

Report Highlights

OPEGA Report No.
SR-MSHA-11

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2013

Maine State Housing Authority: Energy Assistance Programs LIHEAP and WAP – Programs Administered Well Overall; LIHEAP Controls Should be Improved and Ongoing Efforts to Strengthen WAP Program Operations Should be Continued



What was the general focus of this review?

The scope of this review was limited to the Low Income Home Energy Assistance Program (LIHEAP) and the Weatherization Assistance Program (WAP) – two federally funded programs administered by MaineHousing’s Energy and Housing Services Division. Both programs assist with keeping low-income Mainers warm throughout the colder months. LIHEAP primarily provides fuel assistance and WAP provides assistance through the installation of weatherization measures in eligible households. MaineHousing contracts with Community Action Agencies throughout the State for local implementation of the programs.

The focus of OPEGA’s review differed for the two programs. The portion related to LIHEAP was focused on effective and efficient administration of the program, while the focus of the WAP portion was on the results being achieved.

What issues did OPEGA identify during the course of this review?

- System of controls for minimizing abuse of LIHEAP fuel assistance is weak.
- Guidance, practices and oversight for procuring weatherization goods and services inadequate for consistently obtaining best combination of price and quality across the WAP program.
- MaineHousing lacks outcomes-based performance measures and data for monitoring WAP program performance on a comprehensive basis.
- Continuing performance and quality concerns exist in local level implementation of WAP program.

What questions did this review focus on, and what are OPEGA’s answers?

1. *Is the LIHEAP Program being administered effectively and efficiently such that LIHEAP funds are providing assistance to as many eligible homeowners as possible?*

OPEGA concluded that overall MaineHousing administers the LIHEAP program in an effective and efficient manner. The program operates in alignment with federal expectations and MaineHousing attempts to maximize benefits and clients served within the parameters of those expectations. MaineHousing also spends LIHEAP administrative funds appropriately.

OPEGA did note, however, that controls to prevent and detect abuse of LIHEAP benefits were weak, allowing for potential abuse to occur and go undetected. Although only a small percentage of records analyzed by OPEGA were flagged as potential issues, the control weaknesses should be addressed to the extent possible.

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- 2. Is the WAP Program achieving satisfactory results? If not, why not? If so, what are the primary factors contributing to its success?*

OPEGA concluded that the WAP program generally produces satisfactory results, though there are certain steps that MaineHousing can take to strengthen program performance. MaineHousing had already begun these actions during the time of this review. Overall, the program is well operated and in alignment with federal expectations. The households that are weatherized reflect program priorities and requirements. Weatherization projects are generally completed to program specifications and clients are very satisfied with the services received. Finally, policies and fiscal benchmarks are in place to ensure that funds are spent on actual weatherization services and, in particular, those services that produce greater energy savings than they cost.