

Ralph M. Perrey, Executive Director

MEMORANDUM: Wx 22-02

TO: Weatherization Program Subgrantees

FROM: Felisha Nichols, Housing Program Manager - Weatherization ^{FN}

CC: Cynthia Peraza, Director of Community Programs

DATE: December 14, 2022

SUBJECT: 2022 Weatherization Assistance Program - Invoice Paperwork Reduction Process

Purpose: In an effort to streamline processes and provide timely reimbursements of invoices, THDA will permit sub-grantees to participate in the Invoice Paperwork Reduction Process (“IPRP”) for the administration of the Weatherization Assistance Program (“WAP”) after they meet the following requirements:

1. Notify THDA of their choice to participate in the IPRP within 30 days of this memo;
2. Attend the IPRP required workshop for WAP on January 19, 2023; and
3. Be in good standing with THDA’s Programs and their existing invoicing processes.

Subgrantees will be provided with the opportunity to start the IPRP effective February 1, 2023 for any invoices not yet submitted for PY WAP 2022.

The reduced invoicing process authorization will continue throughout the program year, as long as performance monitoring demonstrates: i) a strong financial practice; ii) a clear understanding of the WAP requirements; iii) timely invoices; and iv) the agency regularly provides the required support.

Guidance: Subgrantees who choose to participate in the IPRP will begin with a neutral risk assessment grade, and will undergo an in-depth invoice review each quarter. THDA will use the results of the in-depth quarterly reviews to score each Subgrantee and determine their level of risk based on THDA’s Weatherization Risk Assessment Tool (“WAP Risk Assessment”).

Subsequently, Subgrantees that are considered “low-risk” based on the WAP Risk Assessment will continue to have an in-depth invoice review conducted once per quarter instead of monthly. Subgrantees that are identified as “high-risk” will continue to have 100% of invoices fully submitted and reviewed prior to reimbursement.

THDA Weatherization Staff will notify the local agency of which invoice we are requesting all backup documentation for prior to submittal. The month chosen for the in-depth review will be at THDA's sole discretion.

Required Documentation for WAP invoices must include the following:

1. Invoice Payment Request Form
 - a. The invoice should include the totals as indicated on the form and according to the General Ledger or other supporting documentation.
2. General Ledger (GL) or Summary of Expenditures
 - a. A General Ledger must accompany the submitted monthly invoice.
 - b. The general ledger should match the amount invoiced.
 - c. Itemize expenditures under the appropriate line items for Program Admin, Training & Technical Assistance (T&TA), Program Operations, Health & Safety (H&S), Liability Insurance and Financial Audit. (as applicable)
 - d. The General Ledger itemization and Invoice Payment Request Form totals must match.
 - e. Highlight all costs associated with the reimbursement requested for the invoice period.
3. Job Cost Summary Sheet including:
 - a. Client name & County of residence
 - b. Site ID/Job Number from WAPez
 - c. Total Jobs Costs: WAP ECM/IR costs, Total WAP H&S costs, and Total LIHEAP Wx costs.
4. All documentation uploaded through WAPez must be available for THDA to review prior to the submission of the IPRP. Those documents include:
 - a. Approved Application
 - b. Completed Energy Audit
 - c. Accepted Work Order Bid
 - d. Signed Subcontractor Contract
 - e. Passed QCI Inspection with QCI and applicant signatures
 - f. Job photos and client contact notes must be included as applicable

THDA Weatherization staff reserve the right to follow up with any questions related to the invoice support, disbursements and/or request additional documentation, as deemed necessary.

Additional Guidance:

1. Retention of complete files with backup documentation from all previously submitted invoices is required and must be made available at the request of THDA. It is important to note that participation in this process does not alleviate agency responsibility to maintain backup documentation.
2. The WAP Record Retention Policy will remain in place. Subgrantees are required to maintain copies of all submitted invoices, weatherization related support, and client records for a minimum of five (5) years after the final submitted invoice for that program year.

3. THDA's goal is to have all of the WAP Subgrantees on the IPRP. THDA will communicate with each agency about performance outcomes, risk assessments, and other concerns at the end of each quarter. THDA staff will work with the Subgrantees to provide trainings in areas of deficiency, help with policy or procedure reviews and improvements, and provide technical assistance, as required.
4. Repeated inaccuracies or missing information/documentation may require an agency to submit all documentation, for a period and/or no longer participate in the IPRP.
5. Invoices will continue to be received via EDT upload. Subgrantees will notify THDA of uploads via email at WAP@thda.org, and will receive confirmation once the invoice has been received.

THDA is providing this guidance to the WAP network 30 days prior to the IPRP Workshop to provide the network with enough time to review and consider the IPRP. Please email THDA at WAP@thda.org with any questions or comments prior to the IPRP Workshop. THDA will use the questions and comments received to share with the network in the Q&A section of the presentation.

We look forward to seeing you then.

Happy holidays.