

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



Office of Energy Efficiency and Renewable Energy
Weatherization and Intergovernmental Program

Appendix of Compliance Checklists

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

Revised: October 22, 2010



Concurrences:



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Appendix of Compliance Checklists Change Record

Date	Section	Page	Revision Type	Description
October 22, 2010	5	17	Addition and Update	Added "Type of Visit" question to SEP on-site checklist. Added "Additional Monitoring Information" questions to WAP on-site checklist. Switched EECBG desktop checklist question order and updated questions for ease
September 24, 2010	5	17	Additions	Added on-site visit status questions to SEP on-site checklist
September 24, 2010	6	22	Additions and Updates	Re-ordered questions for EECBG; updated questions for clarity
July 30, 2010	All	All	Deletion and Updates	Deleted monthly checklists and nonsubstantive grammatical revisions for the EECBG checklists
June 30, 2010	9, 10	Page 26-28	Updates	Revised EECBG Desktop and Onsite Checklists
May 7, 2010	All	All	Additions and Updates	Added Monthly checklists for WAP, SEP and EECBG. Revised WAP Quarterly, SEP Quarterly, WAP Onsite, SEP Onsite and EECBG Onsite Checklists
March 3, 2010	All	All	N/A	Initial Publication

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1. Overview

This appendix supports the objectives and oversight structure put in place by the U.S. Department of Energy (DOE) Office of Energy Efficiency and Renewable Energy (EERE) in its 2009 American Recovery and Reinvestment Act (ARRA) Monitoring Plan and in its 2010 American Recovery and Reinvestment Act (ARRA) Monitoring Manual for the Weatherization Assistance Program (WAP), State Energy Program (SEP), and the Energy Efficiency and Conservation Block Grants programs (EECBG), all managed by the EERE Office of Weatherization and Intergovernmental Program (WIP). The general roles and responsibilities of the Project Officer, WIP Liaisons, and other staff are outlined in the 2010 ARRA Monitoring Manual.

As part of the original 2009 ARRA Monitoring Plan's structure, an initial set of checklists was developed and used by Project Officers to gauge the compliance of Grantees in adhering to the statutes and regulations pertinent to the WAP, SEP and EECBG programs. These compliance checklists were restructured as part of this appendix on March 3, 2010. This restructuring allows for a separate approval process to be instituted for the checklists to address the higher expected frequency of updates to these compliance tools as the monitoring program matures and incorporates knowledge and experience from the field. The purpose of this appendix is to outline the change control process needed to amend the compliance checklists that are submitted to DOE Headquarters from Project Officers in the field.

This appendix also contains the most current compliance checklists in the DOE electronic grants management tool. The Compliance checklists include the WAP Quarterly Desktop checklist, WAP Onsite checklist, SEP Quarterly Desktop Checklist, SEP Onsite checklist, EECBG Quarterly Desktop checklist and the EECBG Onsite Checklist. Using these checklists, Projects Officers will:

- 1) Conduct Desktop and Onsite monitoring of WAP, SEP, or EECBG programs,
- 2) Submit the appropriate checklist (within the timeline specified by WIP) in the Grants Monitoring Module of the Performance and Accountability for Grants in Energy (PAGE) system.
- 3) Work with WIP and other resources to resolve issues identified from grants monitoring.

The authority of the change control process is established under the 2009 Monitoring Plan, as revised on March 3, 2010. Future changes to the 2009 Monitoring Plan will follow existing signatory concurrence process while changes to this document will require the signature of the Director of Field Performance Management and the Program Manager of WIP.

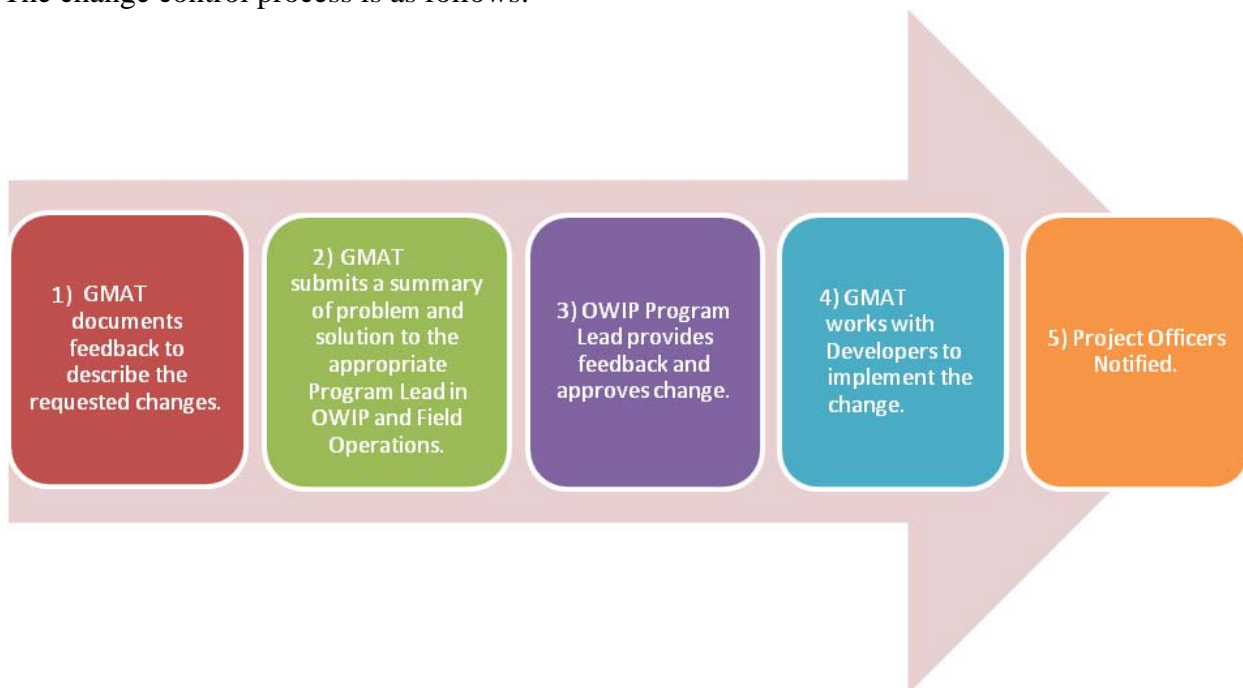
1.1. Change Control Process for Modifying Compliance Checklist

Periodically, Compliance checklists will require updates as Grantee monitoring matures. Changes will typically fall into two categories—non-substantive and substantive changes. Since these two types of changes have different impacts on the monitoring program, the time and attention given to each should be properly reflected in the change control process. The proper change control process must be followed in order to amend the compliance checklists. Currently, Project Officers access the checklists through the (PAGE) system. The team of individuals supporting the Grants Monitoring Module within PAGE, referred to as the Grants Monitoring and Analysis Team (GMAT), coordinates the change control process for the checklists.

1.1.1. “Non-Substantive” Change Control Process

Small, less impactful changes referred to as “non-substantive changes to the Compliance Checklists include modifications to the grammar, spelling, and the punctuation of the questions. Non-substantive changes also include modifying the wording of the question to clarify a question’s meaning or adding pre-approved guidance to questions in PAGE. The non-substantive configuration control process is meant to address what is considered to be minor changes in a documented but expedient way.

The change control process is as follows:



- 1) Incorporating feedback from the Field Offices and other DOE staff members, GMAT documents the small modifications necessary for the compliance checklists. The GMAT will also make recommendations on the resolution of the problems.
- 2) The GMAT will submit both the small changes and solutions to the WAP, SEP or EECBG Program lead (or appropriate designee) in WIP. The GMAT will also consult with Field Performance Management on these changes.

- 3) The appropriate Program Lead (or program designee) provides the necessary feedback and approval for these small changes. Field Performance Management is notified of the solution.
- 4) Working with the PAGE developers and through the internal HQ change management process, the GMAT will coordinate and implement the changes.
- 5) The GMAT will notify Project Officers of the change, as needed.

1.1.2. “Substantive” Change Control Process

Impactful changes to the Compliance Checklists referred to as “Substantive” changes will require a more involved and formal concurrence process as well as acceptance from the Director of Field Performance Management and the Program Manager of WIP. Substantive changes are defined as significant changes to questions where the intent and spirit of the question is altered. These substantive changes include re-ordering of the questions in the compliance checklist, altering the yes/no/NA/yes with a follow-up structure to the answers, addition of new questions, deletion of existing questions, and the merging of multiple questions.

The change control process is as follows:



- 1) Incorporating feedback from the Field Offices, Program Leads, Field Liaison and other DOE staff members, the GMAT documents the large changes necessary for the compliance checklists.
- 2) When necessary, the GMAT will coordinate a concurrence meeting between representatives from Field Performance Management and the WAP, SEP or EECBG Program Lead (or appropriate designee) from WIP. The Chief Financial Officer’s office will be made aware of the pending changes to the compliance checklists. Representatives from the CFO’s office may also submit their feedback for review during the concurrence meeting.
- 3) The concurrence meeting is held where all the feedback is reviewed. The GMAT will facilitate the concurrence meeting, documenting meeting notes and compiling the final

- 4) Written approval of the final concurrence resolution must be obtained from the Director of Field Performance Management and the Program Manager of WIP. The GMAT will document the written approvals. The DOE Chief Financial Officer's office, the EERE Chief Operating Officer and the EERE Deputy Assistant Secretary will be made aware of the final changes.
- 5) Working with the PAGE developers and through the internal HQ change management process, the GMAT will coordinate and implement the final changes. WIP will be kept apprised of the progress and expected implementation of the changes.
- 6) When the final changes are implemented, Project Officers will be notified of the changes. Written guidance of the changes will be provided to the Project Officers so that they are trained on how to answer the questions. The GMAT will follow-up with any necessary training to ensure that Project Officers are fully instructed.

1.2. Feedback Procedures and Timelines

As outlined in the procedures above, the GMAT coordinates all checklist changes. Change Requests often come through the WIP program liaisons, but may also be originated by POs in the field or others. The GMAT may be contacted directly through email: AskGRASS@ee.doe.gov. All requests will be logged and addressed.

A non-substantive change may be turned around within one week, depending on the change required. However, some non-substantive changes may be documented and held until additional changes are needed. Typically, a lead time of a month is required for substantive changes. This allows the GMAT to ensure appropriate documentation and concurrence of all changes, in addition to allowing time for software development and testing within PAGE itself.

2. WAP Quarterly Desktop Checklist Questions

The following question pertains to the Grantee's ability to follow the basic administrative requirements of WAP, and to ascertain whether they have submitted their required reports on time. The DOE Project Officer should compare items and activities in the reports received with those planned activities delineated in the Grantee Production and Expenditures Schedule (Schedule) and assess whether the Grantee is on track to fulfill the requirements of the ARRA grant.

- *1. Has Grantee submitted all required reports to DOE on time?
 - * a. ARRA Performance Progress Report (OMB 1512) (quarterly)
 - * b. Weatherization Assistance Program Report (DOE 540.3) (quarterly)
 - * c. Annual T&TA, monitoring, and leveraging report (DOE 540.4) (annually)
 - * d. Federal Financial Report (SF-425) (quarterly)

The following questions pertain to the Weatherization Assistance Program Report (DOE 540.3). The Project Officer should compare items and activities in the Program Report with those in the Grantee's Schedule 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.

- *2. Did the Grantee meet the following projected quarterly performance targets for the reporting period?
 - *a. production
 - *b. monitoring
 - *c. training
 - *d. expenditures
- 3. If the projected quarterly performance targets were not met, did the grantee explain why they were not met and how the goals and objectives will be met in the future?
- *4. Do "Outlays by Function" appear to be in line with budgeted costs by "Function?" (Please see DOE F 540.3.)
 - a. If not, did the Grantee provide an explanation for variance?
 - b. Is the explanation reasonable?
- 5. If there are any changes in approach, 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.)
- *6. Is the Grantee estimating and reporting jobs created for each project and activity consistent with the requirements of OMB Guidance?
- 7. If there have been key personnel staff changes, please note those below.

The following question pertains to the Subgrantees.

- 8. Do all Subgrantees appear to be on-track with production? If the answer is no, please list those Subgrantees that are not on track and the actions taken by the Grantee to rectify that.

** Denotes a critical question*

3. WAP Onsite Checklist Questions

I. PRELIMINARY MATTERS

1. Have all issues identified during desktop monitoring or questions forwarded by NETL Financial or Procurement staff been resolved?
 - a. Have all previously identified issues determined during prior onsite monitoring visits been resolved?

II. PROGRAMMATIC AND ADMINISTRATIVE MONITORING

ORGANIZATIONAL STRUCTURES

Grantees:

- *2. Does the Grantee believe it has sufficient staffing to meet requirements and goals?
 - a. If not, has this been discussed with the management in charge of overseeing hiring decisions? Describe below how it is being resolved.
3. Are all Grantee personnel to be paid with grant funds listed on the Grantee's organizational chart?
4. Has the organizational structure changed since the structure in the state plan was submitted?
 - a. If so, has Grantee prepared and distributed an updated organizational chart?
5. Are key personnel performing the duties originally proposed (e.g. key personnel identified in the grant application)?

Subgrantees:

6. Is each Subgrantee a Community Action Agency, local government, or non-profit agency?

GENERAL ADMINISTRATION AND PROGRAM MANAGEMENT

Wage Determinations and Payroll

- *7. Have contracts been awarded to include the most recent wage determinations?
 - a. Have Subgrantees submitted DOL Form 1413 to the State Office?
 - b. Have contracts been amended due to changes in wage determinations?
- *8. Have Subgrantees submitted their weekly payroll records to the Grantee? Project Officer should review these payroll records during their onsite visit.
- *9. Does the Grantee have a system in place to review Certified Payrolls? Describe the system (i.e. in-house reviewers, contracted reviewers, software systems, etc.) used.
10. Has the Grantee submitted a Semi-Annual Davis-Bacon Enforcement report by the required deadline?

Private Resources

- *11. Has other State, Federal or private resources been leveraged to enhance the use of WAP funding?
 - a. If so, are leveraged funds being properly accounted for and reported?

Equipment

- 12. Are the vehicles/equipment/tools currently being used appropriate and adequate for the job to ensure cost-effective delivery of services?

Selection of Subgrantees

- 13. Is there a clear process for determining the selection of Subgrantees?

Record Keeping

- 14. Does the Grantee and its Subgrantees maintain sufficient records to accurately identify homes that are eligible for reweatherization?

Plan Development:

- 15. Is there a process in place to ensure Quality Assurance is implemented and measured correctly?
- 16. Is the rationale used for planning future program production and expenditure levels based on future allocation?
- 17. Is there a standard method for determining Per Unit Average?
 - a. Is the split between program operations and administrative costs identified?

Eligibility

- 18. Who determines income eligibility of applicants? Please explain the process provided to Subgrantees on the procedures they must follow.
- 19. What are the priority criteria for serving eligible applicants? (High energy users, high energy burden, elderly, physically challenged, etc.)
 - a. Is this different than what is included in the State Plan?
 - b. Do the reports generally reflect the stated priorities?

Policy Advisory Council (PAC):

- 20. Please explain the composition of the PAC:
 - a. Is there an established length of service?
 - b. Is there a standard procedure for council membership renewal?
 - c. Does it meet the minimum requirements laid out in 10CFR440?
- 21. Does the PAC have a procedure for reviewing the State Plan?
 - a. Do they provide any input?
 - b. Does the PAC provide any other recommendations to the program during the course of the year?

22. Has the PAC been involved in major policy decisions in the past year?
23. Does the PAC have regularly scheduled meetings?
24. Are minutes from the last meeting available?

Implementation:

25. Does the Grantee hold regular meetings with the Subgrantee?
26. Do the local agencies receive funds from more than one funding source for Weatherization activities?
27. Are other funds expended separately or in conjunction (such as in the same house) with the DOE Program?
28. Does the Subgrantee account for different funding sources by unit?
 - a. By measure?

Feedback and Reporting:

29. Are information and database systems in place that have the capacity to handle Recovery Act reporting requirements?
30. Is the Grantee ensuring accurate Sub-recipient reporting into Federalreporting.gov either by delegating reporting authority or by using an agreed upon reporting process for input by the Grantee?
- *31. Has the Grantee/Subgrantee missed one or more reporting deadlines? If so, please describe the steps Grantee has taken to correct the problem?

Job Creation

32. Is the way the Grantee/Subgrantee is reporting job creation consistent with the requirements of OMB Guidance for the Recovery Act?
 - a. Is the Grantee/Subgrantee using the revised OMB jobs calculation formula?

Rental Property:

33. Are rental units being weatherized under the DOE Weatherization Grant?
 - a. If so, is cost participation requested and/or required?
34. Does the Grantee have controls in place to ensure that undue enhancement of rental properties is not taking place?
35. Is there a standard rental agreement in place at the Grantee level for use state-wide?
 - a. If not, are there individual local Subgrantee agreements in place?

TECHNICAL MANAGEMENT AND IMPLEMENTATION

Energy Audits:

36. Is there a DOE- approved energy audit or priority list in place for the following types of units?
 - a. Single Family Units?
 - b. Mobile Homes?

c. Multi-Family Units?

- 37. Is the appropriate energy audit or priority list being followed?
- *38. Are procedures in place to ensure that energy auditors are qualified (e.g. certification or number of required training hours) before hiring or within a certain period after employment?

Field Work:

- 39. Does the Grantee have controls in place to ensure that all units are inspected prior to the Subgrantee submitting them as completed units?
- 40. Are there requirements in place that document the completion of the inspections and who performed them?
- 41. Are there processes and procedures in place if an inspector finds work that needs to be re-done or corrected?

Health and Safety:

- *42. Is the Grantee monitoring implementation by the Subgrantees of the Health and Safety requirements, including lead safe weatherization, outlined in the State Plan??
- 43. Have all required Grantee and Subgrantee staff received the required health and safety training, including lead safe weatherization (LSW)?
- *44. Does the Grantee require that Subgrantees have Pollution Occurrence Insurance (POI)?

MONITORING***Grantee Monitoring***

- 45. Does the Grantee have a field guide or program standards document that describes how work is to be performed in the field? (Project Officers will review the guide as compared to all DOE requirements and describe any deficiencies if they exist.)
- 46. Is the Grantee monitoring the work performed against this guide to ensure compliance and quality of workmanship?
- 47. If work practices are deemed non-compliant or of poor quality, does the Grantee have a process for corrective action?
- *48. Is the Grantee monitoring at least 5% of weatherized units annually?
 - a. Does the Grantee appear to be on schedule to meet their stated goal as represented in their state plan?
- 49. Is the Grantee regularly conducting comprehensive (fiscal/administrative) onsite monitoring of Subgrantees? Please provide a schedule of the most recent monitoring visits and reports.
 - a. Is it consistent with the State Plan?
- *50. Does the monitoring guide cover all areas found in the Subgrantee's contract, the Grantee's plan and financial/operations manual, and all applicable Federal regulations and program guidance documents?
 - a. Does the Grantee monitor Subgrantees in accordance with the monitoring guide?

51. Are the current contracts and any amendments between the Grantee and Subgrantees signed and properly executed by both parties, and present in the Subgrantee master file? Please obtain a copy of a Subgrantee contract.
- *52. Is the Grantee following up in an appropriate and timely manner on issues, identified in their monitoring of Subgrantees' reports?
53. Does the Grantee monitor client education activities of Subgrantees?
- *54. Are sanctions being imposed upon Subgrantees that fail to comply with program requirements? Please provide details.
55. Are there procedures in place for the Grantee to ensure that Subgrantees maintain adequate documentation and monitoring of personnel issues such as timesheets, time allocations, and leave, etc? Please describe.
56. Are there currently any Subgrantees that are considered at-risk or pose potential problems for the Grantee? If yes, summarize the issues and Grantee's actions to resolve.

TRAINING AND TECHNICAL ASSISTANCE (T&TA)

57. Do Subgrantees report all training completed, and any certifications received or renewed, by crew members and contractor staff to the Grantee? If yes, review grantee training records.
58. Does the Grantee have a method to determine the T&TA needs of Subgrantees?
 - a. Once those needs are determined, does the Grantee have a method for allocating T&TA funds?
59. Does the Grantee have controls in place to ensure that its Subgrantees receive adequate training in all of the following areas?
 - a. Technical Training?
 - b. Program Management Training?
 - c. Procurement Training?
 - d. Sub-contracting Training?
 - e. Inventory Control Training?
 - f. Health and Safety?
 - g. Davis-Bacon compliance?
60. Are the T&TA activities that were described in the State Plan occurring?
61. Are there issues or barriers that hamper Grantee's attendance at DOE training conferences and workshops? If yes, please list the barriers below.

WASTE, FRAUD, AND ABUSE

62. Has the Grantee put controls on the Subgrantee for the prevention of waste, fraud, and abuse?
63. Do any Subgrantees have for profit subsidiaries involved in fulfilling WAP services or materials?
64. Do any Subgrantees have incentive pay programs for Energy Auditors or inspectors?
 - a. Does the Grantee monitor these controls?
65. Do the Grantee and Subgrantees have internal compliance and ethics programs that encourage the recognition and reporting of fraud, waste, or abuse?

SUCCESS STORIES

- 66. Does the Grantee have any best practices to share?
- 67. Does the Grantee report success stories to DOE?

III. FINANCIAL MONITORING

- 68. Are personnel policies on job classifications, time and attendance, leave and overtime established in writing and distributed to employees?
- *69. Is there an established process for determining whether costs incurred by staff are allowable? Please describe the process below.
- *70. Do the work hours estimated in the Grantee's State Plan match the actual hours spent working on the Program? If there is a discrepancy, please explain.
- 71. Does the Grantee have a written financial operations manual?
 - a. Has the manual or an appropriate link to it on a website been provided to NETL?
- *72. Does the Grantee's written financial operations manual contain adequate control information addressing:
 - *a. Segregation of duties?
 - *b. Accounting standards and practices?
 - *c. Procurement and payment procedures?
 - *d. Approval authority?
 - *e. Record keeping requirements?
- *73. Does the Grantee have a system for comparing expenditures to budgeted amounts? If so, please describe.
- *74. Is the Grantee's financial management system capable of tracking and reporting Recovery Act funds separately from leveraged/other funds?
- *75. Does the Grantee use periodic financial reports as a management control tool? Please identify the type of reports and frequency.
- 76. Are financial audits (e.g., A-133 and state audits) completed on a regular basis?
 - a. Is there a specific person tasked with conducting the audits?
- 77. Is an A-133 Single Audit required?
 - a. Does the Grantee know their organizational responsibilities for A-133 Single Audits concerning their Subgrantees?
- 78. Is the WAP Grant specifically reviewed in the audit?
- *79. Is there a system in place that tracks Grantee audit findings, recommendations, and corrective actions?
- 80. Have all outstanding financial audit findings that may apply to or impact WAP been resolved?

Payroll and Personnel:

81. Does the grantee have a system and/or written procedures in place for complying with the Recipient Functions for Davis Bacon?

Equipment:

82. Does the Grantee have a master inventory list of vehicles and equipment purchased with DOE WAP funds?
- *83. Are there written procedures covering the inventory, maintenance, and disposition of vehicles/equipment? Please obtain a copy of the procedures.
 - *a. Has a physical inventory of equipment been taken and do the results reconcile with the property records?
- *84. Are there safeguards in place to ensure that vehicle/equipment costs are charged to the appropriate program (and category)?
85. Are all vehicles/equipment purchased with WAP grant funds used only for the WAP (i.e. fulltime use)? If not, please explain how vehicles will be used for non-program purposes (i.e. part time use). (It should be clearly documented and reviewed by Project Officer how costs are split among programs).

Vendors

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

Materials and Supplies

- *89. Is the Grantee ensuring that their purchasing procedures and the Subgrantee's purchasing procedures are compliant with "Buy American"? (Please note that "Buy-American" only applies to the Recovery Act and to public buildings and public works.)
 - a. Are records kept at the Grantee office?

Procurement:

90. Does the Grantee's procurement process clearly separate duties as they pertain to WAP procurement activities? (Bid process/Bid selection, purchase authorization, etc.)
 - a. Does the grantee monitor the separation of duties of the Subgrantee's procurement process?
91. Is the Grantee/Subgrantee following the State's procurement standards?
92. Do the procurement standards address and/or include procedures for sole source procurements?

- *93. Does the Grantee understand the vehicle purchase procurement process?
 - a. Are they correctly following that process as outlined by DOE?
- 94. When subcontractors are used, does the Grantee review the procurement bid packages and specifications for work?
- 95. Does the Grantee review procurement of Subgrantee's contractors to ensure full and open competition?
- 96. Does the procurement process specifically address purchase procedures?
- 97. Are efforts made to ensure fairness in bidding and contracting procedures with small businesses, women-owned firms, and minority-owned firms, pursuant to Federal law?
- *98. Do procurement procedures provide cost controls to avoid unnecessary or duplicative purchases?
- 99. Do procurement procedures provide cost controls to obtain the most economical purchase?
- *100. Do procurement procedures analyze lease versus purchase alternatives?
- 101. Does the process provide transparency in reporting what was purchased?
 - a. Are Grantee award documents readily available to the public?

Record Retention:

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

IV. Additional Monitoring Information

- 104. Did any additional (non-primary) POs attend the visit?
 - a. If yes, please provide the names
- 105. Did any state officials attend the visit?
 - a. If yes, please provide the names
- 106. Did any technical assistance staff attend the visit?
 - a. If yes, please provide the names
- 107. Did you visit any units during this onsite visit?
 - a. If so, how many?
- 108. Did you visit any subgrantees during this onsite visit?
 - a. If yes, please provide the names and locations
- 109. Have you identified any commendations for this grantee?
- 110. Have you identified any recommendations for this grantee?
- 111. Have you identified any concerns for this grantee?
- 112. Have you identified any findings for this grantee?
 - a. Has an action item date been established?
 - i. has the grantee resolved the issue?

**** - Denotes Critical Question***

4. SEP Quarterly Desktop Checklist Questions

1. Has the Grantee provided all required financial and program status reports on time, and were they complete? (Yes, No, Comments)
2. Are there any changes to the State Plan, Key Personnel, or the Performance Plan? (Yes, No, Comments)
3. Overall comments by the Project Officer on the State's Energy Program. (Comments)

Program Status Report (PSR) Questions for each Market Title

Grant Outlays and Leveraged Fund Contributions (for the questions below, please comment on each market title in the comment box):

4. If applicable, were leveraged or other funds recorded here? (Yes, No, N/A, Comments)
5. Are costs reasonable given Grantee's reported progress? (Yes, No, Comments)

Activity Milestone Status (for the questions below, please comment on each market title in the comment box):

6. Is the Grantee meeting their milestones? (Yes, No, N/A, Comments) If not, explain.

Jobs Metrics (for the questions below, please comment on each market title in the comment box):

7. Is the Grantee reporting hours worked according to the Recovery Act guidance? (Yes, No, Comments)

Standard Programmatic Metrics (for the questions below, please comment on each market title in the comment box):

8. Is the Grantee on track for Standard Programmatic Metric Activities? (Yes, No, N/A, Comments)

User Specified Metrics (for the questions below, please comment on each market title in the comment box):

9. If applicable, is the Grantee on track for User Specified Metric Activities? (Yes, No, N/A, Comments)

Critical Metrics (for the questions below, please comment on each market title in the comment box):

10. Did the Grantee report Critical Metrics? (Yes, No, Comments)
 - a. Do the reported metrics appear to be reasonable in accordance with the SEP Benefits Calculator? (Yes, No, Comments)

Narrative responses (for the questions below, please comment on each market title in the comment box):

11. Does the Grantee list problems, issues, variances from plan, accomplishments, publicity or good news? (Yes, No, Comments)

5. SEP Onsite Checklist Questions

PROGRAMMATIC AND ADMINISTRATIVE MONITORING

Visit Details

1. State visited
2. Type of Visit
3. First day of visit
4. Last day of visit
5. Project Officers attending
6. State Officials attending
7. Technical Assistance staff assisting state
 - a. Name
 - b. Content area
8. Subrecipients Visited
 - a. Subrecipient name
 - b. Subrecipient location.

Corrective Actions

9. What Corrective Actions have been identified?
 - a. Corrective Action
 - b. Anticipated Remedy Date
 - c. Comment

Grantee Project Management

10. Has the Grantee developed a system to track the progress of each funded project or activity?
11. Does the tracking system include a timetable with scheduled completion dates?
12. Does the Grantee compare expenditures to budgeted amounts for in-house and sub-recipient projects?
- *13. Does the Grantee believe it has sufficient staffing or other resources to meet requirements and goals? If not, describe.

Grantee Monitoring of Sub-recipients

14. Is Grantee conducting adequate monitoring of sub-recipients?
15. Does the Grantee have a guide for monitoring sub-recipient performance?
(Monitors will review the guide and describe any deficiencies if they exist.)
 - a. Does the monitoring guide cover applicable Federal regulations and program guidance documents (10 CFR 600, 10 CFR 420, OMB Circulars A-21, A-87, A-122, A-133, Recovery Act, National Policy Assurances, Flow Down Requirements, etc.)?
 - b. 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?

- c. Has the Grantee developed a process that generates timely and accurate cost, schedule and work completion information and reporting from sub-recipients?
- d. Are sanctions imposed for sub-recipients that fail to comply with program requirements?
- 16. Has the Grantee developed a process that identifies waste, fraud, and abuse?
 - a. Explain process.

Grantee/Sub-recipient Reporting and Evaluation

- 17. Is the Grantee complying with its SEP award reporting requirements (monthly, quarterly and annually)?
- 18. Is the Grantee complying with Section 1512 of the Recovery Act (June 22, 2009 OMB Memo) and subsequent guidance?
- 19. Are information systems in place that can handle SEP reporting requirements?
- 20. What provisions has the grantee put in place for Evaluation, including performance measurement and verification?
- 22. If delegated to sub-recipients, does the Grantee have measures in place to review the quality of data its sub-recipients report to www.federalreporting.gov?
- 22. Does the Grantee have any systemic or chronic reporting problems?
- 23. Does the Grantee have any systemic or chronic deficiencies in meeting its responsibilities to review and identify the data quality problems of sub-recipients, consistent with requirements of OMB Guidance?
- *24. Has the Grantee taken action to correct any reporting problems?

Job Creation Estimates

- *25. Is the Grantee reporting only jobs that are attributable to Recovery Act funds?
- 26. Is the Grantee/sub-recipient describing its employment impact in narrative form in its OMB report as required?
- *27. Is the Grantee properly calculating jobs estimates expressed in "full-time equivalents"?
- *28. Is the Grantee properly collecting sub-recipient jobs estimates expressed in "full-time equivalents"?

Retention of Records

- 29. Are the Grantee and its sub-recipients meeting the requirements of 10 CFR 600.242 – Retention and access requirements for records?

Funding limitations and prohibitions

- 30. Based on the information reviewed, is the Grantee complying with regulations that allow ARRA SEP funds to supplement, but not supplant, State energy activities under the SEP?
- 31. Based on the information reviewed, is the Grantee complying with the requirement that SEP funded regular or revolving loans are consistent with SEP Regulations and OWIP financing guidance?

32. Do all loan documents reviewed ensure repayment of principal and interest within a reasonable period of time, and not include provisions of loan forgiveness?

Governor's Assurance

33. Is the State regulatory authority taking steps to implement in appropriate proceedings for each electric and gas utility ratemaking procedures to ensure that utility financial incentives are aligned with helping their customers use energy more efficiently?
34. Is the Grantee making progress towards providing 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?
35. Is the Grantee making progress towards implementing residential building energy code(s) that meet or exceed the most recent International Energy Conservation Code, or achieves equal or greater energy savings?
36. Is the Grantee making progress towards implementing commercial building energy code(s) that meet or exceed ASHRAE 90.1 2007, or achieves equal or greater energy savings?
37. Has the Grantee adopted a plan to ensure that 90% of new residential and commercial buildings comply with codes within eight years of enactment of the Recovery Act?
 - a. Are Grantee training and enforcement systems sufficient to achieve the above objective?

Davis Bacon requirements

38. Based on the information reviewed, is Grantee complying with labor and wage requirements?
39. Are sub-recipients submitting weekly payrolls?
 - a. Are payroll records maintained as required by the Grantee?
40. Is the Grantee complying with the semi-annual reporting requirement?

Buy American Act Requirements

41. Based on the information reviewed, is the Grantee ensuring that their purchasing procedures, and those of their sub-recipients, are compliant with "Buy American?"

National Environmental Policy Act (NEPA) Requirements

42. Based on the information reviewed, is the Grantee complying with any applicable NEPA conditions/determinations in the Grant?

National Historical Preservation Act Requirements

43. Based on the information reviewed, is the Grantee complying with applicable National Historical Preservation Act requirements?

- a. Is the Grantee complying with the annual reporting requirement under Historic Preservation?

Identification and Dissemination of Best Practices

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

FINANCIAL AND PROCUREMENT MONITORING

Adequacy of Grantee's financial management system and audits

46. Does the Grantee have a written financial operations manual?
- *47. Does the Grantee's written financial operation manual contain adequate information addressing:
 - *a. Segregation of duties
 - *b. Accounting standards and practices
 - *c. Payment procedures
 - *d. Approval authority
 - *e. Record keeping requirements
48. Does Grantee's financial management system meet the requirements of 10 CFR 600.220?
- *49. Is the Grantee's financial management system tracking and reporting Recovery Act funds separately from leveraged/other funds?
50. What system does the Grantee use to pay invoices?
51. When was the last financial audit conducted?
 - a. Who conducted that financial audit?
52. Is there a system in place that tracks audit findings, recommendations, and corrective actions?
- *53. Are there any findings specific to SEP found in the most recent audit report? If so, please summarize.

Management of Grantee Personnel and Other Costs

54. Are all Grantee personnel to be paid with grant funds accounted for on the Grantee's organizational chart?
55. Based on the information reviewed, is staff time being properly recorded against the grant they are working on?

Grantee Procurement Processes

56. Are the Grantee's procurement standards and processes established in writing, and distributed to employees involved with SEP procurement operations?
 - a. Is the Grantee following its own procurement standards and processes?
57. Does the procurement process clearly separate duties as they pertain to SEP ARRA procurement activities?
58. Does Grantee's procurement process encourage open and free competition?

59. 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?
60. Do procurement procedures provide controls to avoid unnecessary or duplicative purchases, and obtain the most economical purchase?

Grantee Equipment Policies

61. Are there written procedures covering the inventory, maintenance, and disposition of vehicles/equipment?
62. Has a physical inventory of equipment been taken and the results reconciled with the property records within the last two years?

**** - Denotes Critical Question***

6. EECBG Quarterly Desktop Checklist Questions

1. Did the Grantee submit each of the following required reports on time:
 - a. Federalreporting.gov (OMB Section 1512 report)?
 - b. Federal Financial Report (SF-425)?
 - c. Quarterly Performance Report?
2. For each activity, did the Grantee properly report on their Recovery Act Jobs, Outlays, Obligations, Process Metrics, and Impact Metrics in PAGE for the reporting period?
 - a. Are all required metrics listed?
 - i. If yes, is the metrics data entered reasonable?
 - ii. If not, which metrics were not listed?
 1. Why are the metrics not listed?
3. Do the outlays match, within reason, the amount of work completed?
 - a. Are outlays on track with the amount of work completed? (Please select “Not Reported” if outlays or work completed was not reported.)
 - i. If not, why are the outlays not on track?
4. Has the Grantee set progress targets in PAGE, and is the Grantee meeting these progress targets?
 - a. Has the Grantee set progress targets?
 - b. Is the Grantee meeting progress targets?
 - i. If not, why is the grantee not meeting progress targets?
5. Do the Grantee's administrative expenses appear to be reasonable for this reporting period? (Please select “Not Reported” if there are no outlays for administrative expenses or if there are no administrative expenses for the activities)
 - a. If not, why are the expenses not reasonable?
6. For grantees over \$1 Million, have they submitted a reasonable spend plan?
7. Did you approve the following reports?
 - a. If not, why?
8. Based on your assessment of the overall quality and completeness of the Grantee's reporting and past performance, and your interactions with the Grantee during this reporting period, should the Grantee receive a prioritized on-site visit?
 - a. If yes, why?

7. EECBG Onsite Checklist Questions

The primary purpose of the site visits is to help Grantees complete their activities successfully, meeting the requirements of the American Recovery and Reinvestment Act. This is not an audit. The monitoring visit ascertains: 1) whether work is progressing in accordance with the approved strategies and activities; 2) whether all conditions in the grant are being met; and 3) whether reporting has been accurate. The checklist establishes a baseline of topics to cover during the onsite visit. The Project Officer will discuss additional issues as appropriate.

Section 1. OVERALL PROJECT MANAGEMENT AND COMPLIANCE

The following questions pertain to Grantee's activity management.

1. Has a system been developed by the Grantee to track the progress of each activity, including milestones and completion dates? [Source: 10CFR600.240(a)]
2. Is sufficient progress being made in meeting the DOE approved scope in each activity worksheet?
3. Are the Grantee's projects conforming to the activities' scope of work? [Source: Terms and Conditions; FOA]
4. Based on work completed to date, is the Grantee on track to obligate all EECBG funds within 18 months and spend all funds within 36 months of award? [Source: Terms and Conditions; FOA]
5. Is the Grantee on track to meet the current EECBG program milestones set out by DOE to meet the requirements of the Recovery Act?
6. Can the recipient confirm continued compliance with local, state, and federal requirements and regulations as outlined in the award document and any modifications?

The following questions pertain to Grantees metrics.

7. Does the Grantee have an adequate procedure in place to collect, verify, and report performance data, as appropriate, for each project or activity, during and after program completion? [Source: 10CFR600.240; PAGE; Terms and Conditions]
8. Does the Grantee have an adequate procedure in place to estimate and report jobs created and retained for each project and activity, consistent with the requirements of OMB Guidance? [Source: 10CFR600.240; PAGE; FederalReporting(1512); Terms and Conditions]
9. Where applicable, is the Grantee meeting non-Federal cost share funding as approved in the Terms and Conditions of the grant? [Source: Terms and Conditions]

Section 2. FINANCE

The following questions pertain to the Grantee's financial management system and financial monitoring.

10. Is the Grantee's financial monitoring system capable of tracking and reporting Recovery Act funds separately from leveraged/other funds? [Source: 10CFR600.220(b)(2),(3)]
11. Does the Grantee use periodic financial reports (e.g. comparing budget to actuals) as a management control tool? [Source: 10CFR600.220(b)(4)]
12. Does the Grantee have a regular A-133 audit or annual independent audit performed by a qualified auditor? [Source: 10CFR600.226]
13. Does the Grantee have records that provide for current, accurate and complete disclosure of spending by activity as well as spending on administration costs (as applicable)?

Section 3. PERSONNEL AND PROCUREMENT

The following questions pertain to Grantee's personnel, and are applicable only if Grantee is paying personnel salaries from Grant.

14. Has the principal investigator been designated by the Grantee as the official point of contact for all grant issues? Are other key personnel identified in the grant application performing the duties originally proposed, if applicable? [Source: 10CFR600.230(c)(3)]
15. Does the Grantee have a method in place to track actual personnel costs against the grant? [Source: 10CFR600.220(b)(6)]

The following questions pertain to Grantee's procurement process.

16. Does the Grantee have procurement procedures in place, are they following them, and do the procedures comply with 10CFR600.236? [Source: 10CFR600.236]

Section 4. GRANTS MANAGEMENT

The following question pertains to the Grantee's management of sub-grantees, sub-recipients, sub-contractors and/or vendors.

17. Does the Grantee have a process to ensure and monitor subrecipient/ subcontractor compliance with EECBG requirements? [Source: 10CFR600.240; 10CFR600.237; Terms and Conditions]

The following question pertains to Grantee's monitoring of all vehicles and equipment as defined in 10CFR 600.202 and .232.

18. Does the Grantee have systems in place to properly inventory, track, and safeguard all equipment and vehicles? [Source: 10CFR600.232; 10CFR600.202]

The following question pertains to Davis-Bacon requirements.

19. Based on the information reviewed, are the Grantee and its sub-recipients complying with the Davis Bacon Act? [Source: DBA; Terms and Conditions]

The following question pertains to Buy American Act requirements.

20. Based on the information reviewed, are the Grantee and its sub-recipients complying with the Buy American provisions? [Source: Buy American; ARRA section 1605 Title XVI; Terms and Conditions]

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

21. Does the applicant have a waste management plan or process in place? [Source: NEPA; Terms and Conditions]
22. Based on the information reviewed, are the Grantee and its sub-recipients complying with all NEPA conditions? [Source: NEPA; Terms and Conditions]

The following question pertains to the National Historical Preservation Act.

23. Based on the information reviewed, are the Grantee and its sub recipients complying with all applicable National Historical Preservation Act conditions in the Grant? [Source: SHPO; Terms and Conditions]

The following question pertains to DOE requirements for retention of records.

24. Are the Grantee and its subrecipients meeting the records retention requirements of 10 CFR 600.242? [Source: 10CFR600.242]

The following questions pertain to States and Territories only.

25. Is the State complying with the requirement to sub-grant at least 60% of its EECBG allocation to units of local government that are ineligible for the formula-based EECBG? [Source: EISA section 545; Terms and Conditions; FOA]
26. Has the State complied with the 180 day sub-grant requirement? [Source: EISA section 545; Terms and Conditions; FOA]

The following questions pertain to visits to project work sites.

27. Does the project comply with requirements in the Terms and Conditions of the grant (e.g., Waste Stream, NEPA, eligible activities, etc.)? [Source: Terms and Conditions]

Section 5. NEXT STEPS

The following questions pertain to concluding conversations with the Grantee.

28. Does the Grantee have any best practices and/or success stories that they would like to share?
29. Is Grantee receiving sufficient resources and technical assistance from DOE for the Grantee to successfully execute the grant?
30. Are additional follow-up visits required?