

## MONITORING

LIHEAP is a block grant, and block grants provide a lot of responsibility as well as flexibility to tribes. The tribe's principal accountability is to its citizens; however, the tribe is also accountable to the federal government to use LIHEAP funds in compliance with the law, the regulations and the tribe's plan.

The LIHEAP statute and regulations require tribes to have systems in place to monitor the use of program funds and detect and correct problems. Section 2605(b)(10) (assurance 10) of the LIHEAP statute requires that grantees monitor programmatic and financial operations. Section 96.87 of the regulations requires grantees to establish appropriate systems and procedures to prevent, detect and correct waste, fraud and abuse in LIHEAP programs. The systems and procedures should address possible waste, fraud and abuse by clients, vendors and administering agencies. Additionally, tribes must have an audit that includes the LIHEAP program.

The law requires HHS to conduct reviews of the use of funds to evaluate compliance with the assurances described in the law. In the past, the emphasis of these reviews has been on the tribe's system for monitoring its own program. The federal government may also conduct other investigations and reviews as outlined on page C-16 under assurance 11.

To provide a well administered program, a tribe may want to establish a monitoring plan that can identify and correct waste, fraud and abuse, and assist the tribe to prepare for federal reviews or audits of program operations. Below, we answer some questions about monitoring and provide a "sample" monitoring plan. Your plan may be similar, but you need to consider your specific program operations, your staff time, and your funding level in developing your own monitoring plan.

### 1. What is monitoring?

Monitoring is checking the program as it is operating to see if the program is being run efficiently, and is in compliance with the approved LIHEAP plan, law, and regulations.

### 2. Why monitor your program?

The law requires in Section 2605(b)(10) that grantees monitor their LIHEAP programs. Monitoring is a way of identifying and correcting problems in program policies and operations. If monitoring is conducted early in the program year, then problems can be corrected to improve current program activities. Also, results from monitoring can be used to help design a more effective program for the next fiscal year.

3. What are some characteristics of a good monitoring plan?

A successful monitoring plan must be able to make a comparison of what is required, what was planned, and what actually happened. As a result of monitoring, corrective steps can be taken.

Example

The tribe's LIHEAP plan states that the outreach effort will focus on the elderly. By looking at application forms after six weeks of intake, it is discovered that only 10% of all households applying for assistance had an elderly member. For a reservation with a high percent of elderly, this suggests more outreach to the elderly is needed. As a result of this monitoring effort, the LIHEAP coordinator may decide to do further outreach to the elderly by giving intake forms to outreach workers to deliver to the elderly or by setting up an intake table at the tribe's Senior Center.

In this example, the monitoring of applications to check if elderly outreach was sufficient identified the need for additional outreach to elderly. After identifying the problem, a corrective action plan was developed and implemented.

4. Who does monitoring?

The tribe should assign someone the responsibility to monitor the program. Some tribes prefer to assign someone independent of the LIHEAP program to monitor its operations. The person chosen to monitor will vary from tribe to tribe and will often depend on the number of staff available. Generally, someone other than the worker who takes applications, makes eligibility determinations, and makes payments should perform monitoring functions.

5. When should monitoring be done?

An important feature of monitoring is timeliness. If monitoring is done while the program is still operating, monitoring can check to see if planned activities are taking place, while there is still time to make corrections. Don't wait until all the funds are expended and the books closed on the year's LIHEAP to monitor the program's success. Waiting until the program is over will not allow you to find problems and correct them as they occur.

6. What should be monitored?

The 16 assurances and other sections of the LIHEAP law contain basic program requirements. The tribe's LIHEAP program is built upon these, so the following pages suggest ways to monitor the assurances and other important requirements of the law.

Example

In the example below, certain assurances and other LIHEAP requirements are listed in column one. Column two lists ways the tribe plans to carry out the assurances and requirements, and column three suggests ways to monitor the tribe's activities that address the assurances and requirements. This is only one example of a monitoring plan, and your monitoring plan may need to be different to address your specific program characteristics.

### SAMPLE MONTIORING PLAN

ASSURANCE OR REQUIREMENT	TRIBAL ACTIVITIES	MONITORING ACTIVITY
#1 – Use funds for purposes of law	Describe in plan how funds will be used in LIHEAP. Submit application to HHS for direct funding.  Seek clarification from tribe's attorney on policy questions.	Review application and intended program activities to be sure they comply with the law  Review program operations to make sure they comply with the law and tribal LIHEAP plan.  Check to see that legal questions are referred to the tribe's legal counsel and a correspondence file is maintained and includes policy decisions.
#2 – Assist eligible low-income households	Determine eligibility according to tribe's plan and document eligibility in each applicant's file.	Check applications periodically for errors in eligibility determination or documentation of income.
#3 - Outreach	Post notices, etc.  Inform eligible households, especially those with elderly or a handicapped member, about the program	Visit posting sites to see if notices have been posted.  Compare the number of households served with the number expected to be served. Review the number of elderly served.

		Call some clients to see how they heard about LIHEAP.
#4 – Coordination	<p>Make referrals to appropriate tribal and state agencies for other related programs.</p> <p>Coordinate with state LIHEAP program to avoid duplicate payments.</p>	<p>Check files to see if households are referred to other programs.</p> <p>Check to see if lists of households served are shared between state and tribe.</p>
#5 – Provide highest benefits to households with lowest incomes and highest energy costs or needs, considering family size.	<p>Train staff to determine payment based on matrix.</p> <p>Collect income, households size, other information to determine benefits amount.</p>	<p>Periodically, review sample of applications to check for accuracy of benefits. Assure that matrix uses all factors required by this assurance to vary benefits.</p> <p>Make sure these items are on the application forms to determine benefit amount. Review a sample of applications and documentation for completeness.</p>
#5 – Ensure that benefit levels are not different for households determined eligible either by income level or by their eligibility for certain federal programs.	Provide the same benefit amount if everything else is the same to those households either eligible by income or by their eligibility for certain federal programs.	Check benefit amounts to determine that those households eligible by certain federal programs are receiving similar benefits to those households who are determined eligible by their income.
#7 – Vendor Payments	<p>Make agreements with energy suppliers based on what the law requires.</p> <p>Make payments to vendors.</p>	<p>Check that documentation of the vendor agreement is on file.</p> <p>Contact vendors to identify any problems. Contact some recipients to see if they received proper credit from</p>

	Reconcile vendor accounts.	<p>the vendor. Follow-up on complaints.</p> <p>Collect payment data from vendor. Make sure that funds not used by the household, e.g., if the households moves, are returned by the vendor to the tribe.</p>
<p>#8 – Renters and Owners</p> <p>#8 – Income eligibility must be included as a criterion for eligibility.</p>	<p>Establish policy on renter households so that they will be treated equitably with homeowners.</p> <p>If tribe allows eligibility for LIHEAP based on other federal programs as described in the law, the tribe must also have income eligibility criteria for determining eligibility for LIHEAP.</p>	<p>Review renter policy to determine if renters are treated equitably. Sample renter applications to determine that renter policy is applied.</p> <p>If the tribe uses the receipt of other federal program benefits as a way to determine eligibility, review sample of applications to assure that some households are also determined eligible by their income.</p>
#9 – Administrative Costs	Develop a budget keeping administrative costs within allowable limits.	<p>Check periodically to see that expenditures for planning and administration do not exceed what was budgeted and that amount budgeted is within limits set by the law.</p> <p>Check tribe’s definition of administrative costs and assure budget allocates costs among administrative and program costs properly.</p>
#10 – Fund Accountability and Monitoring	Establish fiscal controls and monitoring plan	Check with financial staff to see that correct payments are made timely and that there are checks and balances in the financial system.

		<p>Review program and fiscal records to see that they are complete and provide the required audit trail.</p> <p>Review tribal LIHEAP program using this monitoring tool and assure that each tribal activity is in compliance with LIHEAP assurances, tribal plan, LIHEAP law and regulations.</p>
#12 – Public Participation	Make the tribe’s proposed LIHEAP plan and any major amendments available to the public in a timely manner to allow for meaningful comment.	Review method of notifying the public to assure that the tribal population is informed timely of its right to comment. Check that comments are considered in the development of the plan and in substantial amendments.
#13 – Fair Hearings	<p>Notify all applicants of their right to fair hearings.</p> <p>Conduct hearings on request.</p>	<p>Review method of notifying applicants of hearing rights to make sure households are informed.</p> <p>Review files of hearing requests and decisions to assure the process has been completed and the decision is fair and in compliance with the plan and the law.</p>
#14 – Data Collection and Reporting	Establish procedures to collect such information as requested by HHS.	Check to see if data is being collected accurately, and reported timely. (Carryover and Reallotment Report due August 1; Report on Households Served due with LIHEAP application, September 1; and SF269A due December 31.)

#16 (OPTIONAL) Use up to 5% of funds to encourage and enable households to reduce home energy needs.	Provide needs assessment, counseling, assist with vendors, and establish procedures to account for and contain costs within 5% cap.	Review accounting of these activities and assure 5% cap limitation is met on these activities.
Section 2605(b) – Waste, Fraud and Abuse	Establish procedures to detect and correct waste, fraud and abuse.	Using established procedures, monitor the program periodically to detect waste, fraud and abuse. Check to see that corrective actions are taken when problems are identified.
Section 2604(c) – Energy Crisis Program	<p>Provide crisis benefits.</p> <p>Provide, in a crisis situation, some form of assistance within 48 hours, or 18 hours in a life-threatening situation.</p> <p>Accept applications at locations that are near your eligible population so they find it easy to apply.</p> <p>For those individuals who are handicapped or physically infirm, provide application intake at the client's home or provide transportation to intake centers.</p>	<p>Use this monitoring tool to check compliance of the tribe's activities for crisis assistance for each assurance listed above.</p> <p>Review crisis applications to assure that time limits are met.</p> <p>Review locations where applications are taken to verify that they are placed near the population to be served.</p> <p>Assure that arrangements were made for individuals who are infirm or handicapped to apply from home or receive transportation to intake sites.</p>
Section 2605(k) –	Provide a weatherization	Assure funds for

Weatherization (Optional Program)	program within the funding limitation set by the law.	<p>weatherization do not exceed 15%, and if the tribe is using more for weatherization, that a waiver has been requested and approved.</p> <p>Use this monitoring tool to check compliance of the tribe's activities for weatherization assistance for each assurance listed above.</p> <p>Assure tribe provides accepted residential weatherization and other energy-related home repair measures.</p>