



# Low Income Home Energy Assistance Program

## Grantee Monitoring

# **FIELD MANUAL**

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# LIHEAP Grantee Monitoring Field Manual

Florida Department of Economic Opportunity  
 Division of Community Development  
 Bureau of Economic Self-Sufficiency

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*INTRODUCTION*  
*and*  
*PROCESS*

## Introduction

Proper oversight and monitoring of LIHEAP funds is important in order to ensure compliance with federal and state LIHEAP policies, procedures and law. Monitoring can also be important in identifying additional controls and procedures that could strengthen a particular agency or the LIHEAP program overall.

States are responsible for monitoring the fiscal and program performance of their subcontractors and vendors. The LIHEAP statute, Section 2605(b)(10), says the state must:

"provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the 'Single Audit Act');"

Additionally, states must ensure their own compliance with federal and state policies because these are subject to periodic monitoring by federal staff, as outlined in the LIHEAP statute Section 2608(b)(1):

"The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this title in order to evaluate compliance with the provisions of this title."

Monitoring is the process by which DEO periodically reviews the implementation of and compliance with regulations, policies and procedures as set forth in the LIHEAP Federal Statute, this Policy Manual, the Agreement between DEO and local provider agencies, and other policy transmittals issued by DEO.

The purpose of monitoring is:

- To assure implementation and adherence to regulations, policies and procedures as promulgated by DEO.
- To fulfill the requirement of the Federal Block Grant for Low Income Home Energy Assistance (Public Law 97-35, sec. 2605(b)(10)) for a regular review of all local provider agencies' program operations.
- To protect applicant's rights and ensure good public service.
- To identify potential programmatic or procedural issues that may require revised policies.
- To prevent future audit issues.

These monitoring visits are an opportunity to help local agency staff assess program operation procedures. Sometimes these visits lead to program clarification of operation procedures. The Agency will allow DEO to carry out monitoring, evaluation and technical assistance. The Agency will ensure the cooperation of its employees and of any subcontractors with whom they contract to carry out program activities. Training and technical assistance will be provided by DEO within limits of staff time and budget, upon requests by the grantee and/or upon determination by DEO of need.

## Monitoring Process

A. The LIHEAP monitoring schedule is based on a 2.5 year cycle. A DEO Grant Manager will contact the Agency's director or program manager to schedule the dates for an on-site visit. It is the responsibility of the Agency to inform other pertinent agency personnel of the visit.

B. A letter confirming the date and purpose of the visit is sent along with a copy of the monitoring manual. Please refer to Part II of this Monitoring Manual for the list of files and documents that must be sent prior to the visit or be ready for inspection upon DEO staff's arrival.

C. At each on-site monitoring visit, DEO staff will review files and expenditures for the past 2 years, possibly including the current grant year.

D. The visit will consist of an initial entrance meeting with the Agency's director and appropriate staff explaining the purpose of the visit and what can be expected.

E. DEO staff will conduct the specific monitoring interview and review records randomly selected as appropriate. A sample of client files, administrative records and fiscal reports are reviewed.

1. If an Agency serves one county through only one office, the Agency shall select and have available when DEO staff arrives, 30 random LIHEAP Client Files (15 Home Energy and 15 Crisis).

2. If an Agency serves one county through multiple outreach locations, the Agency shall select and have available at the main office when DEO staff arrives, 10 LIHEAP Client Files (5 Home Energy and 5 Crisis) from EACH outreach location.

3. If an Agency serves multiple counties through one or more outreach locations in each county, the Agency shall select and have available at the main office when DEO staff arrives, 10 LIHEAP Client Files (5 Home Energy and 5 Crisis) from EACH county and outreach location.

4. A sampling of denial files must be provided, in addition to the approved client files as noted in 1-3 above.

5. If client files are electronic only, the Agency should make available to DEO staff the system and/or a staff member to assist in reviewing the files in the system. The client files do not need to be printed.

6. For the months chosen for review by DEO Staff for fiscal and administrative records, the Agency shall have pulled and available for review when DEO staff arrives, all backup documentation pertaining to the months chosen. This includes all fiscal backup for all charges reported on the selected Financial Status Report, all payroll from salaries reported on the selected Financial Status Report, and any travel records for travel expenses reported on the selected Financial Status Report.

F. After completion of the interview and record review the monitoring staff shall conduct an exit conference with the Agency director and other pertinent staff. It is recommended that the agency director be present at the exit conference. During the exit conference the monitoring staff will identify findings and suggest strategies for corrective action if problems are found.

G. DEO will send the full monitoring report within 45 days of the site visit summarizing the visit findings and suggesting corrective actions the local agency must do to correct any findings that did not meet standards or requirements. If the findings warrant, a written corrective action plan will be requested of the local agency. Additional follow-up may be required to assure implementation of the corrective action plan.

H. Agencies shall have 45 days in which to review the report and submit a response with required corrective actions and further documentation of compliance, if required by the report.

I. DEO staff will work with the Agency should not all findings or concerns be cleared. Additional training and technical assistance may be offered, and/or an additional on-site review may be conducted.

*PART I*  
*AGENCY*  
*INFORMATION*



# LIHEAP Monitoring FIELD MANUAL

## Part 1.1 Contact and Grant Information

Name \_\_\_\_\_

Address \_\_\_\_\_ Executive Director \_\_\_\_\_

\_\_\_\_\_ Phone \_\_\_\_\_

\_\_\_\_\_ email \_\_\_\_\_

### 1. Grants Monitored

Program	Agreement #	From	To
LIHEAP			
LIHEAP			

### 2. Contacts

	Name	Email	Phone
Fiscal	_____	_____	_____
Program	_____	_____	_____
Administration	_____	_____	_____

### 3. Notable issues from previous monitoring visits:

- a. \_\_\_\_\_
- b. \_\_\_\_\_
- c. \_\_\_\_\_
- d. \_\_\_\_\_
- e. \_\_\_\_\_

Last date of monitoring by DEO Staff: \_\_\_\_\_

Date Final Report Issued: \_\_\_\_\_

All Findings and Concerns Cleared: Yes\_\_\_\_ No\_\_\_\_

-If NO, describe which issues were not cleared:

	Issue	Reviewed during current monitoring
a.		
b.		
c.		

Agency Response received on time\*: Yes\_\_\_\_ No\_\_\_\_

**\*NOTE: If No, will be a FINDING in this report.**

4. Outreach offices – List here or include on separate page (attached)

	Location	In Charge	Title	Visited
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				

**PART 1.2 ENTRANCE INTERVIEW SIGN-IN SHEET – PLEASE PRINT**

GRANTEE: \_\_\_\_\_ DATE \_\_\_\_\_

Name	Title	Program	Entity (if not CAA)

**PART 1.3 EXIT INTERVIEW SIGN-IN SHEET – PLEASE PRINT**

**GRANTEE:** \_\_\_\_\_ **DATE** \_\_\_\_\_

Name	Title	Program	Entity (if not CAA)

## PART 1.4 MONITORING LETTERS AND REPORTS

**DEO Staff Directions:** Insert all letters, reports and responses behind this page and complete the checklist below.

Action	Date Due (if applicable)	Date Completed	Notes
Phone/Email Contact to Schedule Visit	NA		
Letter to Grantee confirming date of visit	NA		
First Draft of Report	w/in 10 days of end of visit		
Review of First Draft by Supervisor	NA		
Second Draft of Report (if applicable)	w/in 20 days of end of visit		
Original Monitoring Report and Letter	w/in 45 days of end of visit		
First Response from Grantee	w/in 45 days of date of Letter		
DEO's Response to Grantee's First Response	NA		
Second Response from Grantee (if applicable)	w/in timeframe stated in letter		
DEO's Final Response and Closeout of Monitoring	NA		
Information/Documents Uploaded to SERA	NA		

*PART II*  
*PRE-MONITORING*  
*CHECKLISTS*

## Checklist for Grantees to Prepare for DEO's On-Site Monitoring Visit

YOUR AGENCY must send the documents listed on the next pages to DEO as part of the grantee monitoring process.

### **Existing Documents:**

Some of the documents should already exist: financial policies and procedures, LIHEAP operating manual, etc. Submit the most recent, approved versions of these documents.

### **Worksheets to Complete and Return:**

This file also contains templates of documents and worksheets DEO requires you to complete and return within the timelines set out in the letter you received confirming the dates of the onsite monitoring visit.

The templates contain instructions on their completion. Should you still have questions, please contact:

Grant Manager: NAME

Email: FIRST.LAST@deo.myflorida.com

Phone: (850) 717-XXXX

### **Documents and Files Available During Onsite Monitoring:**

The list on the following pages also identifies documents and files you must have available for the Grant Manager to examine during the onsite monitoring. You can use it as a checklist in your preparations for the onsite monitoring.

## 2.1 EXISTING DOCUMENTS GRANTEE MUST SUBMIT TO DEO PRIOR TO ON-SITE VISIT

Manual Ref. No.	Document	Time Period (if applicable)	Check When Complete
3.2	Personnel Policies and Procedures Manual (Nonprofits only)	Most current	
3.3	Agency-Wide Organizational Chart	Most Current	
3.5	Monitoring reports from at least 2 other major funding sources	Dated within the last 2 years	
Part IV	Cost Allocation Plan	Current Grant Year	
4.5	Fiscal Policies and Procedures Manual (Nonprofits only)	Most current	
4.6	Agency-Wide Budget (Nonprofit)	For period monitored	
4.6	Department/Division-Wide Budget (County)	For period monitored	
4.7	Financial Status Report	(choose months)	
4.7	Revenue and Expenditure Report to support FSR	(choose months)	
5.1	LIHEAP Program Manual	Most Current	
5.4	List of Vendors Verified in EPLS	From Current Grant Year	

## 2.2 WORKSHEETS FROM THE MANUAL GRANTEE MUST COMPLETE AND SUBMIT TO DEO PRIOR TO ON-SITE VISIT

Manual Ref. No.	Document	Time Period (if applicable)	Check When Complete
3.1	Internal Controls/Segregation of Duties Worksheet		
4.1	OMB/Single Audit Worksheet		
4.3	Financial Trends Analysis Worksheet (Nonprofits only)		



4.5	Fiscal Policies and Procedures Checklist (Nonprofits only)		
5.1	LIHEAP Program Manual Checklist		
5.2	LIHEAP Client Tracking Report	For grants monitored	

## 2.3 DOCUMENTS AND FILES GRANTEE MUST HAVE READY FOR REVIEW AT TIME OF ON-SITE VISIT

Manual Ref. No.	Document	Time Period (if applicable)	Check When Complete
Part IV	Balance Sheet	(choose month)	
4.7, 4.8, 4.9	Expense Documentation to Support Financial Status Report	(choose months)	
4.7, 4.8, 4.9	Payroll Ledger to Support Financial Status Report	(choose months)	
4.8	Personnel Files (for at least ED and Program Manager)		
5.5	LIHEAP Client Files – See below for instructions on how to select client files	During grant years monitored	

**\*\*Do not include clients Social Security Numbers, birth dates or other personal information.**

## 2.4 Instructions for Collection of Client Files for Onsite Monitoring

- 1) If an Agency serves one county through only one office, the Agency shall select and have available when DEO staff arrives, 30 random LIHEAP Client Files (15 Home Energy and 15 Crisis) selected for each of the grant years selected for monitoring.
- 2) If an Agency serves one county through multiple outreach locations, the Agency shall select and have available at the main office when DEO staff arrives, 10 LIHEAP Client Files (5 Home Energy and 5 Crisis) from EACH regularly operated outreach location for each of the grant years selected for monitoring.
- 3) If an Agency serves multiple counties through one or more outreach locations in each county, the Agency shall select and have available at the main office when DEO staff arrives, 10 LIHEAP Client Files (5 Home Energy and 5 Crisis) from EACH county and EACH regularly operated outreach location for each of the grant years selected for monitoring.
- 4) A sampling of denial files must be provided, in addition to the approved client files as noted in 1-3 above.
- 5) If client files are electronic only, the Agency should make available to DEO staff the system and/or a staff member to assist in reviewing the files in the system. The client files do not need to be printed.

*PART III*  
*ADMINISTRATION*

### 3.1 INTERNAL CONTROLS/SEGREGATION OF DUTIES

Process Steps	Name	Position
Opens mail, logs checks, invoices		
Prepares bank deposits		
Makes bank deposits		
Initiates purchase orders		
Matches receipts to POs to invoices		
Reviews in-kind valuation accuracy		
Codes expenses, verifies accuracy		
Enters invoices into accounts payable		
Prepares check requests/EFT		
Approves check requests/EFT		
Runs checks and mails/EFT		
Mails checks/Orders EFT Run		
Signs checks (electronic signatures not allowed). Counter-signs checks		
Mails checks		
Files check copies & documentation		
Prepares bank reconciliations		
Approves bank reconciliations		
Makes journal entries		
Creates agency-wide and individual program budgets and revisions		
Submits budgets, revisions to board		
Develops an agency cost-allocation plan		
When did CFO last receive OMB Circular Training?	Date:	

### 3.2 PERSONNEL POLICIES/PRACTICES MANUAL AND CHECKLIST

**Grantee Directions:** Provide a copy of your agency’s personnel policies and procedures, and complete the checklist below. Provide the completed checklist with the copy of your agency’s procedures prior to the monitoring visit.

**DEO Staff Directions:** Place a copy of the manual behind this page and verify through source documentation the information provided below.

**Initial HERE \_\_\_\_ if this is a public agency and exempt from providing the full Personnel Manual.**

What I should look for?	Key	Notes
a. Grantee has written personnel policies and procedures		
b. Date personnel policies and procedures were last revised		
c. Employees have been trained on the personnel policies and procedures		
d. Time sheets are signed by employee and approved by supervisor		
e. Leave requests, approvals comply with personnel policies		
f. Leave accrual records are up-to-date		
g. Timesheets for multi-source positions accurately reflect total hours worked each day in each program		
h. Personnel actions (hiring, promotion, demotion, disciplinary action, termination, etc.) have been approved as required by grantee policies		
i. Describe any discrimination complaints or grievances registered since the start of the program period.		
j. Describe any unresolved legal actions against the grantee for personnel/anti-discrimination allegations.		
k. Have any employees involved with the program resigned or been terminated since the last monitoring period?		If yes, please describe:

### **3.3 AGENCY-WIDE ORGANIZATIONAL CHART**

**Grantee Directions – NONPROFITS:** Provide a copy of your agency-wide organizational chart.

**Grantee Directions – PUBLIC AGENCIES:** Provide a copy of the department or division organizational chart where LIHEAP is housed.

**DEO Staff Directions:** Place a copy of the organizational chart provided behind this page and complete the worksheet in Section 3.4 below.

### 3.4 DEO REVIEW OF GRANTEE ORGANIZATIONAL CHART

**DEO Staff Directions:** Summarize the Grantee's Organizational chart using the checklist below. Discuss the importance of the organizational chart with Grantee.

Yes	No	
		Includes all occupied positions, by title and reporting relationship
		Identifies all worksites
		Includes names of all managers

**Observations:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

### **3.5 MONITORING REPORTS FROM OTHER FUNDING SOURCES**

**Grantee Directions:** Provide monitoring reports from two or more major funding sources done within the last 2 years.

**DEO Staff Directions:** Insert the documents received from the grantee behind this page and complete the checklist in Section 3.6 below.

### 3.6 DEO REVIEW OF MONITORING REPORTS FROM OTHER FUNDING SOURCES

**DEO Staff Directions:** Summarize the results of program monitoring of the Grantee in the last two years by other funding sources using the checklist below.

Initial Here \_\_\_\_\_ if the Grantee has limited other funding sources and cannot provide 2 or more reports.

<b>Funder</b>			
<b>Program</b>			
<b>Services</b>			
<b>Date Monitored</b>			
<b>Noteworthy</b>			
<b>Findings</b>			
<b>Concerns</b>			
<b>Recommendations</b>			
<b>Repeated/ unresolved findings</b>			



*PART IV*  
*FISCAL REVIEW*

## 4.1 OMB/SINGLE AUDIT WORKSHEET

**Grantee Directions:** Complete the worksheet below for your annual OMB/Single Audit. Submit this completed worksheet to DEO prior to the monitoring visit.

**DEO Staff Directions:** Place a copy of the most recent OMB/Single Audit for the Grantee behind this page. Complete the review of this worksheet in Section 4.2.

Dates of grantee fiscal year:                      From \_\_\_\_\_ to \_\_\_\_\_

End of fiscal year just audited \_\_\_\_\_  
 Date on auditor letter of transmittal \_\_\_\_\_  
 Date of auditor presentation of audit report to board \_\_\_\_\_  
 Date audit report submitted to DEO \_\_\_\_\_  
 Date audit report submitted to Audit Clearinghouse \_\_\_\_\_  
 Fiscal Year End plus nine months \_\_\_\_\_

Did the audit report contain any **findings**                       No     Yes (if so describe them below)

Did the audit cite any **questioned costs**?                       No     Yes (if so describe them below)

Were any **recommendations** made in the management letter?                       No     Yes (if so describe them below)

Did you **respond** to findings, questioned costs, or recommendations?                       No     Yes (if so describe them below)

**4.2 DEO REVIEW OF OMB/SINGLE AUDIT WORKSHEET**

**DEO Staff Directions:** Complete the table below using the audit worksheet completed by the Grantee.

Yes	No

- Includes audit report data from last audited fiscal year.
- Any repeat findings?
- Any findings not responded to?
- Any management suggestions not responded to?

### 4.3 FINANCIAL TRENDS ANALYSIS WORKSHEET (NONPROFITS ONLY)

**Grantee Directions:** Complete this worksheet based on your most recent agency-wide OMB/Single Audit (**Last FY** column). Add the same data from the two prior audit reports in the **3 FY Ago** and **2 FY Ago** columns. Provide the completed checklist to DEO prior to the monitoring visit.

**DEO Staff Directions:** Review this completed worksheet using Section 3.4.

	3 FY Ago	2 FY Ago	Last FY
What was the <b>Current Ratio</b> ?	<input type="text"/>	<input type="text"/>	<input type="text"/>

The current ratio results from **dividing current assets by current liabilities**. These should be listed on your audit report. The ratio will be expressed as a number greater or lesser than 1.0.

Comparing the current ratio over time tells about changes to your operating financial condition. The larger the number, the healthier your organization. Your concern and attention should increase as the number moves toward 1. You have serious problems requiring immediate attention if the ratio becomes less than 1.0.

	3 FY Ago	2 FY Ago	Last FY
What was the <b>Fund Balance</b> ?	<input type="text"/>	<input type="text"/>	<input type="text"/>

The fund balance represents the difference between current assets and current liabilities. The larger the number the healthier your organization. Your concern and attention should increase as the number moves toward 0. You have serious problems requiring immediate attention if the balance become a negative number.

	3 FY Ago	2 FY Ago	Last FY
What were the <b>Outstanding Loans</b> ?	<input type="text"/>	<input type="text"/>	<input type="text"/>

Outstanding loans include lines of credit, mortgages, and other repayment obligations. It does not include accounts receivable. It will be listed as a dollar figure: \$ 000.00. Outstanding loans represent funds that are tied up into the future. They limit your organizational flexibility. They may affect your cash position and make a line of credit necessary.

	3 FY Ago	2 FY Ago	Last FY
What was the <b>Line of Credit</b> balance?	<input type="text"/>	<input type="text"/>	<input type="text"/>

A line of credit may be necessary to manage expense reimbursement contracts, or significant expansion in funding. Pay attention to a pattern of increases in your line of credit, especially if they rise by large amounts.

#### 4.4 DEO REVIEW OF FINANCIAL TRENDS ANALYSIS WORKSHEET (NON-PROFITS ONLY)

**DEO Staff Directions:** Summarize the results of the Grantee's completion of the Financial Trends Analysis Worksheet

Yes	No	
		Includes information from last three audited fiscal years
		Any indicators of decline in grantee fiscal health?

#### 4.5 FISCAL POLICIES/PROCEDURES MANUAL AND CHECKLIST (NON-PROFITS ONLY)

**Grantee Directions:** Provide a copy of your agency’s fiscal policies and procedures, and complete the checklist below. Provide the completed checklist with the copy of your agency’s procedures prior to the monitoring visit.

**DEO Staff Directions:** Place a copy of the manual behind this checklist and ensure checklist is completed. Discuss any topics not covered

The Agency Fiscal Policies and Procedures should include, at the minimum, the following topics:

	TOPIC	Page # / Section		Explanation if not included in Grantee F & A Policies
1.	Table of Contents			
2.	Establishment/Modifications			
3.	General Information			
4.	Executive Limitation			
5.	Grant Applications/Budgets			
6.	Grants/Contracts Responsibilities			
7.	<b>Procurement</b>			
	a. Purpose			
	b. Authorities			
	c. Purchasing Limits Not Requiring Bids			
	d. Purchasing Limits Requiring Bids			
	e. Responsibility of Purchasers			
8.	<b>Purchase Orders/Credit Cards</b>			
	a. Issuance			
	b. Procedures			
	c. Credit Cards			
9.	Petty Cash			
10.	<b>Cost Allocation</b>			
	a. Personnel			
	b. Postage			
	c. Telephone			
	d. Supplies/Copier			
	e. Utilities			
	f. General Liability			
	g. Bonding			
	h. Audit			
	i. Vehicle Insurance/Maintenance			

	TOPIC	Page # / Section		Explanation if not included in Grantee F & A Policies
	j. Chart of Allocation for Administrative Costs			
11.	Automated Accounting			
12.	Cash Receipts			
13.	<b>Cash Disbursements</b>			
	a. Checks			
	b. Bank Reconciliations/Trial Balances			
	c. Cash Requirement			
14.	<b>Payroll</b>			
	a. General			
	b. Time and Attendance			
	c. Fringe Benefits			
	d. Processing Payroll			
	e. Payroll Taxes			
15.	Reports			
16.	Non-Federal In-Kind Contributions			
17.	Property			
	a. Equipment			
	b. Title and Deeds			
18.	Leases			
19.	Insurance			
20.	Audits			
21.	Loans			
22.	<b>Travel and Training</b>			
	a. Local Travel			
	b. Out of Area Travel			

#### **4.6 GRANTEE AGENCY-WIDE BUDGET (Nonprofits) DEPARTMENT/DIVISION-WIDE BUDGET (Public)**

**Grantee Directions:** Provide a copy of your agency-wide or department/division-wide budget.

**DEO Staff Directions:** Place a copy of the agency-wide budget behind this page, and review the overall budget for completeness.



#### 4.7 SUMMARY OF REVIEW OF FSR AND REVENUE AND EXPENSE COMPARISON

**DEO Staff Directions:** Review the FSR and R&E reports received from the Grantee and complete the table below. Place the FSR and R&E reports received from the Grantee behind this page. Complete one worksheet for each grant reviewed during this monitoring visit.

**AGREEMENT No:**

FSR MONTH/YEAR:	FSR TOTAL	R&E TOTAL	FSR=R&E
<b>ADMINISTRATIVE EXPENSES</b>			
Administration	\$	\$	YES / NO
Outreach	\$	\$	YES / NO
<b>DIRECT CLIENT ASSISTANCE</b>			
Home Energy Assistance	\$	\$	YES / NO
Crisis Assistance	\$	\$	YES / NO
Weather Related/Supply Shortage	\$	\$	YES / NO
<b>GRAND TOTALS:</b>	\$	\$	YES / NO

#### 4.7 SUMMARY OF REVIEW OF FSR AND REVENUE AND EXPENSE COMPARISON

**DEO Staff Directions:** Review the FSR and R&E reports received from the Grantee and complete the table below. Place the FSR and R&E reports received from the Grantee behind this page. Complete one worksheet for each grant reviewed during this monitoring visit.

**AGREEMENT No:**

FSR MONTH/YEAR:	FSR TOTAL	R&E TOTAL	FSR=R&E
<b>ADMINISTRATIVE EXPENSES</b>			
Administration	\$	\$	YES / NO
Outreach	\$	\$	YES / NO
<b>DIRECT CLIENT ASSISTANCE</b>			
Home Energy Assistance	\$	\$	YES / NO
Crisis Assistance	\$	\$	YES / NO
Weather Related/Supply Shortage	\$	\$	YES / NO
<b>GRAND TOTALS:</b>	\$	\$	YES / NO

#### 4.8 LIHEAP TEST OF EXPENDITURES (Payroll and Travel)

Agreement No: \_\_\_\_\_

**DEO Staff Directions for PAYROLL** - Request a printout for a payroll paid in the sample budget period. Use this printout to complete the "Payroll" table below. Select from upper management staff, middle and fiscal staff, and case/intake workers and supervisors. Complete one worksheet for each agreement monitored during this visit.

Employee	1.	2.	3.	4.	5.
Position/Title					
Pay Period					
Hourly Wage					
Pmt. Reference #*					
Gross \$					
Budgeted Y/N					
Matches Emp Action					

**DEO Staff Directions for TRAVEL** - Request sample travel documentation for local, conference, and out of state travel expensed for the grant period(s) being reviewed. Select from upper management staff, supervisors, and intake workers. Complete one worksheet for each agreement monitored during this visit.

Employee	1.	2.	3.	4.	5.
Position/Title					
Travel purpose					
Budgeted Y/N					
Total Travel \$					
Program charged					
Payment Ref #*					
Amount Reimb.					
Amnt Chgd to PCard					

\* Could be a check or direct deposit number.

#### 4.8 LIHEAP TEST OF EXPENDITURES (Payroll and Travel)

Agreement No: \_\_\_\_\_

**DEO Staff Directions for PAYROLL** - Request a printout for a payroll paid in the sample budget period. Use this printout to complete the "Payroll" table below. Select from upper management staff, middle and fiscal staff, and case/intake workers and supervisors. Complete one worksheet for each agreement monitored during this visit.

Employee	1.	2.	3.	4.	5.
Position/Title					
Pay Period					
Hourly Wage					
Pmt. Reference #*					
Gross \$					
Budgeted Y/N					
Matches Emp Action					

**DEO Staff Directions for TRAVEL** - Request sample travel documentation for local, conference, and out of state travel expensed for the grant period(s) being reviewed. Select from upper management staff, supervisors, and intake workers. Complete one worksheet for each agreement monitored during this visit.

Employee	1.	2.	3.	4.	5.
Position/Title					
Travel purpose					
Budgeted Y/N					
Total Travel \$					
Program charged					
Payment Ref #*					
Amount Reimb.					
Amnt Chgd to PCard					

\* Could be a check or direct deposit number.

#### 4.9 LIHEAP VENDOR PAYMENT REVIEW

Agreement No: \_\_\_\_\_

**DEO Staff Directions:** Select transactions from **different ledger account codes** in both **Client Assistance** and **Outreach**. Sample what look like “typical” transactions as well as one unusually large transaction. Identify any other programs/accounts to which expenses might also have been allocated, along with the amounts, as provided for in the tables below. Complete one worksheet for each grant reviewed during this monitoring visit.

**Line Item Selected: ADMINISTRATION**

Vendor	Check #	Date	Total Amt.	Admin \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: OUTREACH**

Vendor	Check #	Date	Total Amt.	Outreach \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: HOME ENERGY**

Vendor	Check #	Date	Total Amt.	HE \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: CRISIS**

Vendor	Check #	Date	Total Amt.	Crisis \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

## 4.9 LIHEAP VENDOR PAYMENT REVIEW

Agreement No: \_\_\_\_\_

**DEO Staff Directions:** Select transactions from **different ledger account codes** in both **Client Assistance** and **Outreach**. Sample what look like “typical” transactions as well as one unusually large transaction. Identify any other programs/accounts to which expenses might also have been allocated, along with the amounts, as provided for in the tables below. Complete one worksheet for each grant reviewed during this monitoring visit.

**Line Item Selected: ADMINISTRATION**

Vendor	Check #	Date	Total Amt.	Admin \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: OUTREACH**

Vendor	Check #	Date	Total Amt.	Outreach \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: HOME ENERGY**

Vendor	Check #	Date	Total Amt.	HE \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

**Line Item Selected: CRISIS**

Vendor	Check #	Date	Total Amt.	Crisis \$	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount	Addtl Program Chgd	Amount
1.			\$	\$		\$		\$		\$
2.			\$	\$		\$		\$		\$
3.			\$	\$		\$		\$		\$

#### 4.10 FINANCIAL PROCEDURES SUMMARY

**DEO Staff Directions:** Complete the following section based on DEO staff analysis of grantee financial transaction documentation and conversations with fiscal staff.

What should I Look for? Where?	Key	What I found.		Notes
a. Grantee Financial Policies and Procedures were last revised when?		DATE:		
b. CFO verified in the fiscal records of (month) that administrative expenses were allocated according to:		An approved indirect cost rate		
		A cost allocation plan on file at DEO		
		Other (describe):		
c. Grantee has written purchase authorization procedures		Has a written procedure which it consistently follows		
		Grantee uses Purchase Orders		
d. Grantee travel reimbursement documentation		Has written policies and procedures which it consistently follows		
		Complies with state travel regulations		
e. Grantee has written <b>credit/debit/store card use</b> policies and procedures which it consistently applies		Card	Authorized User(s)	Authorized Uses
f. Add rows for additional credit cards				

#### 4.11 OVERALL FINANCIAL ANALYSIS

**DEO Staff Directions:** Complete the following section based on DEO staff analysis of grantee financial transaction documentation and conversations with fiscal staff.

What I should look for	Key	Notes
a. Bank statements regularly reconciled within 10 days of receipt		
b. Grantee bank statement(s) consistently and clearly reconcile to the ledger/journal.		
c. Grantee maintains petty cash funds (describe where):		
d. Petty cash records are reconciled by _____ on a _____ cycle		
e. Are there any checks outstanding beyond 60 days of issue?		
f. Have any checks been printed/issued but not mailed		
g. Documents are pre-numbered and used consecutively		
h. Invoices are PAID and date-stamped		
i. Program managers use Revenue and Expense reports as a management tool		
j. There have been no internal transfers of funds from one program to another (commingling).		
k. Grantee accruals from prior contract year have been liquidated		
l. No grant funds have been used to purchase or renovate real estate		



#### 4.12 ABILITY TO ASSESS OVERALL FINANCIAL HEALTH

What I should look for	Key	What I found	Notes
a. Have the grantee produce a current balance sheet for the last closed accounting period.		The grantee can produce a balance sheet in a short period of time.	
		The balance sheet was for the period ending: INSERT DATE	
b. Refer to Pre-Monitoring Document "Financial Trends Analysis" (Non-Profits Only)		The financial picture of the past three years is:	
		Very positive > 2.5 Up	
		Positive 0.5 to 2.5 Steady	
		Vulnerable -0.5 to 0.5 Variable	
		Weak -0.5 to -2.5 Down	
	Critical > -2.5		
c. Overall financial health		Finance director conducts an annual analysis of the Balance Sheet plus a multi-year trend analysis	Serious concern if analysis conducted only by auditor
		Finance director provides regular year-to-year spending comparisons in programs which have been fairly stable	
		Grantee has a complete agency-wide (or department/division wide) budget completed at least on an annual basis	
d. Revenue and Expense Statements are supported by primary documentation			
e. Expenses are consistent with DEO approved budget			

What I should look for	Key	What I found	Notes
f. Expenses were allocated in a cost allocation plan or an indirect cost plan			
g. Justification for cost allocation was supported by fiscal documentation			
h. Monthly FSR's for the contract period were received on time			
i. Quarterly reports for the contract period were received on time			
j. Contracts, modifications, and other related reports were submitted in a timely manner			
k. OMB/Single Audits were submitted on time			
l. Payments to vendors were made within 45 days of application approval			
m. Grantee's expenditure rate is on target		Grantee adequately budgets its LIHEAP funds to ensure availability through the end of the grant year	

*PART V*  
*PROGRAM REVIEW*

## 5.1 LIHEAP PROGRAM MANUAL AND CHECKLIST

**Grantee Directions:** Provide a copy of your agency's LIHEAP Program Procedures and complete the checklist below. Provide the completed checklist with the copy of your agency's procedures prior to the monitoring visit.

**DEO Staff Directions:** Place a copy of the manual behind this page and ensure the checklist is completed.

Yes	No	Required Policies	Pg #	Section
		Conducting visits to home-bound clients		
		Procedure for use of SSN Policy form and securing Applicant's SSN's		
		Policy to assure that all vendors paid comply with the requirements of the Agreement		
		Policy on how to document and verify that an Applicant meets the definition of a Home Energy Crisis and is eligible for Crisis Assistance		
		Policy for client intake process including uniform intake process at all intake sites		
		Policy to ensure that LIHEAP funds are appropriately budgeted and expended to sufficiently allow for energy assistance benefits in both the heating and cooling seasons		
		Description of client file organization		
		Policy on providing toll-free telephone access to the program <b>(if applicable)</b>		
		Policy for determining Applicant's eligibility for receiving benefits under the LIHEAP program		
		Policy for fair hearings and appeals if applications denied or not acted upon with reasonable promptness (must use at a minimum the policy set out in LIHEAP Agreement)		
		Policy for documenting resolution of crisis applications within 18 hours and which eligible actions were used		
		Policy for documenting income of all household members, including written self-declaration		
		Policy for documenting household member demographic information		
		Policy for verifying income eligibility and calculation of income		
		Policy for securing application signatures by Applicant, intake worker and supervisor		
		Procedures for timely communication to intake workers of current funds available		
		Procedure for coordination with other local service providers		
		DEO Definition of a crisis (must use definition provided in LIHEAP Agreement)		
		Policy for prioritization of households with vulnerable populations		

Yes	No	Required Policies	Pg #	Section
		Policy for setting timeframes for approval, denial, payments, commitments (must ensure policy complies with timeframes provided in LIHEAP Agreement)		
		Method of benefit calculation		
		Guidelines for eligible and ineligible costs		
		Policy for use, storage and security of client data including social security card and related client documentation		
		Procedure for how benefits are determined and awarded		
		Documentation of client responsibility for utility bill (i.e., bill in client's name, etc.)		
		Policy for serving families and employees		
		Policy for securing and documenting Notice of Collection of Client Data Waiver		

## 5.2 LIHEAP CLIENT TRACKING REPORT AND TEMPLATE

**Grantee Directions:** Prepare a report from your client tracking system using a format similar to the one below making sure to include all requested information. Submit the report to DEO prior to the on-site visit. The report must reflect all clients served during the periods covered by the grants monitored during this visit.

**DEO Staff Directions:** Place a copy of the client tracking report behind this page.

### CLIENT TRACKING SYSTEM REPORT (TEMPLATE)

Last Name	First Name	Street Address	ZIP	Utility Account Number	Assistance Type: - Home Energy - Crisis – Heating or Cooling - Weather-Related	Benefit Amount \$	Date Entity Paid	Intake/ Case Worker	Service Area Location
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### 5.3 LIST OF EPLS VERIFIED VENDORS

**Grantee Directions:**

- 1) Provide a listing of all vendors for which you have a vendor agreement and/or provide benefits to on behalf of LIHEAP clients. The list must include the vendor name and at a minimum, the date the vendor was last verified in the EPLS system.
- 2) Provide a listing of all vendors paid during the period covered in this monitoring.

**DEO Staff Directions:** Place a copy of the two lists provided by the Grantee behind this page and complete the worksheet in Section 5.4 below.

### 5.4 DEO REVIEW OF EPLS VENDOR LISTING

**DEO Staff Directions:** Review the EPLS Listing provided by the Grantee. The Vendors listed on the EPLS Listing should match the list of vendors paid.

Yes	No	
		Lists include all vendors paid.
		All vendors paid have been verified through the EPLS.
		List any vendors paid but not verified:
<hr/>		
<hr/>		
<hr/>		
<hr/>		

**Observations:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_



## 5.5 LIHEAP CLIENT FILE WORKSHEET

<b>Client Last Name</b>										
If Employee/Relative, noted										
Application Date										
Caseworker Name										
Application Signature & Date										
Caseworker Signature & Date										
Supervisor Signature & Date										
Date Vendor Notified										
18 hr resolution for crisis/documented										
Coordinate w/EHEAP if applicable (can be found in other documentation)										
Refer to WAP if applicable (can be found in other documentation)										
Prior Assistance Noted (if applicable)										
# in household										
HH member ID doc - all										
Signed SSN Policy Form										
Signed Collection of Client Data Waiver										
Income declared and documented - all										
Expense management statement (<50% FPG)										
Application completely filled out										
Income calculation correct										
HUD Assistance Noted (if applicable)										
HH demographics										

<b>Client Last Name</b>											
Member TRIBE											
Disruption halted or restored by LIHEAP											
Vendor											
Actual Bill/Invoice											
Date Vendor Paid (can be from other documentation, i.e., R&E report)											
Amount Paid:	Home Energy										
	Crisis										
	Weather-Related										
Approval/Denial Letter											
Denials:											
A. # Days to Denial											
B. Notice of Appeal Rights											
C. Appeal Resolution Documentation											

## 5.6 OVERALL LIHEAP PROGRAM ORGANIZATION AND OPERATION

What should I look for?	Key	What I found	Notes
a. Grantee has an up-to-date LIHEAP program manual.		The LIHEAP Program Manual was most recently updated in MONTH/YEAR	
		Documentation indicates that procedures are being consistently applied.	
b. The LIHEAP program manual covers the required topics: List any not covered			
c. Required LIHEAP Application and Client File Documentation		<b>APPLICATION</b>	
		Client's name, address, sex, age;	
		HH member names, ages, relationship to applicant, ID documentation	
		Copies of Social Security cards or documentation with Social Security Numbers for all HH members	
		Documentation of energy disruption or halting service disruption	
		Income of all HH members stated on application	
		Signatures of: Applicant, Intake Worker, Review Staff	
		Signature Dates of: Applicant, Intake Worker and Supervisor	

What should I look for?	Key	What I found	Notes
		Assistance provided to applicants age 60 or older: Verification/notation of coordination with EHEAP provider to prevent duplication of crisis assistance between the EHEAP and LIHEAP programs.	
		Verification that crisis was resolved within 18 hours per the Agreement	
		Eligible Action taken to resolve crisis	
		<b>DOCUMENTATION</b>	
		Income documentation for all HH members	
		Signed SSN Policy Form	
		Signed Collection of Client Data Waiver	
		Documentation of disability, if applicable	
		Statement of how living expenses are being met (income under 50% poverty; no Food Stamps), if applicable	
		Self-declaration of income	
		Documentation of energy payment obligation	
		Total Income Verification for Eligibility	
		Copies of approval or denial letters including appeal procedure	
c. Results of file analysis		LIHEAP assistance files reflect consistent documentation	
		LIHEAP assistance files reflect consistent organization	
		LIHEAP assistance expenses tie consistently to the General Ledger	
d. Grantee has a public outreach program		DESCRIBE	

What should I look for?	Key	What I found	Notes
e. Grantee has an active referral service for clients when LIHEAP funds are unavailable or insufficient		DESCRIBE	
f. Program notices posted in all intake locations		Grantee posts signs stating “No money accepted for services”	
		Grantee posts current program appeals process in client intake areas	
g. Grantee has a policy for providing fair administrative hearings to clients whose claims for LIHEAP have been denied or not acted upon with reasonable promptness.		The Grantee implements this policy by: (DESCRIBE)	
		The Grantee documents appeals and follows-up in a timely manner	
h. Grantee has written policy regarding the security of client files and related documentation containing client Social Security Numbers		The Grantee implements this policy by: (DESCRIBE)	
i. Grantee has active client referral program to refer clients to Weatherization Services.		Grantee documents referrals	
		Grantee has written policy for referral program	
j. Client confidentiality and service access		Client confidentiality during intake adequately assured	
		Intake locations meet ADA access guidelines	
		Applications available in languages other than English appropriate for eligible populations	

What should I look for?	Key	What I found	Notes
k. Grantee regularly trains intake workers		Grantee most recently provided training to all LIHEAP intake workers on DATE <u>  /  /  </u>	
		Grantee trains individual new intake worker hires: DESCRIBE	
l. Internal monitoring process – Grantee has program management systems that ensure compliant LIHEAP program operation		Conducted at all intake locations	
		Documented: written data collection, reporting	
m. Feedback and corrective action:		Uniformity of practice and understanding	
		Compliance with contracts, regulations, policy manuals	
n. Grantee holds regular LIHEAP staff meetings		Describe how often LIHEAP staff meet to monitor progress and to improve program performance:	
		LIHEAP program staff use work plans and quarterly reports to monitor outcome achievement goals.	
o. Subcontractor – Does the Grantee have:		Internal monitoring process for all subcontractors	
		Date last monitoring completed	
p. Grantee has an active client data collection system for intake and reporting		Grantee can produce a comprehensive record of services provided: Date of Service, Type of Benefit (HE, Crisis, WX Related, Other), Benefit Amount, service disruption halted, service disruption restored, vendor, account number, address	