



## Policy Memorandum

From: David Wortman, Deputy Director of Community Assistance

A handwritten signature in black ink, appearing to read "David Wortman".

Issue Date: March 18, 2024

Effective Date: July 1, 2024

Re: Weatherization Production

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**Purpose:** To establish a statewide policy for production levels for the Illinois Home Weatherization Assistance Program (IHWAP) with defined milestones and deliverables, to promote transparency in tracking IHWAP production, and to ensure consistent implementation of technical assistance, corrective action, and, as a final option, grant termination.

**Background:** DCEO manages and distributes federal and state weatherization grant funds to local agencies throughout Illinois to administer IHWAP in their service territories. IHWAP is a performance-based program where administration dollars are earned based on the local agency's production. Thus, an agency with low production is not only underserving the residents in their area but also likely harming the financial status of the agency.

**Procedure:** Every quarter of the state's fiscal year (July 1 through June 30) DCEO will track local agencies' IHWAP production levels. Local agencies will be expected to meet the following milestones based on their initial allocation set forth in the original grant budget (and will not include any additional grant funds added to the budget throughout the program year):

1. Q1: At least 90% of an agency's carry-over funds must be expended by September 30.
2. Q2: 25% of an agency's grant funds must be expended by December 31.
3. Q3: 50% of an agency's grant funds must be expended by March 31.
4. Q4: At least 75% of an agency's projected production total for that year must be met by June 30.

**(1) Bi-Weekly Calls:** If an agency misses a quarterly production milestone, the Executive Director and Weatherization Coordinator will receive an email notifying them of the missed goal and proposing a schedule for bi-weekly calls with their assigned DCEO Weatherization Specialist. During the bi-weekly calls, the DCEO Weatherization Specialist will meet with the agency's Weatherization Coordinator and other staff to review the agency's current IHWAP production numbers (e.g. number of units finalized, number of units in work order print, and number of assessments), establish upcoming milestones and deliverables with a specific timeline, and discuss any other related matters which may include procurement and contractor issues. The DCEO Weatherization Specialist will document the call and circulate minutes to the agency's Weatherization Coordinator and DCEO's IHWAP management. DCEO's Weatherization Specialist may adjust the frequency

of bi-weekly calls, or deem them no longer necessary, depending on the agency's progress in achieving production milestones and deliverables.

**(2) Corrective Action Plan – Step 1:** If an agency does not show improvement by the end of the next quarter, the agency will be placed on a Corrective Action Plan (CAP) based on deficiencies identified by DCEO's Weatherization Specialist. The agency's weatherization staff will draft a CAP which provides proposals to improve production and correct deficiencies including information such as timelines and staff assignments. DCEO will review and accept the agency's proposed CAP, or work with the agency to finalize the CAP. There will be an iterative process with a 30-day response period until the desired production is achieved and the CAP is released by DCEO.

**(3) Corrective Action Plan – Step 2:** If an agency does not show improvement by the end of the next quarter, the CAP will be circulated to the agency's Board Chair, Executive Director, Fiscal Officer and Weatherization Coordinator serving as formal notice of the agency's current IHWAP status. The 30-day iterative process will continue.

**(4) Grant Termination:** If, after three quarters of being on the CAP without demonstrating any improvement, the agency's status as an IHWAP grantee will be reviewed by DCEO. To be clear, so long as the agency demonstrates progress with the CAP items, DCEO will continue to work collaboratively with the agency to improve production. However, an agency's lack of CAP progress coupled with its continued failure to meet established production milestones and deliverables will require OCA to proceed with de-obligating existing grants and establishing an emergency provider to cover the agency's service territory for the remainder of the current program year. A Notice of Grant Termination will be circulated to the agency's Board Chair, Executive Director, Fiscal Officer, and Weatherization Coordinator serving as formal notice that the agency's service territory will be subject to the Notice of Funding Opportunity process to establish a permanent service provider for the territory.