1 of 1

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**1990 WEATHERIZATION ASSISTANCE PROGRAM MONITORING
FINAL REPORT**

**PREPARED FOR THE
U.S. DEPARTMENT OF ENERGY
CHICAGO SUPPORT OFFICE
9800 SOUTH CASS AVENUE
ARGONNE, ILLINOIS**

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870

TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY.....	1
STATE OF INDIANA.....	3
STATE OF OHIO.....	8
STATE OF WISCONSIN.....	15
GENERAL OBSERVATIONS.....	22
APPENDICES	
● APPENDIX A.....	23
● APPENDIX B.....	24
● APPENDIX C.....	25

EXECUTIVE SUMMARY

Strategic Business Services, Inc., (SBS), under contract with the United States Department of Energy (DOE), Chicago Support Office (CSO), monitored the fiscal year 1990 weatherization programs in Indiana, Ohio and Wisconsin. Program monitoring is required by the Energy Conservation and Production Act (PL94-385), and the regulations of 10 CFR 440 to ensure effective provision of the Weatherization Assistance Program for low income persons.

The focus of the monitoring conducted by SBS was on a total of 18 subgrantees and/or delegates selected by DOE/CSO (See Appendices). Separate reports on the monitoring completed on each site was submitted to DOE/CSO as well as the final summary report for each state. The summaries on the work performed included the monitors' findings regarding accomplishments, problem areas observed and recommendations to improve subgrantee operations.

The initial monitoring visit began January 6, 1992, in Indiana, and the final subgrantee field visit was concluded April 30, 1992, in Ohio. At the conclusion of the field work, an exit conference was held with appropriate subgrantee administrative staff in each state as well as state representatives to brief them on the findings and to conclude the monitoring visit.

The monitoring visits were conducted based on the DOE monitoring instrument as revised January, 1985. The scope of monitoring at each subgrantee agency consisted of a review of current contracts, budgets, program operating procedures, staffing, inventory control, financial and procurement procedures, review of client files and audit reports, inspection of completed dwelling units and assessment of monitoring, training and technical assistance provided by the grantees.

Each site visit lasted approximately four days. The operational level of each subgrantee was reviewed through discussion with executive directors, program directors, fiscal managers and other appropriate subgrantee staff. Records, reports and files were examined for compliance

with applicable regulations. A random sampling of completed units were selected and visits were made to inspect these weatherized dwellings. Complete cooperation was extended by each state's representatives and subgrantee staff during the monitoring reviews. SBS submitted to the DOE Chicago Support Office completed monitoring instruments and a narrative summary of observations and recommendations for each agency. In addition, a summary of each state exit conference was submitted. Support and cooperation from the DOE Chicago Support Office was excellent.

STATE OF INDIANA

The subgrantees visited in Indiana included agencies in Logansport, Portland, New Castle, Covington and Terre Haute. The monitoring began January 6th and ended February 6th. The following is a breakdown of the key subgrantee, state and federal representatives at each site.

Logansport

- Subgrantee:
 - Mr. Michael Meagher, Executive Director
 - Ms. Ellen Zimmerman, Director of Energy and Block Grants
 - Ms. Jackie Clark, Weatherization Coordinator
- Grantee:
 - Mr. Randall Powers, Program Development Specialist, Indiana Department of Human Services (IDHS)
 - Ms. Marsha McGraw, Monitor, IDHS
- Chicago Support Office
 - Mr. Thomas Sanders, Supervisor - Grant Management Division, U.S. Department of Energy (DOE)

Portland

- Subgrantee:
 - Mr. Larry Braden, Executive Director
 - Mr. Jack Elliott, Weatherization Director
- Grantee:
 - Mr. James D. Croker, Program Consultant, IDHS

New Castle

- Subgrantee:
 - Mr. Kevin Polivick, Executive Director
 - Ms. Vickie Allen, Client Service Coordinator
- Grantee:
 - Ms. Pamela Flores, Program Consultant, IDHS

Covington

- Subgrantee:
 - Ms. Joan Cline, Executive Director
 - Mr. Steve Proctor, Associate Executive Director
 - Mr. Tom Bolen, Weatherization Director
- Grantee:
 - Mr. John Beeson, Program Consultant, Community Services Division - IDHS

Terre Haute

- Subgrantee:
 - Mr. M. Duanne Sinn, Executive Director
 - Mr. Randy Dunfee, Weatherization Director
- Grantee:
 - Mr. James D. Croker, IDHS

SUBGRANTEE PROFILE

In the State of Indiana, the Weatherization Assistance Program is a federally funded program administered by the Indiana Department of Human Services. The Indiana State Plan identifies the main purpose of the program as aiding low income homeowners and renters, particularly those who are elderly and handicapped; by installing insulation, weatherstripping, caulking and performing other minor repair work. The state plan further indicates the program is intended to reduce national energy consumption, particularly of imported oil, and to reduce the impact of higher fuel costs on low income families. Program eligibility is based upon total household income at or below 150% of OMB poverty income guidelines, as approved by the U.S. Department of Health and Human Services or the 66% Rule of CFR 440.22 (b) (2) for units in a building. In addition, a household may be deemed eligible according to CFR 440.22 (a) (2). All 109 client files reviewed in Indiana qualified either under the poverty guidelines or the 66% Rule.

CONTRACTS AND BUDGETS

The 1990 contracts between grantee and subgrantees were properly executed. The grantee, Indiana Department of Human Services (IDHS) utilized PY90 funds provided by the U.S. Department of Energy (DOE) in conjunction with funds provided by the Low Income Home Energy Assistance Program (LIHEAP). The budgeted cost per weatherized dwelling unit for DOE funds was approximately \$1,587. The average actual cost per dwelling for DOE funds did not exceed \$1,600. The average material cost per unit was \$636.

PROGRAM OPERATING PROCEDURES

As set forth in the Indiana State Plan, no dwelling unit may be weatherized without documentation that the dwelling unit is eligible. Eligible applicants were provided weatherization services throughout the respective jurisdictions utilizing subgrantee intake procedures. Priority is given to those identified as elderly and handicapped low income persons. All subgrantees identified these priority groups in agency procedures. Logansport, New Castle

and Terre Haute did not reach their projected completion goals for either elderly, handicapped or rental clients. Indiana requires that before a dwelling is reported as complete, a final inspection must be performed to verify that all applicable work has been performed satisfactorily and in accordance with the priority determined by the audit procedures required by CFR 440.21(b). No major problems were found in the documentation of final inspections.

All agencies had policies for updating income documentation of clients not serviced within a year of acceptance into the program. Applicants are notified of waiting lists and the client selection process.

STAFFING

Indiana has established as its priority the maintenance of the proficiency of its weatherization personnel. Subgrantee support personnel are encouraged to participate in training and technical assistance on a regular basis to ensure effective implementation of their respective responsibilities (i.e., fiscal, records, reporting, purchasing, etc.). No major staffing problems were encountered. However, most of the subgrantees were found to employ one person for both estimator and inspector positions.

The workmanship of crews appeared satisfactory. Most households visited commended the crews courtesies and work.

INVENTORY CONTROL

Monitoring was focused on whether the warehouse was adequately maintained and secured and whether the inventory control for tracking materials was implemented. Logansport and New Castle used contractors for PY90. Terre Haute had significant variances between physical inventory counts and inventory records.

FINANCIAL AND PROCUREMENT PROCEDURES

IDHS requires financial reviews to be performed on a regular basis during the grant year by program consultants and fiscal auditors. Indiana was found to have adequate systems for fiscal management. The agencies conducted time studies to determine allocation of personnel costs. Terre Haute was the only subgrantee lacking an approved cost allocation plan.

Audits were reviewed on all five agencies. Portland did not have a current audit on file. Their last audit covered January 1, 1989 to December 31, 1989. There were no audit findings or cost disallowances. Management issues were not significant.

Bidding procedures were employed for purchases; however, revised Appendix A, Federal Standards of Weatherization Materials was not included in the bid packages, and some state material standards codes consistently differed from Appendix A.

CLIENT FILES

Twenty or more files were reviewed at each subgrantee with regards to pertinent dates, estimated and actual expenditures and income verification. The majority of funds appeared to be spent on infiltration. The files were basically complete and well organized. However, there were some clerical deficiencies noted in reviewing the files. The monitoring revealed consistently missing from client files, the assessment of the existing condition of the dwelling and conservation improvements on the Building Weatherization Report. Also, incomplete information on income verification for third parties, incomplete applications, some unsigned final inspection forms and final inspection forms dated before completion, estimates changed without being initialed, reworks were not documented and some income documentation did not substantiate annual income.

In Terre Haute, some clients signed their applications at the time of service instead of upon submission. As a result, the waiting period could not accurately be determined.

HOME VISITS

SBS staff visited 26 completed homes during its monitoring review. The quality of workmanship was generally satisfactory. The reworks recommended in Indiana included repair of installed foundation vents, window glazing, door caulking, sash locks, weatherstripping and door sweeps.

It was noted that clients frequently impaired the weatherization work by not replacing storm windows and air conditioner covers during the winter.

MONITORING

Indiana required program monitoring reviews be performed on a regular basis during the grant year. State monitoring was reviewed to see that it was conducted in accordance with the state plan. Most subgrantees had at least two monitoring reports on file and as many as three reports were found at a given subgrantee. Portland did not maintain copies of monitoring reports. However, subsequent to the state exit conference, Mr. Randall Powers, Program Development Specialist - IDHS, forwarded copies of the report covering monitoring on July 8-11, 1991, for the period January 1991 to May 1991. Covington did not maintain a record of subgrantee response to corrective action. The monitoring reports contained review findings, recommendations for corrective actions and a time frame for compliance. Evidence of subgrantee response to corrective actions was also examined.

TRAINING AND TECHNICAL ASSISTANCE

Indiana coordinates training and technical assistance for its weatherization staff through the Indiana CAP Directors Association (ICDA), consultants and appropriate institutions. All of the agencies stated that training through the ICDA is adequate.

STATE OF OHIO

The subgrantees visited in Ohio included agencies in Celina, Ironton, Athens, Cleveland (CHN and NHS), Bellefontaine, Warsaw and Dennison. The monitoring began February 24th and ended April 30th. The following is a breakdown of the key subgrantee and state representatives at each location.

Celina

- Subgrantee:
 - Ms. Debra Linn, Executive Director
 - Ms. Elaine S. Bice, Weatherization Coordinator
- Grantee:
 - Mr. Anthony Britford, Field Representative - Office of Weatherization Community Development, State of Ohio

Ironton

- Delegate:
 - Ms. Mary Howard, Director of Operations
 - Mr. Tony Crowe, Energy Coordinator
- Subgrantee:
 - Not Present (Corporation for Ohio Appalachian Development, COAD)
- Grantee:
 - Not Present (Ohio Department of Development, ODOD)

Athens

- Delegate:
 - Mr. Bob Garbo, Deputy Executive Director
 - Mr. Doug Stanley, Director of General Community Programs
- Subgrantee:
 - Not Present (COAD)
- Grantee:
 - Not Present (ODOD)

Cleveland-Neighborhood Housing Services of Cleveland, Inc.

- Delegate:
 - Ms. Marcia Nolan, Executive Director
 - Mr. Jeff Marks, Weatherization Coordinator
- Subgrantee:
 - Ms. Jill Evans, City of Cleveland
- Grantee:
 - Not Present (ODOD)

Bellefontaine

- Subgrantee:
 - Ms. Phyllis McDaniel, Executive Director
 - Mr. Richard Pine, Energy Coordinator
- Grantee:
 - Not Present

Warsaw

- Delegate:
 - Mr. Philip Brown, Executive Director
 - Mr. Ken Kempton, Energy Coordinator
- Subgrantee:
 - Not Present (COAD)
- Grantee:
 - Not Present (ODOD)

Dennison

- Subgrantee:
 - Mr. Charles E. Lorenz II, Executive Director
 - Ms. Carol Penix, Weatherization Director
- Grantee:
 - Ms. Tamara Johnson, Ohio Office of Energy Efficiency

Cleveland-Cleveland Housing Network, Inc.

- Delegate:
 - Mr. Mark McDermott, Executive Director
 - Ms. Liz Hernandez, Weatherization Director
- Subgrantee:
 - Ms. Jill Evans, City of Cleveland
- Grantee:
 - Not Present (ODOD)

SUBGRANTEE PROFILE

In the State of Ohio, the Weatherization Assistance Program is a federally funded program administered by the Ohio Department of Development (ODOD). A subgrantee, the Corporation for Ohio Appalachian Development, operates separate local programs using delegate agencies. The City of Cleveland also acts as a subgrantee operating local programs for delegate agencies. The Ohio State Plan identifies the main purpose of the program as aiding low income households throughout the state. Prioritization goals are tailored to the specific character of the area served.

For instance, local targets for rental units are based on percentages of low income rental households per service area from the 1980 census. Similarly, subgrantee elderly unit goals are set based on local percentages of households occupied by elderly in the eligible population. These goals are prorated based on the state-wide average. Single family and 1-4 unit building goals are set at a percentage of the state-wide total to provide priority service for these typically high energy consumption units. Program eligibility is based upon total household income at or below 125% of OMB poverty income guidelines or the 66% Rule of CFR 440.22 (b) (2) for dwelling units in a building. All 195 client files reviewed in Ohio qualified under the program guidelines.

CONTRACTS AND BUDGETS

All contracts reviewed between grantee and subgrantees were properly executed. ODOD utilized PY90 funds provided by the U.S. Department of Energy (DOE) in conjunction with funds provided by the U.S. Department of Health and Human Services (HHS), Exxon Petroleum Violation Escrow (PVE) and carryover funds from the previous program year. Ohio subgrantees and delegates met contract requirements for PY90. The budgeted cost per weatherized dwelling unit including funds from all sources was \$1,822. The actual average cost per dwelling unit for DOE funds did not exceed \$1,600. The budgeted material costs ranged from 36 to 48%. The average actual DOE material cost was between 36 and 50% of total budget.

All contracts reviewed appeared to be properly executed, and six of the eight agencies met their DOE production goals for program year 1990. Celina reached 81% of their goal and Bellefontaine reached 92% of their goal.

The average budgeted per unit expenditure was \$1,822 for all agencies. The average actual per unit expenditure was \$1,130 for the five agencies with DOE budgets allocated to material and support. Three agencies had only administrative budgets for DOE - Cleveland Neighborhood Housing Service, Cleveland Housing Network and Bellefontaine.

PROGRAM OPERATING PROCEDURES

Ohio program requirements are that an application be completed by each applicant for weatherization. All income eligibility must be documented and the subgrantees use an application prioritization system for the elderly, handicapped and live in rental units, respectively. Each subgrantee is required under the Ohio State Plan to develop and implement a written client appeal procedure.

Ohio client selection procedures appeared to be adequate, with all subgrantees providing priority service to the following categories: elderly, handicapped, infants, small children, waiting lists, emergency cases and geographical location. Several agencies completed less than their goals for elderly and/or handicapped, while others exceeded their goals. The completion percentages listed below were compiled from PY90 monthly production reports and subgrantee staff.

	<u>Completions</u>	
	<u>Elderly %</u>	<u>Handicapped %</u>
Ironton-Lawrence, Ironton	104	853
Kno Ho Co, Warsaw	102	105
Tri-County CPA, Athens	129	194
Tri-County CAC, Bellefontaine	61	151
Auglaize - Mercer CAC, Celina	61	125
Cleveland Housing Network, Cleveland	120	92
Neighborhood Housing Service, Cleveland	61	105
Harcatus Tri-County, Dennison	89	74

All subgrantees adhered to the policy of updating all income documentation on file for over six months. All agencies had at minimum a part-time outreach/intake person, utilized several methods and mechanisms for community outreach and provided written notifications to clients. Bellefontaine did not have a written appeals process for clients denied service.

All applicants were said to be notified in writing of waiting lists. The waiting lists ranged from 31 (Cleveland Neighborhood Housing Service) to 359 (Athens) approved applicants waiting for services. The Athens waiting list included applicants waiting for approval as well as approved applicants. The waiting lists at subgrantees consist of a compilation of pending client files.

STAFFING

Ohio had no major staffing problems although most of the subgrantees employed one person as both estimator and inspector.

INVENTORY CONTROL

All agencies maintained an inventory with the exception of Cleveland Housing Network and Cleveland Neighborhood Housing Services. The approximate value of inventory ranged from \$4,625 (Warsaw) to \$27,032 (Athens). Most warehouse facilities appeared adequate and were generally well organized and clean. Warsaw and Celina did not have adequate space for storage of bulk materials. Two agencies utilized a 40 foot trailer to store cellulose. Tracking of inventory items were adequate at all agencies. Overall inventory variances were insignificant. All agencies reconciled variances.

Competitive bid procedures were followed by the agencies and material standards lists were included in bid packages. However, the materials not in compliance with the Revised Appendix A, Federal Standards of Weatherization Materials were noted.

<u>Material Item</u>	<u>Package Code</u>	<u>Federal Code</u>
Class A Fiberglass Blowing	C764-	C764-84
Class A Fiberglass Blowing	C665-	C665-86
DAP 230 Sealant	C920-79	C920-86

FINANCIAL AND PROCUREMENT PROCEDURES

There was a review of fiscal procedures to ensure there exist an adequate system to properly record revenue and expenditures. All agencies had current systems for fiscal management with the exception of Cleveland Housing Network. This subgrantee did not have a financial procedures manual.

Procurement was evaluated to see that it is open and competitive. Segregation of duties was assessed to insure checks and balances. Financial audits were examined to substantiate compliance. The agencies were generally found to have adequate systems for procurement.

Athens did not maintain a purchase order log, and the employee placing the order also verified the order when received.

Audits were reviewed on all eight agencies. With the exception of Celina and Ironton, all audits were current, covering program year 1990. Celina's last dated audit was August 28, 1989, covering the period January 1, 1987 through July 9, 1989. Their financial officer stated that audits are performed every one to two years. The 1990 audit which was conducted in January of 1992 had not been received by Celina, but it was mailed to SBS subsequent to the monitoring visit. Ironton's 1990 audit was performed, but had not been received as of the monitoring date.

Management issues were not significant for most of the agencies and most issues were resolved. The audit on Bellefontaine revealed questioned costs including method of cost allocation, accounting procedures and outdated accounting procedures manual. ODOD accepted Bellefontaine's response to audit findings in a letter dated November 18, 1991. Bellefontaine returned the amount of the questioned costs. Similar issues were addressed in the state's audit of Cleveland Housing Network including inter-fund loan transfers. The following management issues were unresolved:

- Tri-County CAC, Bellefontaine needs to develop travel documentation procedures.
- Cleveland Housing Network did not have a financial manual.

CLIENT FILES

Twenty or more files were reviewed at each subgrantee with regards to pertinent dates, estimated and actual expenditures and income verification. The files were basically complete and well organized. The clerical deficiencies noted in the files included reworks not consistently documented, inconsistent completion dates on job order sheets - work starting dates were not readily identifiable, some income documentation did not match the application amount, some dates on applications were missing and various forms requiring identical information contained inconsistencies.

HOME VISITS

SBS monitors visited 40 completed homes, four were in progress and one final inspection in progress. The quality of workmanship was generally satisfactory. Rework recommendations included weatherstripping, proper caulking of windows, installing a missing bronze kit, testing homes for air infiltration, re-wrap hot water heaters and pipes, and inspect homes for ventilation to identify condensation problems.

MONITORING

State monitoring was reviewed to see that it was conducted in accordance with the state plan. All agencies had been monitored during the program year. Evidence of subgrantee response to corrective actions were also examined.

TRAINING AND TECHNICAL ASSISTANCE

All of the agencies were pleased with training provided by the Corporation for Ohio Appalachian Development (COAD), however, some expressed a desire for additional training in side wall insulation, mobile home units, blower doors and advanced technological training in furnaces.

STATE OF WISCONSIN

The subgrantees visited in Wisconsin included agencies in Madison, Glenwood City, Janesville, Milwaukee and Stevens Point. The monitoring began January 27th and ended March 26th. The following is a breakdown of the key subgrantees and state representatives at each location.

Madison

- Subgrantee (Dane County):
 - Mr. Terry Gruchow, Executive Director
 - Ms. Jeanne M. Newton, Weatherization Administrator
 - Mr. Bill Hartwell, Weatherization Aid
- Subgrantee (Project Home):
 - Mr. Sol Levin, Executive Director
 - Mr. Ken Stanek, Energy Program Director
- Grantee:
 - Mr. Carl Saueressig, Operations Specialist - Wisconsin Department of Human Services (WDHS)
 - Ms. Marsha Gardipee, Monitor, WDHS

Glenwood City

- Subgrantee:
 - Mr. Patrick Herriges, Executive Director
 - Mr. Tom Sykes, Director of Energy and Housing
 - Mr. Tony Przybyla, Operations Manager
- Grantee:
 - Mr. Carl Saueressig, WDHS

Janesville

- Subgrantee:
 - Ms. Arnell Jorgensen, Executive Director
 - Mr. Lee Duerst, Program Manager
- Grantee:
 - Mr. Doug McFee, Monitor, WDHS

Milwaukee

- Subgrantee:
 - Mr. William Clay, Vice President
 - Mr. Carl Nelson, Weatherization Director
 - Ms. Alma Parker, Fiscal Officer
- Grantee:
 - Mr. Carl Saueressig, WDHS
 - Mr. Doug McFee, WDHS

Stevens Point

- Subgrantee:
 - Mr. Karl Pnazek, Chief Executive Officer
 - Mr. Dan Cooper, Program Director
- Grantee:
 - Mr. John Masticola, Monitor, WDHS

SUBGRANTEE PROFILE

In the State of Wisconsin, the Weatherization Assistance Program is a federally funded program administered by the Wisconsin Department of Health and Social Services (WDHS), Division of Community Services. The Wisconsin State Plan identifies the main purpose of the program as reducing fuel consumption in low income households. Those classified as low income must have a total household income not to exceed 150% of the poverty level in Wisconsin. All of the 137 client files reviewed qualified either under the poverty guidelines or the 66% Rule of CFR 440.22 (b) (2) for units in buildings.

CONTRACTS AND BUDGETS

All contracts reviewed between the grantee and subgrantees were properly executed. WDHS utilized PY90 funds provided by the U.S. Department of Energy (DOE) in conjunction with funds provided by WDHS, Low Income Home Energy Assistance Act, commonly referred to as LIEAP and Exxon Petroleum Violation Escrow (PVE) oil overcharge funds to operate the state's weatherization program. Wisconsin subgrantees met contract requirements for PY90. The budgeted cost per weatherized dwelling unit, including funds from all sources was \$2,400. The actual average cost per dwelling unit for DOE funds did not exceed \$1,600. The target group production goals in each contract were as follows: 10% for elderly persons, 5% for handicapped persons and 50% for high energy users. The average DOE material cost per unit for three agencies was \$491. Three agencies did not separate DOE weatherized dwelling units. Total budgeted material costs was at 40%. The actual cost of materials was between 39-41%.

PROGRAM OPERATING PROCEDURES

According to the Wisconsin State Plan, categories designated as priority for weatherization assistance include elderly and handicapped. In addition, those households with the highest heating cost (high energy users) and lowest incomes were targeted for weatherization services. Wisconsin completed at least 100% of contracted goals for elderly and handicapped weatherized units, and only Milwaukee and Janesville completed less than 100% of their goal for high energy users (22% and 66%, respectively).

WDHS has developed a referral system for high energy consuming dwelling units to target services to households with the lowest incomes and highest energy burden. These referrals are funneled through the Office of Energy Services, WDHS and then to the agencies. This system is currently being used throughout the State of Wisconsin. The referrals are derived from the state's Fuel Assistance Program and each applicant to this program is informed of their eligibility for the weatherization program. Wisconsin's application intake, specifically for weatherization services, was minimal since the state refers the majority of all subgrantee clients to them through the Fuel Assistance Program referrals list. In the Madison area, Energy Services, Inc., a private not-for-profit sub-contractor, was hired by the state to perform the intake for the Fuel Assistance Program in Dane and other surrounding counties. Energy Services, Inc. operates somewhat on the same basis as the WDHS referral system. Approved applicants of the fuel assistance program are referred to agencies operating the weatherization program within the given counties.

Outreach and intake was examined to ensure that eligible applicants, located throughout the geographic jurisdictions are being serviced by the program. Although, Wisconsin agencies had at minimum a part-time outreach/intake person, overall, Wisconsin supported the premise that outreach on the part of the subgrantee was not necessary, since the referrals from the Office of Energy Services or Energy Services, Inc., were more than enough for each subgrantee to handle.

Wisconsin's policy regarding income documentation updates requires recertification of income documentation if a weatherization applicant does not receive service within a year.

All subgrantees, with the exception of Milwaukee and Janesville, notified applicants in writing of waiting lists and the client selection process. Glenwood City had the largest waiting list of 367 approved applicants and 51 waiting for inquiries only into the weatherization program.

STAFFING

No major staffing problems were discovered. Each subgrantee employed intake/outreach persons as well as estimators, inspectors and crews. Dane County (Madison) contracted all their weatherization work out to Project Home (Madison). Janesville and Glenwood City are the only agencies where the position of inspector is performed by staff supervisors.

INVENTORY CONTROL

Wisconsin requires that all materials in inventory meet or exceed the federal specification. For the most part, material standards lists at subgrantees complied with Revised Appendix A, Standards of Weatherization Materials. However, materials viewed by the monitor found not to be in compliance with the Revised Appendix A included: Blanket Insulation, ASTM C739-86 (Janesville and Stevens Point) and Fiberglass Loose Fill, ASTM C764-73 (Janesville). All subgrantees maintained an inventory with the exception of Milwaukee and Dane County (Madison). The approximate value of inventory ranged from \$17,000 (Janesville) to \$27,000 (Glenwood City). All warehouse facilities appeared adequate and were generally well organized and clean; particularly Janesville, where the warehouse was impressively maintained. Tracking of inventory items was adequate at all agencies with the exception of Milwaukee, where partially used materials/inventory remaining on weatherization trucks was not documented and could not be traced. The state representative said it is permissible that the subgrantee not keep track of partially used materials. Some variances in actual inventory counts and records were found at Glenwood City and Janesville. Both agencies reconciled all variances.

FINANCIAL AND PROCUREMENT PROCEDURES

There was a review of fiscal procedures to ensure that there was an adequate system in place to properly record revenue and expenditures. All agencies had current systems for fiscal management, with the exception of Milwaukee. Milwaukee's controller did not appear to be

familiar with their current fiscal manual given to the monitor by the weatherization director, but confirmed that the fiscal manual is currently being updated.

Procurement was evaluated to see that it is open and competitive. Segregation of duties was assessed to insure checks and balances. Financial audits were examined. The agencies were generally found to have adequate systems for procurement. Milwaukee lacked a bidder's list and had used the same vendor for the past three years. All of the agencies had board approved cost allocation plans for recording and distribution of DOE and other subgrantee funds. Bid procedures were employed for purchases over \$500 and material standards list were included in all bid packages. Madison, Glenwood City, and Janesville secured bids for all furnace work as well as bulk material purchases.

Audits were reviewed on all five agencies. All audits were current covering the period January 1, 1990 to December 31, 1990. Management issues were not significant. The only audit findings were in Glenwood City and Milwaukee. Glenwood City's audit revealed some immaterial non-compliance findings in the management letter; and Milwaukee's audit addressed accounting, administrative and operating deficiencies, as well as some questioned costs. However, none of the findings or questioned costs were regarding the weatherization program and all were said to have been resolved.

CLIENT FILES

Twenty or more files were reviewed at each subgrantee with regards to pertinent dates, estimated and actual expenditures and income verification. The files were basically complete and well organized, however, all income documentation dated back only three months. According to the state, the agencies are not required to maintain income documentation on LIEAP certification list referrals. The only additional information maintained from these referrals was an occasional "supplemental" application.

Some clerical deficiencies were noted in reviewing the client files. They included consistently omitted annual income documentation, incomplete applications and other forms, various forms

requiring identical information and containing inconsistent dates and information, reworks were not consistently documented, income documentation of any kind missing from approximately 80% of files reviewed and income amounts missing from some applications.

HOME VISITS

SBS visited 31 completed homes during its monitoring review. The quality of workmanship was generally satisfactory.

The ten reworks recommended in Wisconsin included the securing of water heater jackets (approximately 60% of homes), water heater pipe insulation (approximately 40% of reworks), proper caulking of windows, weatherstripping, door sweep installation and crew clean-up.

It was discovered that clients frequently impaired the weatherization work by not replacing storm windows and air conditioner covers during the winter months. This pattern was frequently noticed among mobile home owners.

In Milwaukee, a serious problem was discovered in the basement of a client's home that was weatherized in PY90. Client was not getting proper ventilation from water heater, causing backup gases and extreme heat from pipes connecting at water heater. Client was notified of problem during the visit by monitor, state and subgrantee representatives. State and subgrantee persons have since informed monitor that the problem was resolved immediately.

MONITORING

Wisconsin requires monitoring of all subgrantees annually. The on-site monitoring is scheduled by the regional office staff. The monitors determine the number and timing of trips. The state monitoring visits consist of administrative reviews, dwelling inspections and client file reviews. Most subgrantees had at least one monitoring report on file for PY90. Dane County Housing Authority in Madison had four. Project Home in Madison did not maintain copies of state monitoring visits for PY90. However, all subgrantees were said to have been monitored by the state for PY90. Evidence of agencies corrective actions was also examined.

TRAINING AND TECHNICAL ASSISTANCE

Wisconsin has many computer generated forms for the weatherization program which are utilized by the subgrantees. Computerized audits and measures lists are used. Measures lists are generally only used for mobile homes and five or more dwelling units. Only retrofits off the computerized audit list or measures list are allowable for weatherization of a dwelling. All subgrantees visited used the blower door. The retrofits were generally in compliance with the ranking order of the job order sheet. However, infiltration usually ranked last. Most agencies agreed that the use of the blower door has revealed that infiltration work is generally not needed to create an energy efficient environment in most homes. Although the subgrantees were pleased with training through Wisconsin Energy Conservation Corporation (WECC), some expressed a desire for additional training in home inspections, in-house, furnace, computer and more advanced technological training.

GENERAL OBSERVATIONS

Due to omissions and incomplete forms frequently found throughout all client files reviewed, subgrantees may want to consider developing and implementing a clerical audit review system of files for completion of documents to be conducted at specified intervals by the appropriate staff. In addition, increased standardization of forms within a state would offer greater efficiency and completeness of information required by the DOE.

Because of some consistently large waiting list found particularly in Ohio and Wisconsin, subgrantees may want to consider developing a system incorporating waiting list applicants into the normal servicing of all applicants. Another solution may be in downsizing the total county area serviced by a subgrantee and allotting the territory to nearby subgrantees with smaller or no waiting lists.

Each subgrantee is issued a copy of the Wisconsin Energy Services Manual. Included in this manual are detailed guidelines for operation of the weatherization program. This manual is updated frequently and complies with DOE regulations. It was noted that most subgrantees referred to the manual often in establishing agency procedures.

During home inspections in Madison, the weatherization director at Dane County Housing Authority was also conducting a formal inspection, seeking clients' signatures on forms. This was also experienced in Glenwood City, where the state monitor conducted a review. It was understood that all subgrantee and grantee monitoring for PY90 was completed. Possibly, state and agency personnel may need to be reminded of the importance of official monitoring visits by federal, state and agency representatives and when each is appropriate.

STATE OF INDIANA**GRANTEE:** Indiana Department of Human Services (IDHS)

<u>Subgrantees</u>	<u>Acronym/Date</u>	<u>Monitor(s)</u>
Area Five Council on Aging and Community Services 3001 U.S. 24 East, Eastgate Plaza Logansport, IN 46947	Area Five January 6-9, 1992	Lorine S. Samuels Carol Listenbee Jesse Walton
Community and Family Services, Inc. P. O. Box 1087 Portland, IN 47341-1087	CFS January 13-16, 1992	Carol Listenbee Jesse Walton
Interlocal Community Action Program P. O. Box 644 State Road 38, West New Castle, IN 47362-0644	ICAP January 21-24, 1992	Jesse Walton
Community Action Program, Inc. of Western Indiana P.O. Box 188 Covington, IN 47932-0188	CAP, WI January 27-30, 1992	Jesse Walton
Western Indiana Community Services, Inc. P. O. Box 1018 Terre Haute, IN 47808-1018	WICS February 3-6, 1992	Jesse Walton

STATE OF OHIO

GRANTEES: Ohio Department of Development
Corporation for Ohio Appalachian Development

<u>Subgrantees</u>	<u>Acronym/Date</u>	<u>Monitor(s)</u>
Auglaize - Mercer Community Action Commission 8511 State, Route 703 East Celina, Ohio 45822-2940	Auglaize - Mercer (AM CAC) February 24-27, 1992	Lorine S. Samuels Jesse Walton
Tri-County Community Action Commission of Champaign, Logan, and Shelby Counties 1604 Sandusky Avenue West Bellefontaine, Ohio 43311-2131	Tri-County CAC March 30-April 2, 1992	Lorine S. Samuels Jesse Walton
<u>Subgrantee - City of Cleveland</u>		
Neighborhood Housing Services of Cleveland, Inc. 509 Euclid Avenue Floor 5 Cleveland, Ohio 44114	NHS of Cleveland, Inc. March 23-26, 1992	Jesse Walton
Cleveland Housing Network, Inc. 4614 Prospect Avenue Room 340 Cleveland, Ohio 44103	CHN, Inc. April 27-30, 1992	Jesse Walton
<u>Delegates</u>		
Ironton - Lawrence County Community Action Organization, Inc. 305 North Fifth Street Ironton, Ohio 45638-0517	Ironton - Lawrence County CAO March 2-5, 1992	Jesse Walton
Tri-County Community Agency, Inc. 11100 State Route 550 Athens, Ohio 45701-9719 (Mailing) P.O. Box 340 Athens, Ohio 45701	Tri-County CAP March 9-12, 1992	Jesse Walton
KNO-HO-CO Community Action Commission 300 Bridge Street Nellie Community Building Warsaw, Ohio 43844	KNO-HO-CO CAC April 13-16, 1992	Jesse Walton
Harcatus Tri-County Community Action Organization 220 Grant Street Dennison, Ohio 44621-1216	Harcatus Tri-County CAO April 20-23, 1992	Jesse Walton

STATE OF WISCONSIN**GRANTEE:** Wisconsin Department of Health and Social Services (WDHS)

<u>Subgrantees</u>	<u>Acronym/Date</u>	<u>Monitor(s)</u>
Dane County Housing Authority 2825 University Avenue Madison, WI 53705	DCHA January 27-30, 1992	Carol Listenbee
Project Home, Inc. 104 North First Street Madison, WI 53704	None January 27-30, 1992	Lorine S. Samuels Carol Listenbee
West Central Wisconsin Community Action Agency, Inc. 525 Second Street Glenwood City, WI 54013	WEST CAP February 10-14, 1992	Carol Listenbee
Community Action, Inc. of Rock and Walworth Counties 2300 Kellogg Avenue Janesville, WI 53545	None March 2-5, 1992	Carol Listenbee
Opportunities Industrialization Center of Greater Milwaukee 2835 North 32nd Street Milwaukee, WI 53210	OIC March 9-12, 1992	Carol Listenbee
CAP Services, Inc. 5499 Highway 10 East Stevens Point, WI 54481	CAP Services March 23-26, 1992	Carol Listenbee

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