide the highest levels of transparency and accountability. The Recovery Act also authorized operating policy changes to some programs, such as WAP.

**Office of Energy Efficiency and Renewable Energy
Grant Funds**
(\$ in Billions)



This plan identifies the goals and requirements of the EERE monitoring assurance system for OWIP grants. It is the result of OWIP collaboration with the DOE Office of Risk Assessment Management and the EERE Project Management Center (PMC) sites at the Golden Field Office (GFO) and the National Energy Technology Laboratory (NETL). This plan encompasses OWIP grants provided under the Recovery Act and annual appropriations.

1.1. Grants Overview

WAP and SEP have long operational histories and established networks of stakeholders and service providers. EECBG is a new grant initiative that will provide, for the first time, part of its funding directly to qualifying local jurisdictions. With the new EECBG financial assistance program, some stakeholders will be doing business with DOE for the first time. Moreover by virtue of the requirement in the law that States subgrant funds to local governments not directly eligible for EECBG grants from DOE, States will be doing business for the first time with new sub-grantees. Overall, the substantial increases in funds to all three programs means there will be new subgrantees and sub-recipients and an unprecedented level of activity. With this comes increased potential of misuse of funds and related problems and, therefore, new requirements for increased oversight, support and guidance.

1.1.1. Weatherization Assistance Program (WAP)

The WAP is a formula categorical¹ grant provided to all 50 States, the District of Columbia, several Native American tribes, and five U.S. territories, including American Samoa, Guam, Northern Marianas Islands, Puerto Rico, and U.S. Virgin Islands (Grantees). DOE is distributing \$5.0B in funding based on a formula that considers low-income population, heating and cooling degree days, and housing characteristics. DOE requires each Grantee to submit a State plan detailing proposed spending, subgrantees, estimated units weatherized and related program details. These plans are reviewed and approved by DOE program staff and PMC Project Officers and Contracting Officers. Once State plans are approved, the Grantee typically distributes their funding by sub-award or contract to a network of local agencies within their State or territory to perform the weatherization work.

WAP is very prescriptive about how work is performed, and quality and delivery standards are documented. Thousands of direct hire crews and contractors perform work on behalf of the approximately 900. local agencies that comprise the WAP service delivery network. ARRA funding for WAP is more than 10 times greater than FY 09 funding. This level requires an increased level of monitoring to ensure proper and timely use of funds and realization of expected benefits.

1.1.2. State Energy Program (SEP)

The SEP is a cost-shared formula grant provided to the 50 States, the District of Columbia, and the U.S territories of American Samoa, Guam, Northern Marianas Islands, Puerto Rico, and the U.S. Virgin Islands (Grantees). DOE distributes funding based on a distribution formula that considers population, energy portfolio criteria, and other components. Traditionally, SEP received only \$40 to \$50 million in annual appropriations. Grantees used these funds to support State energy offices and to implement energy efficiency and renewable energy projects that best suited their individual energy needs. With approximately \$3.1 billion Recovery Act funds, States can increase their energy portfolios and explore new opportunities for dealing with their specific energy issues. This expansion necessitates a new level of oversight to ensure that resources are used in a timely and appropriate manner and those projects are begun and completed during the life of the Recovery Act funds.

Grantees are required to submit a State plan that describes how the funds will be used to administer the SEP and which projects will be performed by the Grantee or its contractors. SEP allows the States a great deal of discretion in selecting projects to implement and the variety of activities implemented each year is considerable.

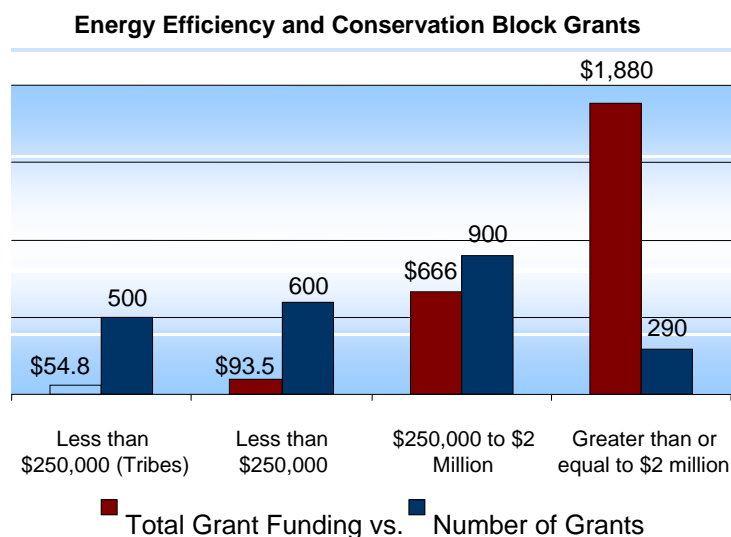
1.1.3. Energy Efficiency and Conservation Block Grants (EECBG)

The EECBG is a newly funded block grant, authorized by Energy Independence and Security Act 2007, for U.S. States, cities, communities and territories totaling \$3.2 billion. The distribution of EECBG block grants is as follows: states 24%, cities and counties 59%, competitive 15%, and Indian Tribes 2%. Approximately 2,300 cities, counties, and Native American tribes were designated to receive a block grant to develop and implement projects to

¹ Meaning that only the weatherization of homes can occur using these funds.

improve energy efficiency and reduce energy use and fossil fuel emissions in their communities. These designated recipients are required to submit a plan to EERE/OWIP describing which of the 14 authorized activities their funds will be used to support over the next three years. Each plan is being reviewed by a team of staff from EERE and the national laboratories. Where necessary, recipients will be provided technical assistance if plans are found to be deficient in some manner. Once approved by the review team, the application is forwarded to a contract specialist and a NEPA compliance officer for compliance review and approval.

There are two other funding streams available through the EECBG. Each State received funding for the areas of its State or territory that are not otherwise eligible for direct EECBG awards. There also will be two competitive EECBG solicitations funded by the Recovery Act.



1.2. Monitoring Objectives

The overall objective of this monitoring program is to provide quality assurance in the WAP, SEP, and EECBG programs to ensure that statutory requirements are met. With an unprecedented volume of grant funding to be awarded under these financial assistance programs and a Presidential mandate for a high-level of transparency and accountability, adherence to quality management processes, a high code of conduct in the performance of oversight and auditing procedures, and a commitment to promoting best practices in record-keeping, high levels of monitoring and documentation are required.

It is DOE's responsibility to administer these grant programs with the highest level of program integrity, responsiveness, efficiency, accountability, and accessibility. Given these responsibilities, DOE has planned for a robust oversight program to assure quality management controls and procedures are in place and used by Grantees to minimize and eliminate waste, fraud and abuse of these Federal funds. This oversight program is also intended to ensure success in the use of Federal grant funds by helping to identify the need for communications of best practices, training, and technical assistance. This monitoring plan has been developed and is guided by the following objectives:

- To provide the structure for an oversight monitoring system of Grantee financial, administrative and technical procedures and processes for compliance with relevant statutes and regulations;
- To assure that Grantees and their sub-grantees have and use quality grants management plans, procedures, controls and processes;
- To ensure consistent application of program and reporting standards as promulgated by DOE for data collection, documentation of accomplishments across all grant programs;
- To recognize continual process improvement, best practices and self-monitoring techniques that result in successful grants performance; and
- To provide clear transparent guidelines for Grantee management, monitoring, and communications on sub-grantee's performance.

The plan will be supported by tools to aid oversight Monitors in their reviews, as appropriate. The plan will also be made available online to all Grantees across the three OWIP programs to ensure that they and their respective sub-grantees are aware of the overall vision for oversight grants monitoring at the Federal level and are able to refer back to it as frequently as meets their needs. The desktop and onsite monitoring checklists will also be available online so that the goals and expectations of monitoring reviews are accessible to all subject to their requirements.

1.3. Roles and Responsibilities

This section provides a general overview of the roles and responsibilities of the EERE offices and their respective staffs in monitoring the Grantees of the three OWIP financial assistance programs. More specific detail is given in each chapter on how the responsibilities cascade.

1.3.1. Office of Weatherization and Intergovernmental Program

Headquarters OWIP offices remain responsible for overall programmatic grant compliance and grant program effectiveness for WAP, SEP and EECBG grants. OWIP is responsible for:

- Planning and budgeting programmatic requirements and resources;
- Developing standardized monitoring policies, in consultation with the field staff, to be used in performing oversight of grantee activities;
- Providing program experts to review and analyze performance measures stipulated in state plans and other control documents and approved as part of the grant documentation;
- Offering appropriate technical expertise and program management available from a variety of resources including Headquarters, PMC's, laboratories, staff from contractors (existing and newly specified procurements) or other sources;
- Serving as liaisons with national organizations and industry stakeholders such as National Association of State Energy Officials (NASEO), National Association for State Community Services Programs, National Community Action Foundation, National Governors Association, U.S. Conference of Mayors, National Association of Counties and others;

- Assuring close coordination with Project Management Center (PMC) program staff at all junctures that involve Grantee communications, directions, guidance, and requests for information; and
- Applying processes and procedures to prevent fraud waste and abuse.

OWIP's Technical Assistance Team, in collaboration with the PMC, will provide technical assistance to States, Indian Tribes, cities and counties through a mix of Federal and contractor support as required or requested. OWIP's Technical Assistance Team will sponsor and participate in conferences and workshops on technical topics of national and inter-regional interests, and will collaborate with DOE National Laboratories, other DOE programs, and Federal agencies and organizations.

1.3.2. EERE Project Management Center and DOE Field Offices

The EERE Project Management Center (PMC) includes sites at the Golden Field Office (GFO) and the National Energy Technology Laboratory (NETL). PMC staff have primary responsibility for monitoring all the 58 WAP and 56 SEP grants. GFO has the additional responsibility of desktop and onsite monitoring for approximately 290 EECBG grants over \$2 million, representing 70 percent of all EECBG funding, as well as for all EECBG Indian Tribal grants. Post-award functions, including desktop monitoring and reporting, but excluding onsite monitoring, will also be conducted by various DOE Field Offices: DOE/RW (Yucca Mountain Site Office) for approximately 200 EECBG grants of less than \$250,000; DOE HQ Procurement Office for approximately 400 EECBG grants of less than \$250,000 and DOE/SC (Oak Ridge Field Office) for approximately 900 EECBG grants between \$250,000 and \$2 million.

The roles of key PMC and field staff are described below.

1.3.2.a Project Officers

Project Officers serve as the technical representatives of the Contracting Officers. In that capacity, Project Officers play a key role in overseeing the programmatic success of the grant. Project Officers will primarily be located in GFO and NETL and will be the key liaisons to the States for all OWIP Recovery Act grant activities.

Project Officers will be assigned to each of the States, Tribes and territories receiving Recovery Act WAP and SEP grants. Project Officers also will be assigned to EECBG recipients. Specific Project Officer staffing assignments will be based on resource availability and grant requirements. The assigned Project Officers will keep in contact with the States to ensure up-to-date information on recipient progress and problems, and be a primary conduit to transmit best practices and identify training and technical assistance opportunities.

Project Officers will be responsible for coordinating all monitoring activities, consolidating all findings for DOE internal reviews and facilitating the provision of support services such as technical assistance and training. Depending on the nature of the grant, Project Officers may do the monitoring themselves, supervise monitors, or manage contracts for monitoring services.

Project Officers will coordinate, consolidate and review reports from Desktop Reviews and On-Site Monitoring Reviews. In consultation with the Contracting Officers, they will aggregate

results into executive summaries and determine the status of a grant for reporting to senior leadership.

1.3.2.b. Monitors

Project Officers may be Monitors or may supervise other Monitors who are permanent or term-limited Federal employees or support contractors. Monitors may be assisted by contractor support and students. The composition of monitoring teams will be tailored to the requirements of specific activities and projects of the Grantee. All Monitors will report to a Federal supervisor.

Monitors will perform Desktop monitoring of reports submitted by Grantees and may also conduct on-site monitoring. Desktop monitoring will be facilitated by reviewing recipient data recorded in the OWIP data systems. Monitors may also conduct onsite monitoring reviews at locations where WAP, SEP and EECBG Recovery Act funds are being or have been used. Monitors will examine the operating procedures of the Grantee to determine compliance with Federal rules and regulations, performance of the grantee against stated goals and objectives, goals and objectives of their approved plan, and the reporting and tracking of resources expended by the Grantee through its projects.

1.3.2.c. Contracting Officers and Contract Specialists

The Contracting Officer has the primary authority for entering into grants, obligating Federal funds, and for making related determinations and findings. Authority and designation for Contracting Officers are set forth in DOE Order 541.1A, "Appointment of Contracting Officers and Contracting Officers' Representatives". Only the Contracting Officer has the specific authority to establish binding legal relationships that obligate DOE financially. The Contracting Officer is responsible for the business management and non-programmatic aspects of the financial assistance. Contracting Officers are responsible for monitoring compliance with grant terms and conditions by reviewing records to ensure accurate and timely fiscal record keeping and identifying areas of concern or any discrepancies in the financial procedures. Contract Specialists will conduct those functions where authority for the activities can be delegated by the Contracting Officer.

1.3.3. Technical Experts

Technical experts from both DOE Laboratories and support contractors will supplement the work of Project Officers and Monitors, as needed, to provide subject matter expertise. The objective may be to aid grant recipients in complex technical projects as well as to examine their projects for milestone completion and financial/performance standards achievement.

1.3.4. EERE Evaluation, Measurement and Verification (EM&V) Team

The EERE EM&V Team has the responsibility to set the standards and guidelines for process and impact evaluations of all EERE Recovery Act projects. In this capacity, the EM&V Team will provide technical assistance to OWIP for the planning and execution of Recovery Act impact evaluations for WAP, SEP, and EECBG. Additionally, the EM&V Team will develop guidance for SEP and EECBG recipients on proper calculation of interim benefits (e.g., energy saved) of their projects as well as guidance on managing commissioned post-project

impact evaluations. Both of these measures will help to ensure accuracy, consistency and comparability in the reported benefits of SEP and EECBG

2. Monitoring Procedures and Tools

This chapter describes general grant monitoring procedures. States have a long history of receiving WAP and SEP grant funds from DOE and are generally knowledgeable of Federal and specifically DOE grants requirements. This set of procedures recognizes that although these Grantees are familiar with doing business with DOE, most have not handled this level of funding, and will have adjustments to make as they scale-up their management to accommodate grants.

Grant monitoring must also address a new group of Grantees who are doing business with DOE for the first time. These procedures have been written to meet the needs of both sets of Grantees.

2.1. Grantee Desktop Reviews

All Grantees are monitored via standard periodic desktop monitoring for WAP, SEP and EECBG recipients. Desktop monitoring examines Grantee reports to assess progress and determine compliance with Federal rules and regulations, goals and objectives of the grant as stipulated in the approved plan, and the reporting and fiscal tracking of resources expended by the Grantee and its sub-grantees.

Grantees will also comply with all reporting requirements mandated by the Recovery Act. The role of desktop monitors will adjust as revised Recovery Act reporting guidance becomes available from OMB and/or DOE from time to time. Each Grantee will be required to submit periodic reports on activities and expenditures. Desktop Monitors will be responsible for the following types of activities associated with reviewing each Grantee's operation:

- Desktop reviews will be conducted by the Monitors to identify any deficiencies in reporting such as delinquent reports. Where discrepancies exist between planned activities and actual accomplishments reported, the Monitor will conduct follow-up with the Grantee to determine cause and future actions to correct the discrepancy. These findings will be reported to the Project Officer.
- Submission of desktop checklist results by the Monitor will also be used to report substantive problems that require resolution, such as failure to make sufficient progress over time. These results will be provided to the Project Officer and Contracting Officer. Together they will identify and implement corrective actions.
- The Desktop Monitor will identify any areas of concern or discrepancies and will submit a written description of these concerns or deficiencies to be included in a monitoring report filed with the Grantee, EERE/OWIP and the Contracting Officer.

2.2. Regularly Scheduled Grantee Onsite Monitoring

Regularly scheduled State office reviews for WAP, SEP and the State portion of EECBG will be conducted periodically. Common onsite practices for all three grant programs are described below.

Onsite Monitors will review the monitoring findings of the Grantee monitoring staff to determine the deficiencies being identified through routine Grantee monitoring and how the Grantee is resolving the outstanding quality and operational issues. Reports and follow-up activity will be monitored during each visit to the Grantee.

Onsite Monitors will review the training and technical assistance plans of the Grantees and monitor progress towards the goals and objectives of these initiatives. Monitors may audit training classes where possible to ensure that instruction meets or exceeds the needs of the Grantee. Where formal training centers exist, the Monitor will visit these facilities periodically to interview instructors and those attending classes to gather information relevant to the on-going training activities. Where training needs are identified as unmet by the Grantee, the Monitor may help identify sources of technical assistance to provide best practices or other alternatives to meet the training needs.

While there is some overlap in processes and responsibilities among the WAP, SEP and EECBG onsite monitoring assignments, the unique nature of these programs warrants special considerations for oversight and technical assistance provisions.

2.2.1. WAP Onsite Monitoring

Onsite monitoring visits will occur at the Grantee and sub-grantee work sites. DOE monitors will conduct on site inspection of up to 10 percent of homes at various stages in the weatherization process to ensure compliance with DOE rules and consistency between reported activities and actual measures.

Interviews may be conducted with WAP sub-grantee staff and families who received services to determine whether appropriate follow-up was conducted. Every home must receive a quality control inspection conducted by the sub-grantee before the home can be reported to the Grantee and DOE. The Grantee is required to conduct quality control follow-up on at least 5 percent of the homes weatherized in their service area or State. These inspections will help determine quality workmanship. They will also determine the appropriateness of service delivery being maintained by each sub-grantee in the network. Monitors will also review a representative sampling of customer files to determine that proper documentation of service delivery is occurring and that quality control inspections are being performed on each home.

2.2.2. SEP Onsite Monitoring

Onsite monitoring for SEP will be conducted for up to 10 percent of major and significant projects per State per year based on resource availability. The nature of traditional SEP projects dictates that the Monitor will make several visits to the same project to determine progress towards goals and objectives or the achievement of major milestones. A team comprised of laboratory and/or contracted specialists in addition to the Monitor and program staff may conduct the monitoring, as appropriate.

2.2.3. EECBG Onsite Monitoring

Onsite Monitors will conduct visits for at least 30 percent per year of the grants above \$2 million in funding based on planned projects and resource availability. Regularly scheduled visits for grants of less than \$2 million will be based on random sampling of 10 percent of projects in each State per year. A team comprised of laboratory and/or contracted specialists in addition to the Monitor will conduct the monitoring, as appropriate.

The majority of work for the Onsite Monitor will occur at the Grantee and contractor levels. Monitors will conduct field inspections on projects where milestones were reached or were concluded since the previous visit.

Onsite Monitors will review the monitoring findings of the Grantee monitoring staff to determine the deficiencies being identified through routine monitoring and how the Grantee is resolving the outstanding quality and operational issues. Reports and follow-up activity will be monitored during each visit to the Grantee. Interviews will be conducted with contractors to determine whether follow-up protocols were conducted and deficiencies were corrected.

2.3. Additional Onsite Monitoring Visits

This section provides a general understanding of other types of onsite monitoring visits for immediate corrective action or part of the random sampling approach.

2.3.1. Unannounced Random Onsite Visits

Random onsite monitoring visits of WAP, SEP and EECBG grants will be conducted in each State each year.

2.3.2. Rapid Response Onsite Visits

When high-risk problems are identified by the Monitor, Project Officer or Contracting Officer, a Rapid Response Team will be activated.

3. Progress Reviews

Progress reviews will be conducted with Grantees to ensure acceptable progress is being made in accordance with EERE approved risk mitigation plans.

DOE will conduct periodic progress reviews for all three programs. These comprehensive reviews will use information from onsite and desktop monitoring reports to assess Grantee compliance with grant requirements.

DOE will monitor closely the expenditure rate of Recovery Act funding by Grantees to ensure the targets and purposes set by the Administration and outlined by OMB are met. During the progress reviews, the Grantee will be expected to demonstrate that it is making continued progress in obligating the funds previously provided, complying with all reporting requirements and creating jobs. If progress reviews reveal deficiencies, such as funds not obligated, jobs not created, insufficient project progress, or failure to meet reporting requirements, the Grantee will be expected to provide a corrective action plan (CAP).

4. Corrective Action Plans

If a Monitor, in consultation with the Project Officer and the Contracting Officer, determines through desktop or onsite monitoring that a Grantee has “significant findings,” the Grantee will be required to submit a CAP.

The CAP is not intended only to solve a current problem, but is a way for Grantees to permanently correct a deficiency within their program to perform at peak efficiency with the lowest level of risk. Once a CAP is completed by the Grantee, the Monitors will perform oversight to determine the proper execution of that Plan.

Grantees are encouraged to seek CAP technical assistance from the DOE’s National Laboratories provided through OWIP, EERE Program Office, local colleges and universities, and other third-party sources. Monitors will not be available to assist a Grantee with formulation of a CAP, but will be responsible for reviewing and recommending approval to the Project Officer and Contracting Officer of the plan.

5. Collecting Best Practices

Creation of a grant environment where continual process improvement and self-sufficiency can thrive is facilitated by monitoring plans that guide grant management officials to mine best practices and feed that information into enterprise-wide repositories to be shared through peer to peer exchange, technical assistance and/or training. The objective is to supply the grants system with controls, procedures, and information on best practices that:

- 1) Can inform Grantees and sub-grantee recipients on how to meet and exceed standards for financial, administrative and technical performance
- 2) Identify success factors for improved grants management and oversight
- 3) Can inform training, workshops and conferences to communicate best approaches for grants management to the service and grant community
- 4) Will foster peer exchange to provide support for underachieving sub-grantee recipients
- 5) Supply data and evidence of continual improvement such that it is measurable under the program evaluation process.

Best practices can be found at any transactional point along the monitoring continuum from risk assessment to desktop monitoring and eventual closeout review. Project Officers, Monitors and Contract Specialists will be encouraged to identify best practices and also to encourage Grantees and sub-grantee recipients to report success mechanisms. Either through direct observation or reported trends, evidence of outstanding performance can be uncovered through ongoing success that has been verified through oversight procedures. Therefore it is important for all parties to recognize, report and communicate on best practices. Best practices awareness should occur at several levels — sub-grantees, Grantees, and Monitors and, if possible, through peer to peer exchange which fosters direct dialog between high performance and lower performance actors.

6. Training of Monitors

Field offices will determine the appropriate training required for new staff hired and those existing staff assigned to be Monitors, as well as identify commercially available classes, web-based instruction, and appropriate technical conferences for continual learning opportunities. The instruction will be designed to equip staff with a working knowledge of Recovery Act grant regulations, processes and procedures, as well familiarity with energy efficiency and renewable energy technologies.

Attachments

The Attachments outlined below contain for each program –WAP, SEP and EECBG— the following:

- Desktop monitoring checklist
- Onsite monitoring checklist

These checklists are living documents and will be revised by the OWIP Program Managers and PMC Project Officers as appropriate.

Attachment A: WAP Checklists

Attachment B: SEP Checklists

Attachment C: EECBG Checklists

Attachment A-1

Weatherization Assistance Program (WAP) Desktop Monitoring Checklist

DUNS #:

Grantee Name:

The following is a checklist of information that the Monitor should have available.

Monitors must first review the approved application before proceeding with the desktop review.

1. Copy of the Grant and attachments including all information below.
2. Grantee Agency _____
3. Grantee Contact Information _____
4. Amount of WAP Award _____
5. Number of sub-grantees _____
6. Total amount of production planned _____
7. Demographics of those to be served
8. Monthly and year to date production reported _____
9. Planned and actual budget expenditures
 - Grantee Administration
 - Sub-grantee Administration
 - Grantee Training and Technical Assistance
 - Sub-grantee Training and Technical Assistance
 - Liability Insurance
 - Financial Audit
 - Health and Safety
 - Leverage Assistance
 - Program Operations
10. Benchmarks and/or milestones reported from the Training and Technical Assistance Plan including number of people trained and hours of training provided.
11. Benchmarks and/or milestones for any special projects listed in the Plan
12. Statement from the Grantee that it is fulfilling *Davis Bacon* requirements to collect and maintain documentation of certified payrolls
13. Statement from the Grantee and subgrantee that they are fulfilling the requirements of the Buy America Act

The following questions pertain to the Grantee's ability to follow the basic administrative requirements of WAP, and whether they have submitted their required forms and reports on time.

14. Has Grantee submitted all required reports to DOE on time?
 - Management Progress Report (quarterly)
 - ARRA Performance Progress Report (quarterly)

- Weatherization Assistance Program Report (DOE 540.3) (quarterly)
- Annual T&TA, monitoring, and leveraging report (DOE 540.4) (annually)
- Federal Financial Report (SF-425) (quarterly)
- Award Level Transaction Data (per obligations)
- Annual Indirect Cost Proposal (annually)
- Property Certification (once, after award completion)
- *Davis Bacon*

The following questions pertain to the Grantee's Management Progress Report.

- **The Grantee is required to submit regularly scheduled progress reports to DOE that provide a concise narrative assessment of the status of work being done.**
 - **The Monitor should compare items and activities in progress report with those in the Grantee's State Plan to ascertain**
 - **whether Grantee is meeting its goals,**
 - **how well the Grantee is following its plan, and**
 - **whether Grantee is on track to fulfill the requirements of the grant.**
15. Does the DOE award number, name of the recipient, project title and name of the project director on the Progress Report match those on the Grantee's approved State Plan?
 16. Does the Grantee list their actual accomplishments, including major activities, significant results, major findings or conclusions, key outcomes or other achievements?
 17. The Grantee is required to provide a Schedule Status that lists milestones, anticipated completion dates and actual completion dates. Do they?
 18. Has the Grantee compared its actual accomplishments with the goals, milestones and objectives for the reporting period?
 19. If actual accomplishments fell short of the goals, milestones and objectives, did the Grantee explain why the established goals were not met and how the goals and objectives will be met in the future?
 20. When comparing actual to anticipated completion dates, is the Grantee completing (or are they on track to complete) their milestones on time? **Note:** If the Grantee submitted a project management plan with their application, they must use this plan to report schedule and budget variances.
 21. If there are any changes in approach or aims, did the Grantee provide reasons for the changes listed? **Note:** Any significant changes to the objectives and scope require prior approval by the Contracting Officer.
 22. Based on work completed to date, is the Grantee on track to be within budget, on schedule, and meet their overall goals as stated in their plan, by program completion? If not did the Grantee provide an explanation?

The following questions pertain to the Grantee's plan for satisfying Recovery Act performance metrics, which is part of the law. Grantees are required to report their Recovery Act metrics.

23. Have the Grantees and sub-grantees registered on www.federalreporting.gov in order to submit Recovery Act reporting requirements to OMB?

Attachment A-2

Weatherization Assistance Program (WAP) Onsite Monitoring Checklist

DUNS #:

Grantee Name:

Note: By answering “yes,” the Monitors are indicating that they have verified the existence of documents referenced below. If the Monitors answer “no” to any of the questions below, they must include a narrative explanation.

Monitors must first review the approved application before proceeding with the onsite review.

The following question pertains to the results of the Desktop review of the Grantee.

1. Please describe any issues that have been identified in the desktop monitoring that should be addressed during the onsite visit.

The following questions pertain to *Davis Bacon* requirements.

2. Is Grantee aware of which labor and wage requirements apply to their activities?
3. Is Grantee complying with labor and wage requirements (i.e. fair labor laws, Davis-Bacon prevailing wage laws, etc.)?
4. Have sub-grantees submitted weekly payrolls?
5. Are payroll records on site in the State office?

The following questions pertain to *Buy American Act* requirements.

6. Is the Grantee ensuring that their purchasing procedures and the sub-grantee’s purchasing procedures are compliant with “Buy American?”
7. Are records kept on site in the State office demonstrating this compliance?

The following questions pertain to Grantees’ financial management system to ascertain whether they have an adequate system in place.

8. What system does the Grantee use for comparing expenditures to budgeted amounts?
9. Is the Grantee’s financial management system capable of tracking and reporting Recovery Act funds separately from leveraged/other funds?
10. Can the Grantee/sub-grantee track a single expenditure through the accounting system by:
 - Fund code
 - Sample type of transaction
 - Amount
 - Fund source.
11. Does the Grantee use periodic financial reports as a management control tool?

12. How frequently are audits completed?
 - Who conducts the audits?
 - When was the most recent audit completed?
13. Is the WAP Grant specifically reviewed in the audit?
14. Is there a system in place that tracks Grantee audit findings, recommendations, and corrective actions?
15. Have all outstanding audit findings that may apply to or impact WAP been resolved? If no, please explain.
16. Have other State, Federal or private resources been leveraged to enhance utilization of WAP funding and if so, are leveraged funds being properly accounted for and reported? If no, please explain.
17. Please summarize below any findings specific to WAP found in the most recent audit report.

The following questions pertain to Grantee's written financial operations manual, which outlines how they handle their financial management.

18. Does the Grantee have a written financial operations manual?
19. Does the Grantee's written financial operations manual contain adequate information addressing:
 - Segregation of duties
 - Accounting standards and practices
 - Payment procedures
 - Approval authority
 - Record keeping requirements.

The following questions pertain to Grantee's monitoring of sub-grantees. Under the Weatherization Assistance Program, Grantees are supposed to monitor their sub-grantees.

20. Does the Grantee have a guide for monitoring the sub-grantee performance? (Monitors will review the guide and describe any deficiencies if they exist.)
21. Does the monitoring guide cover all areas found in the sub-grantee's contract and the Grantee's plan, and all applicable Federal regulations and program guidance documents?
22. Are the current contracts and any amendments between the Grantee and sub-grantees signed and properly executed by both parties?
23. How often is Grantee conducting monitoring of sub-grantees?
24. Have all issues, perceived issues and potential issues, as determined by the Grantee, been raised with the sub-grantee?
 - If yes, have they been resolved?
 - If no, explain below.
25. Has sub-grantee provided required reports on its client education activities?
26. Are sanctions imposed for sub-grantees that fail to comply with program requirements?
27. Are there procedures in place for the Grantee to ensure that sub-grantees maintain adequate documentation and monitoring of personnel issues such as timesheets, time allocations, and leave, etc?

The following questions pertain to Grantee's personnel.

28. Are Grantee personnel paid from a single source of funds?
 - If not, explain.
29. Is staff time being properly recorded against the grant they are working on?
30. Has DOE been notified of any personnel being charged to more than one grant?
31. Are all Grantee personnel to be paid with grant funds accounted for on the Grantee's organizational chart?
32. Has the organizational structure remained unchanged since the grant was awarded?
 - If it has changed, has this been amended in the State Plan or reported to the Project Officer?
33. Are personnel policies on job classifications, time and attendance, leave and overtime established in writing and distributed to employees?
34. Is there an established process for determining whether costs incurred by staff are allowable?
35. Do the work hours estimated in the Grantee Plan appear to match the actual hours spent working on the Program?
 - If there is a discrepancy, please explain.
36. Are key personnel actually performing the duties originally proposed, if applicable (e.g. key personnel identified in the grant application)?
37. Does the Grantee believe it has sufficient staffing to meet requirements and goals?
 - If not, has this been discussed with the management in charge of overseeing hiring decisions?
 - Describe below how is it being resolved?

The following questions pertain to Grantee's monitoring of all vehicles and equipment.

38. Does the Grantee have a master inventory list of vehicles and equipment?
39. Are there written procedures covering the inventory, maintenance, and disposition of vehicles/equipment?
40. Is there a process in place to ensure that purchases/leases-to-purchase meet all financial and program requirements, including DOE prior approval, where applicable?
41. *This question applies only if vehicles or equipment have been purchased in excess of \$5,000:* Was DOE approval obtained for the vehicle or equipment purchase in excess of \$5,000? If no, please provide the following information:
 - Name of requesting Grantee and Local Agency
 - Where the vehicle will be used and how it will be used – Specify, full or part time use in Weatherization Program
 - A statement of whether this is a replacement or an expansion for ramp-up. If this is a replacement, how is the trade-in being addressed?
 - Brief description of how the procurement will be done, and confirmation that Agency, State and Federal procurement guidelines will be met
 - Reference to the OMB cost principals indicating this is an allowable expense (A-87 for State, Local, and Tribal governments; A-122 for Non-profit Organizations)
 - What the funding source(s) will be (e.g., DOE Weatherization Program Operations funds). Sub-grantee T&TA funds are not an allowable option as noted in bold at the end of Section 2.5 in the annual guidance.

- Copies of bid specs (vehicle description with options requested) and bids received
 - Statement that lowest bid will be selected, or a sufficient justification of the “best value selection” if lowest bid not recommended for DOE approval.
42. Are there safeguards in place to ensure that vehicle/equipment costs are charged to the appropriate program (and category)?
 43. Are all vehicles/equipment purchased with grant funds used for only this Program (i.e. full-time use)?
 44. If vehicles/equipment purchased with grant funds are going to be used for non-program purposes (i.e. part time use), it should be clearly documented what the other programs are and what portion of the cost is from weatherization funds. Is this the case?
 45. Are the vehicles/equipment/tools currently being used appropriate and adequate for the job and to ensure cost-effective delivery of services?
 46. Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years?

The following questions pertain to Grantee’s procurement process.

47. Does the procurement process clearly separate duties as they pertain to WAP procurement activities?
48. Is the Grantee/sub-grantee following the State’s procurement standards?
49. Is there a clear process for determining the use and selection of sub-grantees?
50. Does the Grantee review procurement of sub-contractors to ensure full and open competition?
51. Does the procurement process specifically address equipment purchase procedures?
52. Are efforts made to ensure fairness in bidding and contracting procedures with small businesses, women’s business enterprises, and minority-owned firms, pursuant to Federal law?
53. Do procurement procedures provide cost controls to avoid unnecessary or duplicative purchases?
54. Do procurement procedures provide cost controls to obtain the most economical purchase?
55. Do procurement procedures analyze lease versus purchase alternatives?
56. Does the process provide transparency in reporting what was purchased?

The following questions pertain to the DOE Monitor’s review of the sub-grantee’s monitoring of work done in the field. DOE Monitors should review documentation of inspections at the local agencies.

57. Name of local agency visited by DOE Monitor with Sub-grantee Monitor:

58. What was the total production of weatherized units by this sub-grantee agency during the most recently completed year? _____
59. What is the production goal for the sub-grantee agency during the current year?
60. What percentage of this sub-grantee agency’s weatherized units was inspected last year?

61. What was the level of the quality of work on the units inspected: excellent, good, acceptable, poor, or unacceptable?
62. List findings, if any, and define whether findings were major or minor: _____
63. Does the Grantee use a field guide or program standards document that describes how work is to be performed in the field? (Monitors will review the guide and describe any deficiencies if they exist.)
64. Please describe how the work performed is monitored against this guide to ensure compliance.
65. Describe what action is taken if work practices are deemed non-compliant.
66. Describe the plan for performing quality inspections of all weatherized units completed.
67. Does the Grantee have up-to-date, DOE-approved energy audits or priority lists for sub-grantees to use, and are they being appropriately used with regular reviews and updates for material and labor costs, climate, and unit characteristics, for:
 - Single Family Units
 - Mobile Homes
 - Multi-Family Units
68. What was the date that the audits or priority lists were most recently approved by DOE?
69. Are the input variables updated at the sub-grantee level (e.g. costs for materials and labor, weather, unit characteristics, etc.) bi-annually, or at least annually at a minimum?
70. What procedures are 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?
71. Is the type of monitor included (i.e. State staff, sub-contractor, monitor assigned to agency)?
72. What is the progress toward meeting the goal of inspecting 5% of weatherized units annually? If lagging, please explain.
 - Has the percentage of units that are post-inspections been included?
 - Has the percentage of units that are work in progress been included?
 - Are at least 5% of the homes that will be weatherized included in the tracking or monitoring plan?
73. Has a system been developed to track the progress of each funded project or activity?
74. Does the system include a timetable with scheduled completion dates?
75. If problems were found during inspection of the 5% of homes, per guidance, were additional inspections added?
76. What is the method used by the Grantee to verify actual energy savings, by methods such as collecting BTU energy savings data by fuel source, energy bills, etc. or by conducting a post-audit inspection?

The following questions pertain to Training and Technical Assistance (T&TA).

77. Do sub-grantees report all training completed, and any certifications received or renewed, by crew members and contractor staff to the Grantee?
78. What is the Grantee's method to determine the T&TA needs of sub-grantees and to allocate T&TA funds appropriately?
79. Describe how the Grantee ensures that the sub-grantees receive adequate training in all of the following areas:
 - Technical Training
 - Program Management Training

- Procurement Training
 - Sub-contracting Training
 - Inventory Control Training
 - Health and Safety
 - *Davis Bacon* compliance
80. Are the T&TA activities that were described in the State Plan occurring?
81. Is sufficient funding and emphasis being provided by the Grantee for Grantee and sub-grantee staff to attend training conferences and workshops, as emphasized by DOE?

The following questions pertain to Grantee/sub-grantee plan for Health and Safety.

82. Is the Grantee appropriately following their Health and Safety plan? If no, please explain.
83. Is the Grantee monitoring implementation by the sub-grantees of the Health and Safety requirements outlined in the State Plan?
84. Have all pertinent Grantee and sub-grantee staff received the required health and safety training?

The following questions pertain to weatherization of rental properties.

85. Are rental units being weatherized under the DOE Weatherization Grant?
86. Does the State require the sub-grantee to utilize a standard agreement with the landlord? If so, please make it available.

The following questions pertain to Grantee/sub-grantee properly reporting information about vendors.

87. Does the Grantee/Subgrantee have a system in place to identify vendors who are receiving more than \$25,000 of Recovery Act funds?
88. For any vendor receiving more than \$25,000 in Recovery Act funds, has the Grantee/sub-grantee properly reported the vendor's identity by reporting a DUNS number or name and zip code for the vendor's headquarters?
89. Does the Grantee/sub-grantee maintain details and documentation of all payments to the vendor, and descriptions of what was obtained for services rendered by the vendor?

The following questions pertain to Grantee/sub-grantee procedures to ensure good data quality.

90. Are information systems in place that have the capacity to handle Recovery Act reporting requirements?
91. What steps are the Grantees taking to ensure the sub-grantees report to www.federalreporting.gov?
92. Has the Grantee/sub-grantee missed one or more reporting deadlines? If so, what steps has the Grantee taken to correct the problem?

The following questions pertain to job creation estimates by Grantees/sub-grantees.

93. Is the Grantee estimating and reporting jobs created and retained for each project and activity, consistent with the requirements of OMB Guidance?
94. Is the Grantee/sub-grantee ensuring that jobs are not double counted as both created and retained?
95. Is the Grantee reporting only direct jobs created or retained, and not indirect jobs created or retained, in their jobs total?
96. Is the Grantee reporting only jobs that are attributable to Recovery Act funds?
97. Is the Grantee reporting the cumulative total of jobs created or retained for the reporting period as well as the year-to-date total?
98. Is the Grantee/sub-grantee describing its employment impact in narrative form?
99. Is the Grantee properly calculating jobs estimates expressed in “full-time equivalents”?
100. Is the Grantee collecting and reporting sub-grantees’ job creation estimates and actual numbers?

The following questions pertain to DOE requirements for retention of records.

101. Are there established procedures to ensure that records will be retained for at least three years after closeout of the grant?
102. Are records properly disposed of at the end of the retention period?

The following questions pertain to Grantee procedures for the identification and dissemination of best practices.

103. Does the Grantee have any best practices identified that they would like to share?
104. Does the Grantee identify and report success stories to DOE?

Attachment B-1

State Energy Program (SEP) Desktop Monitoring Checklist

State:

Award No.:

Period Covered by Report:

The following is a checklist of information that the Monitor should have available.

Monitors must first review the approved application before proceeding with the desktop review.

1. Copy of the Grant and attachments including all information below.
2. Grantee Agency _____
3. Grantee Contact Information _____
4. Amount of SEP Award _____
5. List of Activities and Budgets (State Plan) _____
6. Major Outcomes Provided through State Plan _____
7. Most recent financial report (SF 425) and Program Status Report (per activity)

8. Copy of Reporting Requirement Checklist _____
9. Copy of Terms and Conditions _____
10. Statement from the Grantee that it is fulfilling *Davis Bacon* requirements to collect and maintain documentation of certified payrolls.
11. Statement from the Grantee and subgrantee that they are fulfilling the requirements of the Buy America Act.

The following questions pertain to the Grantee's ability to follow the basic administrative requirements of SEP, and whether they have submitted their required forms and reports on time.

12. Has Grantee submitted all required reports to DOE on time?
 - Program Status Report (quarterly)
 - ARRA Performance Progress Report (quarterly)
 - EPA Act Goal (Section 123) data and required information from FOA section 10.3A (annually)
 - Federal Financial Report (SF-425) (quarterly)
 - Weekly Financial Activity Report (weekly for project life)
 - Annual Indirect Cost Proposal (annually)
 - Database Management (monthly, over span of the award)

The following questions pertain to the Grantee's Management Progress Report.

- **The Grantee is required to submit regularly scheduled progress reports to DOE that provide a concise narrative assessment of the status of work being done.**
 - **The Monitor should compare items and activities in progress report with those in the Grantee's State Plan to ascertain**
 - **whether Grantee is meeting its goals,**
 - **how well the Grantee is following its plan, and**
 - **whether Grantee is on track to fulfill the requirements of the grant.**
13. Does the DOE award number, name of the recipient, Worksheet Narrative titles and name of the official State Contact on the Progress Report match those on the Grantee's approved State Plan?
 14. Does the Grantee list their actual accomplishments, including major activities, significant results, major findings or conclusions, key outcomes or other achievements?
 15. Did the Grantee provide a Schedule Status that lists milestones, anticipated completion dates and actual completion dates?
 16. Does a review of the Grantee's actual accomplishments show that they are meeting the goals and objectives for the reporting period?
 - If not, please explain why the established goals were not met and how the goals and objectives will be met in the future.
 17. Did the Grantee provide a cost status showing approved budget, by budget period and actual costs incurred?
 18. Do actual costs incurred track with Grantee's approved budget schedule? (i.e., if Grantee has expended 50% of funds, have they completed 50% of the work?)
 19. Have the approach, goals or objectives remained the same and without changes?
 - If no, please provide reasons for the changes listed. **Note:** Any significant changes to the objectives and scope require prior approval by the Contracting Officer.
 20. Is the work progressing without any actual or anticipated problems or delays?
 - If there are actual or anticipated problems or delays, describe actions taken or planned to resolve them.
 21. Were there activity products or technology transfer activities accomplished during the reporting period listed?
 22. Is the Grantee's project completion process free of significant backlogs?
 23. Based on work completed to date, is the Grantee on track to be within budget, on schedule, and meet their overall goals as stated in their plan, by program completion?
 - If no, explain.
 24. Have the key personnel remained the same in this reporting period?
 25. Are job metrics reported on track with the approved plan (jobs created and retained) at the State and local levels?
 26. Do the actual expenditures in the Program Status Report reflect the amounts projected to be spent in the Grantee's Budget?
 - If no, please explain how expenditures significantly deviate from the plan.
 27. Is Grantee able to produce records such as receipts and invoices of all expenditures?
 28. Are key metrics accurately reported for each project activity undertaken by Grantee?
 29. What bases or methods are used to compute reported metrics?

30. Are equipment purchases and use proper and in compliance?
- If non-compliant, please explain

The following questions pertain to the Grantee's Recovery Act Progress Report.

31. Have the Grantees and sub-grantees registered on www.federalreporting.gov in order to submit Recovery Act reporting requirements to OMB?
32. Is the Grantee prepared to submit a report to www.federalreporting.gov on the use of Recovery Act funding, no later than the 10th day after the end of each calendar quarter (beginning the quarter ending September 30, 2009)?
33. Are the basic information requirements complete?
- Total amount of ARRA funds received
 - Total amount of ARRA funds expended or obligated to projects
 - Name and description of each project or activity
 - Completion status of project or activity (e.g., Active, Completed, Dropped and % of work completed)
 - Recovery Act metrics (i.e., energy savings, jobs, etc.)
 - Infrastructure investments made by State and local governments, purpose, total cost, rationale, and name of agency contact
 - Information on subcontracts or subgrants awarded by recipient

The following questions pertain to the Grantee's Recovery Act Performance metrics.

34. Is the Grantee on track according to their plan for meeting Recovery Act performance goals for Energy use reductions and/or renewable energy generated?
35. Is the Grantee on track according to their plan for meeting their Recovery Act performance goals for Green House Gas emissions reductions?
36. Is the Grantee on track for meeting their Recovery Act performance goals for jobs created or retained?
37. Is the Grantee on track for meeting their Recovery Act performance goals for cost savings?

The following questions pertain to the Grantee meeting their milestones.

38. Does the Grantee have milestones defined for the SEP Recovery Act program activities?
39. Has the Grantee reported their status in meeting each milestone in the Grantee's plan?
40. Is the Grantee meeting their milestones?
- If not, explain.

The following questions pertain to the Grantee procedures for measurement and verification.

41. Has the Grantee received DOE guidance for project improving estimates and identifying baselines?
42. If so, did the Grantee apply DOE provided guidance?
 - If not, explain.
43. Does the Grantee have access to data sources to support the methodology being used?
 - If data is not available, when is data expected?

Attachment B-2

State Energy Program (SEP) Onsite Monitoring Checklist

State:

Award No.:

Budget/Project Period:

Period being monitored:

Note: By answering “yes,” the Monitors are indicating that they have verified the existence of documents referenced below. If the Monitors answer “no” to any of the questions below, they must include a narrative explanation.

Monitors must first review the approved application before proceeding with the onsite review.

The following question pertains to DOE’s Desktop Review of the Grantee.

1. Please describe any issues that have been identified in the desktop monitoring that should be addressed during the onsite visit.

The following questions pertain to section 410 of the Recovery Act – “the Governors Assurance File” provision.

2. Is the State regulatory authority taking steps to implement in appropriate proceedings for each electric and gas utility ratemaking procedures to ensure that:
 - A general policy that ensures that utility financial incentives are aligned with helping their customers use energy more efficiently and
 - That provide timely cost recovery and a timely earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings, in a way that sustains or enhances utility customers’ incentives to use energy more efficiently?
3. Is the State implementing, or have they already implemented, residential building energy code(s) that meet or exceed the most recent International Energy Conservation Code or achieves equal or greater energy savings?
4. Is the State implementing, or has it already implemented, commercial building energy code(s) that meet or exceed ASHRAE 90.1 2007, or achieves equal or greater energy savings?
5. What is the current rate of compliance with the new residential and commercial building codes?
6. Has the State adopted a plan to ensure that 90% of new residential and commercial buildings comply with codes within eight years?
7. Describe the State’s training and enforcement systems for the building codes.
8. Are the training and enforcement systems sufficient to achieve the objectives of 90% compliance within eight years?
9. Is the State prioritizing their SEP dollars to fund energy efficiency and renewable energy programs, including expanding existing programs and supporting cooperative interstate programs?

The following questions pertain to *Davis Bacon* requirements.

10. Is Grantee aware of which labor and wage requirements apply to their activities?
11. Is Grantee complying with labor and wage requirements (i.e. fair labor laws, Davis-Bacon prevailing wage laws, etc.)?
12. Have sub-grantees submitted weekly payrolls?
13. Are payroll records on site in the State office?

The following questions pertain to *Buy American Act* requirements.

14. Is the Grantee ensuring that their purchasing procedures and the sub-grantee's purchasing procedures are compliant with "Buy American?"
15. Are records kept on site in the State office demonstrating this compliance?

The following questions pertain to the National Environmental Policy Act (NEPA).

16. Is the Grantee complying with any applicable NEPA conditions in the Grant?
 - If not, explain.

The following questions pertain to the National Historical Preservation Act.

17. Is the Grantee complying with any applicable National Historical Preservation Act conditions in the Grant?
 - If not, explain.

The following questions pertain to the funding limitations and prohibitions.

18. For regular annual base grant (non-Recovery Act) SEP funds, is the Grantee complying with the requirement that no more than 20% of the SEP grant can go to purchase equipment (demonstration projects of commercially-available renewable and energy efficiency technologies are not subject to this limit)?
19. Is the Grantee complying with regulations that allow SEP funds to supplement, but not supplant, State energy activities under the SEP?
20. Is the Grantee complying with regulations prohibiting SEP funding for the following:
 - Construction, such as construction of mass transit systems and exclusive bus lanes, or for construction or repair of buildings or structure;
 - Purchase of land, a building or structure or any interest therein;
 - Subsidizing fares for public transportation;
 - Subsidizing utility rate demonstrations or State tax credits for energy conservation measures or renewable energy measures;
 - Conducting, or purchase equipment to conduct, research, development or demonstration of energy efficiency or renewable energy techniques and technologies not commercially available
21. Is the Grantee complying with the requirement that any regular or revolving loan mechanisms funding SEP services are consistent with the SEP Regulations and which are included in the State's approved SEP plan?

22. Do all loan documents ensure repayment of principal and interest within a reasonable period of time, and not include provisions of loan forgiveness?
23. Is the Grantee complying with the requirement that buildings owned or leased by the United States are not eligible for energy efficiency measures or renewable energy measures under SEP?
24. Is the Grantee complying with the requirement that SEP funds not be used to supplant weatherization activities under the Weatherization Assistance Program for Low-Income Persons, under 10 CFR part 440?
25. Is the Grantee complying with the requirement that loan guarantees are not allowed to fund the purchase and installation of materials and equipment?

The following questions pertain to the Grantee's written financial operations manual, which outlines how they handle their financial management.

26. Does the Grantee have a written financial operations manual?
27. Does the Grantee's written financial operations manual contain adequate information addressing:
 - Segregation of duties
 - Accounting standards and practices
 - Payment procedures
 - Approval authority
 - Record keeping requirements

The following questions pertain to the adequacy of the financial management system to ascertain whether they have an adequate system in place.

28. Does Grantee's financial management system meet the requirements of 10 CFR 600.220?
29. What system does the Grantee use for comparing expenditures to budgeted amounts?
30. Are expenditures for project activities and administration being tracked separately?
31. Is the Grantee's financial management system capable of tracking and reporting Recovery Act funds separately from leveraged/other funds?
32. Are indirect costs claimed?
 - If so, are they being charged and allocated properly?
33. Does the Grantee use periodic financial reports as a management control tool?
34. How frequently are audits completed?
35. Who conducts the audits?
36. When was the last financial audit conducted? _____
37. Are SEP grants funded by both annual appropriations and the Recovery Act specifically reviewed in the audit?
38. Is there a system in place that tracks auditing findings, recommendations, and corrective actions?
39. Are there any findings specific to SEP found in the most recent audit report?
 - If so, please summarize.
40. Does the Grantee carryover funding from one fiscal year to the next?
41. For regular SEP grants funded with annual appropriations (i.e., non-Recovery Act), are carryover balances less than 25% of prior year Federal formula allocation?
 - If so, is there a plan in place to address how these balances will be reduced?
42. Has a system been developed to track the progress of each funded project or activity?

43. Does the tracking system include a timetable with scheduled completion dates?

The following questions pertain to the funds distribution to sub-grantees.

44. Has the Grantee developed a sub-granting process that expeditiously allocates funding?
45. Has the Grantee developed a sub-granting process that identifies waste, fraud, and abuse?
46. Has the Grantee developed a sub-granting process that generates timely and accurate reporting?
47. Do sub-grantees report cost, schedule and work completion information to the Grantee on a regular basis?
48. Are subgrants, if any, being properly distributed by the Grantee according to State procurement rules?
49. Is the Grantee meeting the Requirements of 10 CFR 600.237?

The following questions pertain to Grantee's monitoring of sub-grantees. Under the SEP, Grantees are expected to monitor their sub-grantees.

50. Does the Grantee have a guide for monitoring the sub-grantee performance? (Monitors will review the guide and describe any deficiencies if they exist.)
51. Does the monitoring guide cover all areas found in the sub-grantee's contract and the Grantee's plan, and all applicable Federal regulations and program guidance documents?
52. Are the current contracts and any amendments between the Grantee and sub-grantees signed and properly executed by both parties?
53. How often is Grantee conducting monitoring of sub-grantees?
54. Have all issues, perceived issues and potential issues, as determined by the Grantee, been raised with the sub-grantee?
 - If yes, have they been resolved?
 - If no, explain below.
55. Has sub-grantee provided required reports on its client education activities?
56. Are sanctions imposed for sub-grantees that fail to comply with program requirements?
57. Are there procedures in place for the Grantee to ensure that sub-recipients maintain adequate documentation and monitoring of personnel issues such as timesheets, time allocations, and leave, etc?

The following questions pertain to Grantee's personnel.

58. Are Grantee personnel paid from a single source of funds?
 - If not, explain.
59. Is staff time being properly recorded against the grant they are working on?
60. Has DOE been notified of any personnel being charged to more than one grant?
61. Are all Grantee personnel to be paid with grant funds accounted for on the Grantee's organizational chart?
62. Has the organizational structure remained unchanged since the grant was awarded?
 - If it has changed, has this been amended in the State Plan or reported to the Project Officer?
63. Are personnel policies on job classification, time and attendance, leave and overtime established in writing, and distributed to employees?
64. Is there an established process for determining whether costs incurred by staff are allowable?

65. Do the work hours estimated in the Grantee Plan appear to match the actual hours spent working on the Program?
 - If there is a discrepancy, please explain.
66. Are key personnel actually performing the duties originally proposed, if applicable (e.g. key personnel identified in the grant application)?
67. Are processes in place to ensure that no more than 100% of time is charged per employee?
 - If not, are there any personnel listed in the Plans or Progress Report with greater than 100% utilization?
68. If needed, are there hiring plans in place for program administrators for the Plan?
69. If needed, are there hiring plans in place for program technical experts for the Plan?
70. Does the Grantee believe it has sufficient staffing to meet requirements and goals?
 - If not, has this been discussed with the management in charge of overseeing hiring decisions?
 - Describe below how staffing issues are being resolved.

The following questions pertain to Grantee's monitoring of all vehicles and equipment.

71. Does the Grantee have a master inventory list of vehicles and equipment?
72. Are there written procedures covering the inventory, maintenance, and disposition of vehicles/equipment?
73. Is there a process in place to ensure that purchases or leases-to-purchase meet all financial and program requirements, including DOE prior approval, where applicable?
74. Are there safeguards in place to ensure that vehicle/equipment costs are charged to the appropriate program (and category)?
75. Are all vehicles/equipment purchased with grant funds used for only this Program (i.e., full-time use)?
76. If vehicles/equipment purchased with grant funds are going to be used for non-program purposes (i.e., part time use), is it clearly documented what the other programs are and what portion of the cost is from state energy funds?
77. Are the vehicles/equipment currently being used appropriate and adequate for the job and do they ensure cost-effective delivery of services?
78. Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years?

The following questions pertain to Grantee's procurement process.

79. Is the procurement process established in writing and distributed to employees?
80. Does the procurement process clearly separate duties as they pertain to SEP procurement activities?
81. Is the Grantee following State's procurement standards?
82. Is there a clear process for determining the use and selection of sub-grantees?
83. Does the Grantee review procurements of sub-contractors to ensure full and open competition?
84. Are efforts made to ensure fairness in bidding and contracting procedures with small businesses, women's business enterprises, and minority-owned firms, pursuant to Federal law?
85. Is there a documented process and timeframe for issuing solicitations and making awards?

86. Do procurement procedures provide cost controls to avoid unnecessary or duplicative purchases?
87. Do procurement procedures provide cost controls to obtain the most economical purchase?
88. Do procurement procedures analyze lease versus purchase alternatives?
89. Does the process provide transparency in reporting what was purchased?

The following questions pertain to Grantee/sub-grantee properly reporting information about vendors.

90. Is the Grantee complying with Section 1512 of the Recovery Act (June 22, 2009 OMB Memo)?
91. Is the Grantee complying with reporting specified on the Reporting Requirement Checklist?
92. Is Grantee/sub-grantee doing business with a vendor who is receiving more than \$25,000 of Recovery Act funds?
 - For any vendor receiving more than \$25,000 in Recovery Act funds, has the Grantee/sub-grantee properly reported the vendor's identity by reporting a DUNS number or name and zip code for the vendor's headquarters?
 - Does the Grantee/sub-grantee maintain details and documentation of all payments to the vendor, and descriptions of what was obtained for services rendered by the vendor?
93. Are information systems in place that can handle the capacity of SEP reporting requirements?
94. Does the Grantee have measures in place to review the quality of data its sub-grantees report to www.federalreporting.gov?
95. Has the Grantee demonstrated that they have no systemic or chronic reporting problems?
96. Has the Grantee demonstrated that they have no systemic or chronic deficiencies in meeting its responsibilities to review and identify the data quality problems of sub-grantees, consistent with requirements of OMB Guidance?
97. Has the Grantee/sub-grantee taken action to correct any reporting problems identified by DOE?

The following questions pertain to job creation estimates by Grantees/sub-grantees.

98. Is the Grantee estimating and reporting jobs created and retained for each project and activity, consistent with the requirements of OMB Guidance?
99. Is the Grantee/sub-grantee ensuring that jobs are not double counted as both created and retained?
100. Is the Grantee reporting only direct jobs created or retained, and not indirect jobs created or retained, in their jobs total?
101. Is the Grantee reporting only jobs that are attributable to Recovery Act funds?
102. Is the Grantee reporting the cumulative total of jobs created or retained for the reporting period as well as the year-to-date total?
103. Is the Grantee/sub-grantee describing its employment impact in narrative form?
104. Is the Grantee properly calculating jobs estimates expressed in "full-time equivalents"?
105. Is the Grantee collecting and reporting sub-grantees' job creation estimates and actual numbers?

The following questions pertain to DOE requirements for retention of records.

106. Are there established procedures to ensure that records will be retained for at least three years after delivery of the final report to DOE?
107. Are records properly disposed of at the end of the retention period?

The following questions pertain to EPACT 2005 requirements.

108. Is each activity being undertaken by the Grantee in their energy conservation plan (State Plan) clearly linked to a goal in their State Plan?
109. Is the Grantee on track to meet the EPACT 2005 goal of at least 25 percent improvement in energy efficiency in the State by 2012 over 1990 levels?

The following questions pertain to Grantee procedures for the identification and dissemination of best practices.

110. Does the Grantee have any best practices identified that they would like to share?
111. Does the Grantee identify and report success stories to DOE?

The following question pertains to annual metrics reporting.

112. Is the Grantee providing critical annual reporting metrics as required by Funding Opportunity Guidance DE-FOA-0000052 issued April 24, 2009, and resultant Grant?

The following questions pertain to Grantee procedures for measurement and verification.

These questions are to be completed only if DOE has issued guidance for improving estimates and identifying baselines for measurement and verification. The Monitor should check with OWIP to determine if this has occurred.

113. Has the Grantee applied DOE provided guidance for improving estimates and identifying baselines for measurement and verification?
 - If no, explain.
114. Does the Grantee have access to data sources to support the methodology being used?
 - If no, explain.

Attachment C-1

Energy Efficiency Conservation Block Grants (EECBG) Desktop Monitoring Checklist

DUNS #:

Grantee Name:

The following is a list of information that the Monitor should have available.

Monitors must first review the approved application before proceeding with the desktop review.

1. Copy of the Grant and attachments including all information below.
2. Grantee Agency _____
3. Grantee Contact Information _____
4. Amount of EECBG Award _____
5. List of Projects and Budgets based on the 14 Allowable Activity Categories
6. Planned and actual budget expenditures reported for all categories that apply.
7. Procurement plan for Tools and Equipment, if provided separately
8. Staffing plan for Grantee
9. Benchmarks and/or milestones for all activities
10. Statement from the Grantee that it is fulfilling *Davis Bacon* requirements to collect and maintain documentation of certified payrolls.
11. Statement from the Grantee and subgrantee that they are fulfilling the requirements of the *Buy American Act*.

The following questions pertain to the Grantee's ability to follow the basic administrative requirements of EECBG, and whether they have submitted their required forms and reports on time.

12. Has Grantee submitted all required reports to DOE on time?
 - ARRA Performance Progress Report
 - EECBG Special Status Report, if applicable (contingent – within 5 days of a major event with either positive or negative impact on project)
 - Energy Efficiency Conservation Strategy (EECS) (for local governments and Indian Tribes) (Once, no later than 120 days after effective date of award)
 - EECS Annual Report (Annually –Local and Tribal Grantees have 2 years from award date to submit: State Grantees have 1 year)
 - Federal Financial Report (SF-425)
 - NEPA Status Report (for activities with no categorical exclusion)
 - Property Certification (once, after award completion)

The following questions pertain to the Energy Efficiency Conservation Strategy (EECS) Annual Report.

- **All State, Local Government and Tribal Grantees must submit annual reports, although at different times and with different information requirements.**
 - **All Grantees must include the status of EECS development and implementation, list Recovery Act performance metrics, and list EECBG metrics, by activity type.**
 - **Any unique requirements for State, Local or Tribal Grantees are listed below.**
13. **Requirement for all Grantees:** Did they include the status of EECS development and implementation?
 14. **Requirement for all Grantees:** Are Recovery Act performance metrics listed? (i.e. jobs, energy savings, renewable energy, GHG emissions, and cost savings)
 15. **Requirement for all Grantees:** Are EECBG metrics listed, by activity type?
 16. **Requirement for all Grantees:** Is the Grantee on track with fulfilling the goals in their approved plan with respect to Recovery Act metrics?
 - If not, explain.
 17. **Requirement for all Grantees:** Is the EECS development and implementation on track?
 - If not, explain.
 18. **Requirement only for States:** Is the status of the subgrant program reported?
 19. **Requirement only for States:** Are all activities (list of all programs created or supported by EECBG funds) listed, as well as which programs are new and which already exist?
 20. **Requirement only for States:** Have they submitted annual reports no later than one year of the award date and annually thereafter?
 21. **Requirement only for States:** Is the amount of program funds spent on each activity indicated?
 22. **Requirement only for States:** Are the programs which are supported by EECBG funds and which have other funding sources specifically indicated?
 23. **Requirement only for States:** Is the subgrant program on track?
 - If not, explain.
 24. **Requirement only for Local Governments and Indian Tribes:** Have they submitted annual reports no later than two years after the award date and annually thereafter?

The following questions pertain to the Grantee's Recovery Act Performance Progress Report.

25. Are the basic information requirements complete?
 - Total amount of ARRA funds received
 - Total amount of ARRA funds expended or obligated to projects
 - Name and description of each project or activity
 - Completion status of project or activity (e.g.- Active, Completed, Dropped and % of work completed)
 - Recovery Act metrics (i.e. energy savings, jobs, etc.)
 - Infrastructure investments made by State and local governments, purpose, total cost, rationale, and name of agency contact
 - Information on sub-contracts or sub-grantees awarded by recipient

26. Are expenditures broken out by project activity, administrative expenditures, evaluation and monitoring, and leveraged funds?
27. Comparing the actual expenditures in the Performance Progress Report to amounts projected to be spent in the Grantee's Budget, did the Grantee accurately estimate the following amounts, where applicable?
 - Overall activity budget
 - Administrative expenses
 - Revolving loans
 - Sub-grantees
 - Funds leveraged
28. Comparing the Recovery Act performance metrics on the Grantee's ARRA Performance Progress Report to those on the Grantee's Project Activity Worksheet, is the Grantee on track to meet their projected goals for:
 - Energy use reductions and/or renewable energy generated?
 - GHG emissions reductions?
 - Jobs created and retained?
 - Cost savings?
29. For each project activity, do the expenditures, compared with the total award amount and the percentage of work completed, show that the Grantee is on track financially (e.g. % of money spent and % of work completed are about the same)?
30. Are key metrics accurately reported for each project activity undertaken by Grantee?
31. Are short-term outcomes properly reported for Recovery Act metrics (energy savings, job creation/retention, renewable energy, and GHG reductions) for each project activity, where applicable?

The following questions pertain to the Grantee financial procedures.

32. Is Grantee's Financial Management Assessment (form B2 of FOA) satisfactorily complete and signed by Grantee's Financial Officer?
 - Did Grantee answer "NO" on form B2 – Financial Management Assessment?
 - If so, how many "NO's"?
33. Has the Grantee remained within statutory limits on administrative expenses (e.g. 10% for States; the greater of 10% or \$75,000 for local governments)?
34. If the Grantee is using funds to establish a revolving loan fund, has the Grantee remained within the statutory limit for revolving loan funds (e.g. the greater of 20% or \$250,000)?
35. Local Government and Tribal Grantees are permitted to issue sub-grantees to Non-Governmental Organizations (NGOs) to help them implement their EECS. If this is the case, has the Grantee remained within the statutory limit? (e.g. the greater of 20% or \$250,000)?
36. For awards greater than \$250,000 for which a sub-award is given that is greater than 25% of the total allocation, or \$1,000,000 -- whichever is less -- has the Grantee provided a separate budget file and justification?

The following questions pertain to the Grantee meeting their milestones.

37. Is the Grantee meeting their milestones?
 - If no, explain how they plan to get back on track.

The following questions pertain to the Grantee procedures for measurement and verification.

38. Has the Grantee received DOE guidance for project improving estimates and identifying baselines?
39. If so, did the Grantee apply DOE provided guidance?
 - If not, explain.
40. Does the Grantee have access to data sources to support the methodology being used?
 - If data is not available, when is data expected?

***** THE FOLLOWING SECTION IS ONLY TO BE COMPLETED IF ***
THE GRANTEE IS REQUIRED TO SUBMIT A SPECIAL STATUS REPORT**

The following questions pertain to the Grantee's Special Status Report.

- **The Special Status Report is required to be submitted by the Grantee within 5 business days of an incident that has a significant impact – both favorable and unfavorable – on the project.**
 - **The Special Status Report is designed to ensure timely reporting of events that are likely to delay or accelerate the completion of a project.**
41. Was the Grantee's Special Status Report submitted on time (within 5 business days)?
 42. Were there any developments reported that had a significant favorable impact on the project?
 - Explain.
 43. Were there any developments reported that had a significant negative impact on the project?
 - Explain.
 44. Indicate if any of the following problems were reported:
 - Any single fatality or injuries requiring hospitalization of five or more individuals?
 - Any significant environmental permit violation?
 - Any verbal or written Notice of Violation of any Environmental, Safety, and Health statutes or regulations?
 - Any incident which causes a significant process or hazard control system failure?
 - Any event which is anticipated to cause a significant schedule slippage or cost increase?
 - Any instances of damage to government-owned equipment in excess of \$50,000?
 - Any other incidents reported with high media visibility potential?
 45. For each problem reported, did the Grantee also include the anticipated impact to the project and remedial action(s) to be taken to correct or resolve the problem?
 46. Based on this incident, is the Grantee still on track to be within budget, on schedule, and meet their overall goals as stated in their plan, by program completion?
 - If not, explain.

Attachment C-2

Energy Efficiency Conservation Block Grant (EECBG) Onsite Monitoring Checklist

DUNS #:

Grantee Name:

Note: By answering “yes,” the Monitors are indicating that they have verified the existence of documents referenced below. If the Monitors answer “no” to any of the questions below, they must include a narrative explanation.

Monitors must first review the approved application before proceeding with the onsite review.

The following question pertains to DOE’s Desktop Review of the Grantee.

1. Please describe any issues that have been identified in the desktop monitoring that should be addressed during the onsite visit.

State Grantees Only: The following questions pertain to Grantee’s Energy Efficiency and Conservation Strategy (EECS) that they must submit with their application.

2. Is the State varying significantly from the approved strategy in its EECS?
3. Is the State following their process, as stated in their EECS, for providing subgrants to units of local government that are ineligible for the formula-based EECBG?
4. Is the process for choosing sub-grantees transparent and fair and is the State communicating the process to potential sub-grantees?
5. Is the strategy being followed likely to ensure that it sustains benefits beyond the EECBG funding period?

Local and Tribal Grantees Only: The following questions pertain to Grantee’s Energy Efficiency and Conservation Strategy (EECS)

6. Is the Grantee varying significantly from the strategy in its EECS?
7. Is the strategy being followed likely to ensure that it sustains benefits beyond the EECBG funding period?

The following questions pertain to *Davis Bacon* requirements.

8. Is Grantee aware of which labor and wage requirements apply to their activities?
9. Is Grantee complying with labor and wage requirements (i.e. fair labor laws, Davis-Bacon prevailing wage laws, etc.)?
10. Have sub-grantees submitted weekly payrolls?
11. Are payroll records on site in the State office?

The following questions pertain to *Buy American Act* requirements.

12. Is the Grantee ensuring that their purchasing procedures and the sub-grantee's purchasing procedures are compliant with "Buy American?"
13. Are records kept on site in the State office demonstrating this compliance?

The following questions pertain to the National Environmental Policy Act (NEPA).

14. Is the Grantee complying with all NEPA conditions in the Grant?
 - If not, explain.

The following questions pertain to the National Historical Preservation Act.

15. Is the Grantee complying with any applicable National Historical Preservation Act conditions in the Grant?
 - If not, explain.

The following questions pertain to the State Grantee's distribution to sub-grantees.

16. Is the State is distributing 60 percent or less of its EECSBG funding to units of local government in the State that are NOT eligible for direct EECSBG formula grants?
 - What is the process the Grantee has developed to allocate funding in an expeditious manner?
17. Has the Grantee developed a process to prevent fraudulent spending?
 - Explain.
18. Has the Grantee developed a process that generates timely and accurate reporting?
 - Explain.
19. Has the State awarded all subgrants within 180 days of the date on which the DOE approved their EECS?
20. Do sub-grantees report cost, schedule and work completion information to the Grantee on a regular basis?

The following questions pertain to Grantee's written financial operations manual, which outlines how they handle their financial management.

21. Does the Grantee have a written financial operations manual?
22. Does the Grantee's written financial operations manual contain adequate information addressing:
 - Segregation of duties
 - Accounting standards and practices
 - Payment procedures
 - Approval authority
 - Record keeping requirements

The following pertains to the performance of the Financial System and Financial Monitoring.

23. Does the Grantee use periodic financial reports as a management control tool?
24. Does the Grantee have a regular audit performed by a qualified firm?
 - Please explain any findings specific to EECBG found in the most recent audit report
25. Will the EECBG grant be reviewed in the upcoming audit?
26. Is there a system in place that tracks auditing findings, projections, recommendations, and corrective actions?
27. Has a system been developed to track the progress of each funded project or activity?
 - Does the system include a timetable with scheduled completion dates?
28. Based on work completed to date, is the Grantee on track to obligate EECBG funds within 18 months and spend within 36 months of award?
29. Is the Grantee's financial monitoring system capable of tracking and reporting Recovery Act funds separately from leveraged/other funds?
30. Can the Grantee/sub-grantee track a single expenditure through the accounting system by:
 - Fund code?
 - Type of transaction?
 - Amount?
 - Fund source?
31. Are all costs in the Grantee/sub-grantee's budget reasonable, allowable, and allocable according to the correct cost principles (e.g. OMB A-87 for governments, A-122 for non-profit organizations, and A-102 for educational institutions)?
32. If the Grantee/sub-grantee has a carryover from one fiscal year to the next, are carryover balances less than 25% of prior year allocation?
33. If the Grantee/sub-grantee has a carryover from one fiscal year to the next, is there a plan in place to address how these balances will be reduced?
34. Does the Grantee have an adequate system for comparing expenditures to budgeted amounts?
 - How does the Grantee compare expenditures to budgeted amounts?
35. Is there is any budgeted amount that does not have a corresponding expenditure?
 - Explain.

The following questions pertain to Grantee's monitoring of sub-grantees. Under the EECBG, Grantees are expected to monitor their sub-grantees.

36. Does the Grantee have a guide for monitoring of sub-grantee performance?
37. Does the monitoring guide cover all areas covered by the sub-grantee's contract and the Grantee's plan?
38. Has a system been developed to track the progress of each funded project or activity?
 - Does the system include a timetable with scheduled completion dates?
39. Does the Grantee maintain written procedures describing its management of the program?
40. Are the current contracts between the Grantee and sub-recipients signed and properly executed by both parties?
41. Has the Grantee obtained a DUNS number and registered their sub-grantee with the Central Contractor Registration (CCR) system?

42. Does the Grantee have a process to ensure that all sub-grantees comply with EECBG requirements?
43. Have all issues, perceived issues and potential issues, as determined by the Grantee, been raised with the sub-grantee?
44. Are sanctions imposed for sub-grantees/sub-contractors that fail to comply with program requirements?
45. Does the Grantee have procedures in place to ensure that regular reporting is completed accurately and submitted on time?

The following questions pertain to Grantee's personnel.

46. Are Grantee personnel paid from a single source of funds?
 - If not, explain.
47. Is staff time being properly recorded against the grant they are working on?
48. Has DOE been notified of any personnel being charged to more than one grant?
49. Are all Grantee personnel to be paid with grant funds accounted for on the Grantee's organizational chart?
50. Has the organizational structure remained unchanged since the grant was awarded?
 - If it has changed, has this been amended in the State Plan or reported to the Project Officer?
51. Are personnel policies on job classification, time and attendance, leave and overtime established in writing, and distributed to employees?
52. Is there an established process for determining whether costs incurred by staff are allowable?
53. Do the work hours estimated in the Grantee Plan appear to match the actual hours spent working on the Program?
 - If there is a discrepancy, please explain.
54. Are key personnel actually performing the duties originally proposed, if applicable (e.g. key personnel identified in the grant application)?
55. Are processes in place to ensure that no more than 100% of time is charged per employee?
 - If not, are there any personnel listed in the Plans or Progress Report with greater than 100% utilization?
56. If needed, are there hiring plans in place for program administrators for the Plan?
57. If needed, are there hiring plans in place for program technical experts for the Plan?
58. Does the Grantee believe it has sufficient staffing to meet requirements and goals?
 - If not, has this been discussed with the management in charge of overseeing hiring decisions?
 - Describe below how staffing issues are being resolved.

The following questions pertain to Grantee's monitoring of all vehicles and equipment.

59. Does the Grantee have a master inventory list of vehicles and equipment?
60. Are there written procedures covering the inventory, maintenance, and disposition of vehicles/equipment?
61. Is there a process in place to ensure that purchases or leases-to-purchase meet all financial and program requirements, including DOE prior approval, where applicable?

62. Are there safeguards in place to ensure that vehicle/equipment costs are charged to the appropriate program (and category)?
63. Are all vehicles/equipment purchased with grant funds used for only this Program (i.e., full-time use)?
64. If vehicles/equipment purchased with grant funds are going to be used for non-program purposes (i.e., part time use), is it clearly documented what the other programs are and what portion of the cost is from state energy funds?
65. Are the vehicles/equipment currently being used appropriate and adequate for the job and do they ensure cost-effective delivery of services?
66. Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years?
67. If the equipment has a per-unit fair market value of \$5,000 or more, does the inventory list include all the necessary information and description of the equipment?
68. Are all unforeseen purchases (those not in the Grantee's original budget) greater than \$5,000 approved by the DOE Project Officer prior to purchase?

The following questions pertain to Grantee's procurement process.

69. Is the procurement process established in writing and distributed to employees?
70. Does the procurement process clearly separate duties as they pertain to EECBG procurement activities?
71. Is the Grantee following State's procurement standards?
72. Is there a clear process for determining the use and selection of sub-grantees?
73. Does the Grantee review procurements of sub-contractors to ensure full and open competition?
74. Are efforts made to ensure fairness in bidding and contracting procedures with small businesses, women's business enterprises, and minority-owned firms, pursuant to Federal law?
75. Is there a documented process and timeframe for issuing solicitations and making awards?
76. Do procurement procedures provide cost controls to avoid unnecessary or duplicative purchases?
77. Do procurement procedures provide cost controls to obtain the most economical purchase?
78. Do procurement procedures analyze lease versus purchase alternatives?
79. Does the process provide transparency in reporting what was purchased?

The following questions pertain to Grantee procedures for the identification and dissemination of best practices.

80. Does the Grantee have any best practices identified that they would like to share?
81. Does the Grantee identify and report success stories to DOE?

The following questions pertain to Grantee/sub-grantee properly reporting information about vendors.

82. Is the Grantee complying with Section 1512 of the Recovery Act (June 22, 2009 OMB Memo)?

83. Is the Grantee complying with reporting specified on the Reporting Requirement Checklist?
84. Is Grantee/sub-grantee doing business with a vendor who is receiving more than \$25,000 of Recovery Act funds?
 - For any vendor receiving more than \$25,000 in Recovery Act funds, has the Grantee/sub-grantee properly reported the vendor's identity by reporting a DUNS number or name and zip code for the vendor's headquarters?
 - Does the Grantee/sub-grantee maintain details and documentation of all payments to the vendor, and descriptions of what was obtained for services rendered by the vendor?
85. Are information systems in place that can handle the capacity of EECBG reporting requirements?
86. Does the Grantee have measures in place to review the quality of data its sub-grantees report to www.federalreporting.gov?
87. Has the Grantee demonstrated that they have no systemic or chronic reporting problems?
88. Has the Grantee demonstrated that they have no systemic or chronic deficiencies in meeting its responsibilities to review and identify the data quality problems of sub-grantees, consistent with requirements of OMB Guidance?
89. Has the Grantee/sub-grantee taken action to correct any reporting problems identified by DOE?

The following questions pertain to job creation estimates by Grantees/sub-grantees.

90. Is the Grantee estimating and reporting jobs created and retained for each project and activity, consistent with the requirements of OMB Guidance?
91. Is the Grantee/sub-grantee ensuring that jobs are not double counted as both created and retained?
92. Is the Grantee reporting only direct jobs created or retained, and not indirect jobs created or retained, in their jobs total?
93. Is the Grantee reporting only jobs that are attributable to Recovery Act funds?
94. Is the Grantee reporting the cumulative total of jobs created or retained for the reporting period as well as the year-to-date total?
95. Is the Grantee/sub-grantee describing its employment impact in narrative form?
96. Is the Grantee properly calculating jobs estimates expressed in "full-time equivalents"?
97. Is the Grantee collecting and reporting sub-grantees' job creation estimates and actual numbers?

The following questions pertain to DOE requirements for retention of records.

98. Are there established procedures to ensure that records will be retained for at least three years after delivery of the final report to DOE?
99. Are records properly disposed of at the end of the retention period?

The following questions pertain to Grantee procedures for the identification and dissemination of best practices.

100. Does the Grantee have any best practices identified that they would like to share?

101. Does the Grantee identify and report success stories to DOE?

The following questions pertain to Grantee procedures for measurement and verification.

These questions are to be completed only if DOE has issued guidance for improving estimates and identifying baselines for measurement and verification. The Monitor should check with OWIP to determine if this has occurred.

102. Has the Grantee applied DOE provided guidance for improving estimates and identifying baselines for measurement and verification?

- If no, explain.

103. Does the Grantee have access to data sources to support the methodology being used?

- If no, explain.