

**NOTICE OF RULEMAKING
AND PUBLIC HEARING**
The Department of Human Services, Division of County Operations, intends to adopt a State Plan for distribution of Low-income Home Energy Assistance Program (LIHEAP) Block Grant funds and administration of the Home Energy Assistance Program, for Federal Fiscal Year

2016, covering the period from October 1, 2015 to September 30, 2016. Arkansas administers the LIHEAP Block Grant under Public Law 97-35, as amended. Funding is expected to be approximately \$27,000,000.00.

The draft State Plan for LIHEAP is available for review at the Home Energy Assistance Program office on the 3rd floor of Donaghey Plaza South, Seventh and Main Streets, in Little Rock, during business hours, 8:00 a.m. to 4:30 p.m., or copies may be obtained by contacting the Office of Community Services at (501) 682-8715. You may also access it on the DHS website <http://human-services.arkansas.gov/Pages/LegalNotices.aspx>. All comments must be submitted in writing to the address indicated above no later than: Those who wish to comment on the proposed plan may attend the public hearing closest to you or you may comment in writing to the state agency listed below. All comments must be submitted no later than 30 days from the date of this newspaper notice to:

Division of County Operations
ATTN: Office of Community Services/HEAP Unit
Post Office Box 1437, 6330
Little Rock, Arkansas 72203
Della Anderson
Director, Division of County Operations

SCHEDULE OF PUBLIC HEARINGS

- FORT SMITH, AR - Tuesday, June 30, 2015 @ 11:00 A.M.**
Crawford-Sabastian Community Development Council, Inc.
4831 Arnot Street
Fort Smith, Arkansas 72914
- JONESBORO, AR - July 1, 2015 @ 11:00 A.M.**
Crowley & Ridge Development Council, Inc.
2401 Fox Meadow Lane
Jonesboro, Arkansas 72401
- TEXARKANA, AR - July 2, 2015 @ 11:00 a.m.**
Southwest Arkansas Development Council, Inc.
3902 Sanderson Lane
Texarkana, AR 71854
- PINE BLUFF, AR - July 6, 2015 @ 11:00 A.M.**
Pine Bluff-Jefferson County Economic Opportunity Commission, Inc.
1201 West Pulen Street
Pine Bluff, Arkansas 71601
732322571

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Department of Human Services
DIVISION Division of County Operations
PERSON COMPLETING THIS STATEMENT Shirley Mason
TELEPHONE NO. 682-8726 **FAX NO.** 682-6736 **EMAIL:** Shirley.Mason@arkansas.gov

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Low-Income Home Energy Assistance Program (LIHEAP)
State Plan for FFY 2016

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

- (b) The reason for adoption of the more costly rule;

- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;

- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

- (a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

General Revenue	<u>0.00</u>
Federal Funds	<u>26,546,303.00</u>
Cash Funds	<u>0.00</u>
Special Revenue	<u>0.00</u>
Other (Identify)	<u>26,546,303.00</u>

Next Fiscal Year

General Revenue	<u>0.00</u>
Federal Funds	<u>27,000,000.00</u>
Cash Funds	<u>0.00</u>
Special Revenue	<u>0.00</u>
Other (Identify)	<u>27,000,000.00</u>

Total 26,546,303.00

Total 27,000,000.00

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue	<u>0.00</u>
Federal Funds	<u>0.00</u>
Cash Funds	<u>0.00</u>
Special Revenue	<u>0.00</u>
Other (Identify)	<u>0.00</u>
Total	<u>0.00</u>

Next Fiscal Year

General Revenue	<u>0.00</u>
Federal Funds	<u>0.00</u>
Cash Funds	<u>0.00</u>
Special Revenue	<u>0.00</u>
Other (Identify)	<u>0.00</u>
Total	<u>0.00</u>

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ 0.00

Next Fiscal Year

\$ 0.00

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ 0.00

Next Fiscal Year

\$ 0.00

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and

- (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

ARKANSAS
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
SUMMARY OF 2015-2016 STATE PLAN

State Plan

The Arkansas Department of Human Services, Division of County Operations, Office of Community Services, is responsible for the program. Lorie Williams is the Assistant Director.

ALLOCATION OF FUNDS

Federal policy places certain restrictions on the use of the block grant funds: no more than 10% of the funds can be used for administrative costs; up to 15% of funds may be used for weatherization services and up to 5% may be used for Assurance 16 activities.

The Division proposes to use the Federal Fiscal (FFY) 2016 block grant funds as follows: Regular (Winter) Energy Assistance Program (53%), Crisis Intervention Program (17%), Weatherization Assistance Program (15%), Administration (10%) and Assurance 16 (5%).

ALLOWABLE SERVICES

The purpose of the Low-Income Home Energy Assistance Program (LIHEAP) Block Grant is to provide funds to help eligible low-income households with the costs of home energy by offering assistance benefits, home weatherization services and Assurance 16 activities.

SERVICES AND ELIGIBILITY

The Division proposes to administer the Low-Income Home Energy Assistance Program in a manner similar to the prior year. The primary objective of the HEAP program will be to provide assistance benefits as a one-time payment to approximately 60,000 households.

The LIHEAP program is implemented by local Community Action Agencies serving different areas of the state. Households must apply for assistance at the agency serving their county of residence.

Eligibility for Winter Energy Assistance would be based on the following criteria:

1. Households' countable income cannot be more than 60% of the state medium income poverty guidelines;
2. Households must have no more than \$2,000 in countable resources; for elderly households (age 60 and over), the limit is \$3,000.

Eligibility for Crisis Intervention Assistance is the same as for Winter Energy Assistance with the following exceptions:

1. Households must have an energy-related emergency situation;
2. The maximum benefit of \$500.00 per household, combined with the household's own resources, must be adequate to alleviate the crisis situation.
3. For the Crisis Intervention Program, assistance to resolve the household's crisis situation must be provided within 48 hours after a signed application is received by the subgrantee agency. If the crisis situation is life-threatening, assistance must be provided within 18 hours after a signed application is received. For the Crisis Intervention Program, assistance must be provided within 30 days if all eligibility requirements are met.

Assurance 16 activities are services provided which encourage and enable households to reduce their home energy needs and their need for energy assistance. These activities may include but are not limited to: Needs Assessments, Counseling, Energy Education and assistance with energy vendors.

The Division proposes that the **LIHEAP Weatherization Assistance Program** be administered in a manner similar to the prior year. The Weatherization Assistance Program would make energy-saving improvements to low-income dwelling units (priority is given to households with elderly and/or individuals with disabilities) with the following objectives:

1. To aid those individuals least able to afford high utility costs;
2. To provide for more healthy dwelling environments; and,
3. To help conserve needed energy.

It is estimated that approximately 486 homes will be weatherized with the LIHEAP funds at a cost of \$5,000 per home. This should result in substantial long-term energy savings.

GEOGRAPHIC DISTRIBUTION

Each of the eligible entity areas will receive funding based on their previous funding and the number of low-income persons in their service area.

APPEALS

Applicants of the Home Energy Assistance Program and Weatherization Assistance Program have the right to request an administrative hearing under these programs to contest any adverse action taken on an application.

PUBLIC COMMENT

Public comments regarding planned uses of the LIHEAP Block Grant will be considered in the Division's determination of fund allocation and eligibility criteria. Comments may be sent to the Division of County Operations, Attn: HEAP Unit, P. O. Box 1437 Slot S-330, Little Rock, Arkansas 72203. Comments must be received no later than thirty (30) days from the date of the published newspaper notice regarding this proposal.

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and operates, manages and delivers services without regard to age, religion, disability, political affiliation, veteran status, sex, race, color or national origin.

**Office of Community Services
Community Action Programs Serving Arkansas**

<u>Agency & Contact Information</u>	<u>Counties Served</u>
<p>ARVAC Arkansas River Valley Area Council, Inc. <i>Stephanie Ellis, Executive Director</i> 613 North 5th Street Post Office Box 808 Dardanelle, Arkansas 72834 Telephone: (479) 229-4861 Fax: (479) 229-4863 E-Mail: sellis@arvacinc.org</p>	<p>Conway Franklin Johnson Logan Perry Polk Pope Scott Yell</p>
<p>BRAD Black River Area Development Corporation <i>James Jansen, Executive Director</i> 1403 Hospital Drive Pocahontas, Arkansas 72455 Telephone: (870) 892-4547 Fax: (870) 892-0707 E-Mail: jjansen@bradcorp.org</p>	<p>Clay Lawrence Randolph</p>
<p>CADC Central Arkansas Development Council, Inc. <i>Larry Cogburn, Executive Director</i> 321 Edison Post Office Box 580 Benton, Arkansas 72015 Telephone: (501) 315-1121 Fax: (501) 778-9120 E-Mail: lcogburn@cadc.com Website: www.cadc.com LR Number: (501) 603-0909 LR Address: 5401 S. University (inside Workforce)</p>	<p>Calhoun Clark Columbia Dallas Hot Springs Lonoke Montgomery Ouachita Pike Pulaski Saline Union</p>
<p>CAPCA Community Action Program for Central Arkansas, Inc. <i>Jennifer Welter, Executive Director</i> 707 Robins Street, Suite 118 Conway, Arkansas 72034 Telephone: (501) 329-3891 Fax: (501) 329-8642 E-Mail: archie.musselman@capcainc.org Website: www.capcainc.org</p>	<p>Cleburne Faulkner White</p>

CRDC	Crowley's Ridge Development Council, Inc. <i>Tim Wooldridge, Executive Director</i> 2401 Fox Meadow Lane Post Office Box 16720 Jonesboro, Arkansas 72401 Telephone: (870) 802-7100 Fax: (870) 935-0291 E-Mail: twooldridge@crdcnea.com Website: www.crdcnea.com	Craighead Crittenden Cross Greene Jackson Poinsett St. Francis Woodruff
C-SCDC	Crawford-Sebastian Community Development Council, Inc. <i>Mark Whitmer, Executive Director</i> 4831 Armor Street Post Office Box 4069 Fort Smith, Arkansas 72914 Telephone: (479) 785-2303 Fax: (479) 785-2341 E-Mail: mwhitmer@cscdccea.org Website: www.cscdccea.org	Crawford Sebastian
CSO	Community Services Office, Inc. <i>Leon Massey, Executive Director</i> 600 West Grand Avenue Post Office Box 1175 Hot Springs, Arkansas 71901 Telephone: (501) 624-5724 Fax: (501) 624-1645 E-Mail: Leonmasseycso@yahoo.com	Garland
EOAWC	Economic Opportunity Agency of Washington County, Inc. <i>Michael Lanier, Executive Director</i> 614 East Emma Avenue, Suite M401 Springdale, Arkansas 72764 Telephone: (479) 872-7479 Fax: (479) 872-7482 E-Mail: mlanier@eoawc.org Website: www.eoawc.org	Washington

Community Action Agencies List
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MCAEOC	<p>Mississippi County, Arkansas Economic Opportunity Commission <i>Samuel Scruggs, Executive Director</i> 1400 North Division Street Post Office Drawer 1289 Blytheville, Arkansas 72316-1289 Telephone: (870) 776-1054 Fax: (870) 776-1875 or (870) 776-1880 E-Mail: sam.scruggs@sbcglobal.net</p>	Mississippi
MDCS	<p>Mid-Delta Community Services, Inc. <i>Bobbie Salter, Executive Director</i> 610 South Biscoe Street Post Office Box 745 Helena, Arkansas 72342 Telephone: (870) 338-6406 Fax: (870) 338-3629 E-Mail: bsalter@suddenlinkmail.com</p>	Lee Monroe Phillips Prairie
NADC	<p>Northcentral Arkansas Development Council, Inc. <i>Charlie Morris, Executive Director</i> 550 9th Street Post Office Box 3349 Batesville, Arkansas 72503 Telephone: (870) 793-5765 Fax: (870) 793-2167 E-Mail: cmorris@nadcinc.org</p>	Fulton Independence Izard Sharp Stone
OHC	<p>Office of Human Concern, Inc. <i>Susan Moore, Executive Director</i> 506 East Spruce Street Post Office Box 778 Rogers, Arkansas 72757 Telephone: (479) 636-7301 Fax: (479) 636-7312 E-Mail: smoore@eohc.org Website: www.eohc.org</p>	Benton Carroll Madison

Community Action Agencies List
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OOI	<p>Ozark Opportunities, Inc. <i>Richard "Toby" Atkinson, Executive Director</i> 701 East Prospect Avenue Post Office Box 1400 Harrison, Arkansas 72601 (P.O. zip code 72602) Telephone: (870) 741-9406 Fax: (870) 741-0924 E-Mail: exdirooi@windstream.net</p>	<p>Baxter Boone Marion Newton Searcy Van Buren</p>
PBJCEOC	<p>Pine Bluff-Jefferson County Economic Opportunity Commission, Inc. <i>Roger Lutrell, Executive Director</i> 817 So. Cherry Post office Box 7228 Pine Bluff, Arkansas 71611 Telephone: (870) 536-0046 Fax: (870) 535-7558 E-Mail: rlutrell@pbjceoc.org</p>	<p>Arkansas Cleveland Grant Jefferson Lincoln</p>
SEACAC	<p>Southeast Arkansas Community Action Corporation <i>Charles Killion, Executive Director</i> 1208 North Myrtle Street Post Office Box 312 Warren, Arkansas 71671 Telephone: (870) 226-2668 Fax: (870) 226-5637 E-Mail: crkillion13@gmail.com</p>	<p>Ashley Bradley Chicot Desha Drew</p>
SWADC	<p>Southwest Arkansas Development Council, Inc. <i>Sandra Patterson, Executive Director</i> 3902 Sanderson Lane Texarkana, Arkansas 71854 Telephone: (870) 773-5504 Fax: (870) 772-2974 E-Mail: spatterson1950@cablone.net</p>	<p>Hempstead Howard Lafayette Little River Miller Nevada Sevier</p>
ACAAA	<p>Arkansas Community Action Agencies Association <i>Rebecca Reynolds, Executive Director</i> 300 Spring Street, Suite 1020 Little Rock, Arkansas 72201 Telephone: (501) 372-0807 Fax: (501) 372-0891 E-Mail: rreynolds@acaaa.org</p>	

ATTACHMENT 3
LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

DETAILED MODEL PLAN

PUBLIC LAW 97-35, AS AMENDED

FISCAL YEAR (FY) 2016

GRANTEE ARKANSAS

EIN: 71-6007389

ADDRESS HOME ENERGY ASSISTANCE PROGRAM

POB 1437, SLOT S-330

LITTLE ROCK, ARKANSAS

NAME OF LIHEAP COORDINATOR SHIRLEY MASON

EMAIL: SHIRLEY.MASON@DHS.ARKANSAS.GOV

TELEPHONE: (501) 682-8715 FAX: (501) 682-6736

PLEASE CHECK ONE: TRIBE _____ STATE INSULAR AREA _____

Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20447

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01

OMB Approval No. 0970-0075

Expiration Date: 04/30/2016

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13)

Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

GRANTEE ARKANSAS FFY 2016

Assurances

The DEPARTMENT OF HUMAN SERVICES agrees to:
(Grantee Name)

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs,

and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of—

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;

(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that—

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) 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");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

*** This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.**

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

Certification to the Assurances: As Chief Executive Officer, I agree to comply with the sixteen assurances contained in Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended.* By signing these assurances, I also agree to abide by the standard assurances on lobbying, debarment and suspension, and a drug-free workplace.

Signature of the Tribal or Board Chairperson or Chief Executive Officer of the State or Territory.**

Signature: _____

Title: GOVERNOR OF THE STATE OF ARKANSAS

Date: _____

*** Indian tribes/tribal organizations, and territories with annual regular LIHEAP allotments of \$200,000 or less, are not subject to assurance 15, and thus must only certify to 15 assurances.**

**** If a person other than the Chief Executive Officer of the State or territory, or Tribal Chairperson or Board Chairperson of a tribal organization, is signing the certification to the assurances, a letter must be submitted delegating such authority. (PLEASE ATTACH DELEGATION of AUTHORITY.) The delegation must include authority to sign the assurances, not just to administer the program.**

***** HHS needs the EIN (Entity Identification Number) of the State, territory or Tribal agency that is to receive the grant funds before it can issue the grant.**

In the above assurances which are quoted from the law, "State" means the 50 States, the District of Columbia, an Indian Tribe or Tribal Organization, or a Territory; "title" of the Act refers to Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), as amended, the "Low Income Home Energy Assistance Act"; "section" means Section 2605 of OBRA; and, "subsection" refers to Section 2605(b) of OBRA.

Statutory references

2605(a)

2605(b)(1) → Please check which components you will operate under the LIHEAP program.
 (Note: You must provide information for each component designated here as requested elsewhere in this plan.)

(use of funds)		<u>Dates of Operation</u>
	<u>X</u> heating assistance	<u>10-01-2015 / 09-30-2016</u>
	<u>X</u> cooling assistance	<u>10-01-2015 / 09-30-2016</u>
	<u>X</u> crisis assistance	<u>10-01-2015 / 09-30-2016</u>
	<u>X</u> weatherization assistance	<u>10-01-2015 / 09-30-2016</u>

2605(c)(1)(C) → Please estimate what amount of available LIHEAP funds will be used for each component that you will operate: **The total of all percentages must add up to 100%.**

(use of funds)

53 % heating assistance

 % cooling assistance

17 % crisis assistance

2605(k)(1) 15 % weatherization assistance

 % carryover to the following fiscal year

2605(b)(9) 10 % administrative and planning costs

2605(b)(16) 5 % services to reduce home energy needs including needs assessment (assurance 16)

 % used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).

100 **TOTAL**

***Arkansas will implement a cooling program if adequate funds are available from the winter program and/or if additional program funds are received due to extreme hot temperatures. If one is implemented, the same program guidelines which are used in other components would apply.**

statutory references

2605(c)(1)(C)

→The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

(alternate use of crisis assistance funds)

heating assistance

cooling assistance

weatherization assistance

Other(specify):

→Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served? (This is required by the statute.)

Yes No

2605(b)(2)
2605(c)(1)(A)

→What are your maximum eligibility limits?
(Please check the components to which they apply.)
Current year guidelines must be used.

(eligibility)

150% of the poverty guidelines:
heating cooling crisis wx

125% of the poverty guidelines:
heating cooling crisis wx

110% of the poverty guidelines:
heating cooling crisis wx

60% of the State's median income:
heating cooling crisis wx

Other (specify for each component)

Households automatically eligible if one person is receiving
 TANF, SSI, Food Stamps, Certain means-tested
veterans programs (heating cooling crisis wx)

statutory
references

2605(c)(1)(A)
2605(b)(2)
(eligibility)

→ Do you have additional eligibility requirements for:
HEATING ASSISTANCE X Yes No

→ Do you use: Yes No

Assets test? X

→ Do you give priority in eligibility to:

Elderly? X

Disabled? X

Young children? X

Other: X
(If Yes, please describe)

- Higher maximum assets for elderly households.
- Applications are mailed to eligible SNAP households who contain an elderly or person with a disability.
- The applicant must apply in the county in which they live.

statutory
references

2605(c)(1)(A)
2605(b)(2)

→ Do you have additional eligibility requirements for:
COOLING ASSISTANCE (X Yes ___ No)

(eligibility)

→ Do you use: Yes No

Assets test? X ___

→ Do you give priority in eligibility to:

Elderly? X ___

Disabled? X ___

Young children? ___ X

Other: X ___
(If Yes, please describe)

- **Higher maximum assets for elderly households.**
- **Applications are mailed to eligible SNAP households who contain an elderly or person with a disability.**
- **The applicant must apply in the county in which they live in.**
- **Medical Necessity – One or more household members with a medical condition which makes them vulnerable to health hazards from high temperatures.**

This requirement must be met only for the receipt of an air conditioner when they are distributed as a result of the release of LIHEAP emergency contingency funds to assist households who may be vulnerable to extreme heat.

statutory
references

2604(c)
2605(c)(1)(A)

→ Do you have additional eligibility requirements for:
CRISIS ASSISTANCE (X Yes No)

(eligibility)

	<u>Yes</u>	<u>No</u>
→ Do you use:		
Assets test?	<u>X</u>	<u> </u>
Must the household have received a shut-off notice or have an empty tank?	<u>X</u>	<u> </u>
Must the household have exhausted regular benefit?	<u> </u>	<u>X</u>
Must the household have received a rent eviction notice?	<u>X</u>	<u> </u>
Must heating/cooling be medically necessary?	<u> </u>	<u>X</u>
Other (Please explain):	<u> </u>	<u> </u>

→ What constitutes a crisis? (Please describe)

The household must have an energy related emergency situation.

statutory
references

2605(c)(1)(A)

→ Do you have additional eligibility requirements for:
WEATHERIZATION (___ Yes X No)

(eligibility)

→ Do you use: Yes No

Assets test? X ___

Priority groups? (Please list) X ___
Priority is given to households with elderly and/or individuals with disabilities.

→ Are you using Department of Energy (DOE) Low
Income Weatherization Assistance Program
(LIWAP) rules to establish eligibility or to establish
priority eligibility for households with certain
characteristics? X ___

→ If Yes, are there exceptions?
Please list below. ___ X

statutory
references

2605(b)(3) → Please check the outreach activities that you
2605(c)(3)(A) conduct that are designed to assure that eligible households are made
(outreach) aware of all LIHEAP assistance available:

X provide intake service through home visits or by telephone for the physically infirm (i.e. elderly or disabled).

X place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.

X publish articles in local newspapers or broadcast media announcements.

 include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.

X make mass mailing to past recipients of LIHEAP.

X inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.

X execute interagency agreements with other low-income program offices to perform outreach to target groups.

 other (Please specify):

statutory
references

2605(b)(4)

(coordination)

→ Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.

- A. LIHEAP applicants, interested and eligible for weatherization, are referred for those services unless the size of the local agency's waiting list necessitates suspension or limitations of the referral process.**
- B. Applications for low-income electricity customer sales tax/grant gulf exemptions are provided to applicants who may qualify for the sales tax exemptions.**
- C. DHS County Offices, which administer TEA, Medicaid, Food Stamps and similar programs implementation.**
- D. Local LIHEAP agencies issue news releases to the media at the beginning of program activities.**

2605(b)(5)
2605(b)(2)
2605(b)(8A)

(benefit
levels)

→ The statute requires that there be no difference in the treatment of households eligible because of their income and those eligible because they receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.

Categorical eligibility is not used in the energy assistance programs.

statutory
references

HEATING COMPONENT

2605(b)(5) → Please check the variables you use to determine your benefit levels (check all that apply):

(determination
of benefits)

- income
- family (household) size
- home energy cost or need
 - fuel type
 - climate/region
 - individual bill
 - dwelling type
 - energy burden
(% of income spent on home energy)
 - energy need
 - other (describe)

2605(b)(5)
2605(c)(1)(B)

(benefit
levels)

→ Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.
Please describe benefit levels or attach a copy of your payment matrix.

\$ <u>60.00</u>	Minimum
\$ <u>153.00</u>	Average
\$ <u>309.00</u>	Maximum
\$ <u>500.00</u>	If a crisis is involved

→ Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits?

Yes No If Yes, please describe.

2605(b)(5)
2605(c)(1)(B)

COOLING COMPONENT

(determination
of benefits)

→ Please check the variables you use to determine your benefit levels
(check all that apply):

- income
- family (household) size
- home energy cost or need
 - fuel type
 - climate/region
 - individual bill
 - dwelling type
 - energy burden
(% of income spent on home energy)
- energy need
- other (describe)

2605(b)(5)
2605(c)(1)(B)

(benefit
levels)

→ Describe how you will assure that the highest
benefits will go to households with the lowest
incomes and the highest energy costs or needs
in relation to income, taking into account family size. Please describe
benefit levels or attach a copy of your payment matrix.

<u>\$ 60.00</u>	Minimum
<u>\$ 153.00</u>	Average
<u>\$ 309.00</u>	Maximum
<u>\$ 500.00</u>	If a crisis is involved

→ Do you provide in-kind (e.g. fans) and/or other forms of benefits?

Yes No If Yes, please describe.

statutory
references

2605(b)(5)
2605(c)(1)(B)

CRISIS COMPONENT

(determination
of benefits)

→How do you handle crisis situations?

X separate component _____ other (please explain)

→If you have a separate component, how do you determine crisis assistance benefits?

X amount to resolve crisis, up to maximum

_____ other (please describe)

(benefit
levels)

→Please indicate the maximum benefit for each type of crisis assistance offered.

heating \$ 500.00 maximum benefit

cooling \$ 500.00 maximum benefit

year-round \$ _____ maximum benefit

For each program component, the maximum benefit may increase up to \$500.00 in instances of extreme hot or cold temperatures or other energy related disasters such as floods, storms, etc. and/or "state of emergency" as designated by the Governor.

→Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

X Yes ___ No If Yes, please describe.

Fans are provided during the implementation of a crisis fan program.

statutory references

2605(b)(5)
2605(c)(1)
(B) & (D)

WEATHERIZATION & OTHER ENERGY RELATED HOME REPAIR AND IMPROVEMENTS

→What LIHEAP weatherization services/materials do you provide? (Check all categories that apply.) N/A

(types of assistance)

- Weatherization needs assessments/audits.
- Caulking, insulation, storm windows, etc.
- Furnace/heating system modifications/repairs
- Furnace replacement
- Cooling efficiency mods/repairs/replacement
- Other (Please describe)

(benefit levels)

→Do you have a maximum LIHEAP weatherization benefit/expenditure per household? Yes No N/A

If Yes, what is the maximum amount? \$ 5,000.00

→Under what rules do you administer LIHEAP weatherization? (Check only one.)

(types of rules)

- Entirely under LIHEAP (not DOE) rules
- Entirely under DOE LIWAP rules
- Mostly under LIHEAP rules with the following DOE LIWAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply):

Weatherize buildings if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days

Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).

Other (Please describe)

Mostly under DOE LIWAP rules, with the following LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply.)

Weatherization not subject to DOE LIWAP maximum statewide average cost per dwelling unit.

Other (Please describe.)

2605(b)(6) The state or tribe administers LIHEAP through the following local agencies:

- | | | |
|----------------------|-------------------------------------|---|
| | <input type="checkbox"/> | county welfare offices |
| | <input checked="" type="checkbox"/> | community action agencies (weatherization component only) |
| | <input checked="" type="checkbox"/> | community action agencies (heating, cooling or crisis |
| (agency designation) | <input type="checkbox"/> | charitable organizations |
| | <input type="checkbox"/> | not applicable (i.e. state energy office) |
| | <input type="checkbox"/> | tribal office |
| | <input type="checkbox"/> | other, describe: |

→ Have you changed local administering agencies from last year?
 Yes No

If Yes, please describe how you selected them.

→ What components are affected by the change?

2605(c)(1)(E) → Please describe any additional steps (other than those described elsewhere in this plan) that will be taken to target assistance to households with high home energy burdens. **(This applies to all components. If all steps to target households with high home energy burdens are described elsewhere in the plan, no further information is required here.)**

(targeting of Assistance)

Households will be referred for Weatherization services if they express an interest in the services and are eligible.

statutory
references2605(b)(7)
(energy
suppliers)

→ Do you make payments directly to home energy suppliers?

Heating Yes NoCooling Yes NoCrisis Yes NoIf Yes, are there exceptions? Yes No

If Yes, please describe.

Payments are made to the applicants, if the household's energy supplier has been disqualified or has chosen not to participate in the program and when utility costs are included in the rent or the household uses wood as its source of heat.

2605(b)(7)(A)

→ If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

On approval of the application, the client is notified by mail with a DCO 2001 (Notice of Action). The DCO 2001 will include the following information;

- 1) Amount of payment made on behalf of the client.
- 2) Name of the energy supplier.
- 3) Date of payment to the energy supplier.

2605(b)(7)
(B) & (C)

→ How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

Vendor agreements are signed by each energy supplier between the supplier and local administering agency is required prior to making a direct payment to a supplier and random monitoring visits are made to the energy suppliers to assure funds are applied accurately to the applicants energy account.

statutory
references

2605(b)(8)(B) → Is there any difference in the way owners and renters are treated? If
Yes, please describe. No

(owners
and
renters)

HEATING ASSISTANCE

_____ Yes X No

COOLING ASSISTANCE

_____ Yes X No

CRISIS ASSISTANCE

_____ Yes X No

WEATHERIZATION

_____ Yes X No

statutory
references

2605(b)(10)

→How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

The Department of Human Services is required to follow the Department of Finance and Administration policies and procedures. The Department of Human Services also adheres to federal regulations and state fiscal policies. Subgrantees requests for disbursements are reviewed weekly and compared to our in-house reports regarding the balance of cash in relation to reported and planned expenditures.

(program,
fiscal
monitoring,
and audit)

→How do you monitor program activities? (Please be sure to include a description of how you monitor eligibility and benefit determination.)

Yearly evaluation of the program implementation includes on site monitoring review, sampling of applications, issuance of monitoring report and request for corrective action where necessary.

→How is your LIHEAP program audited?

Under the Single Audit Act? X Yes No
If not, please describe:

For States and Territories:

→Is there an annual audit of local administering agencies? X Yes
No
If not, please explain.

statutory
references

2605(b)(12)

→How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

A legal notice is published in the state wide newspaper advising of the availability of the state plan, informing the public of locations and dates of public hearings to be held in separate areas of the state and providing an address for written comment.

(timely and
meaningful
public
participation)

Public service announcements will be provided to local newspaper in the areas where the hearings are held.

Comments and recommendations, received in writing or verbally at the hearings and at the HEAP office, will be considered in the development of the plan.

2605(a)(2)

→Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where?

X Yes No

(Not required for Tribes and tribal organizations)

PUBLIC HEARING WERE CONDUCTED :

TUESDAY, JUNE 30, 2015 @ FORT SMITH, AR

Crawford-Sebastian Community Development
Council, Inc.
Post Office Box 4069
4831 Armor Street
Fort Smith, Arkansas 72914
Telephone: (479) 785-2303

WEDNESDAY, JULY 01, 2015 @ JONESBORO, AR

Crowley's Ridge Development Council, Inc.
Post Office Box 16720
2401 Fox Meadow Lane
Jonesboro, Arkansas 72401
Telephone: (870) 802-7100

THURSDAY, JULY 02, 2015 @ TEXARKANA, AR

Southwest Arkansas Development Council, Inc.
3902 Sanderson Lane
Texarkana, Arkansas 71854
Telephone: (870) 773-5504

WEDNESDAY, JULY 08, 2015 @ PINE BLUFF, AR

Pine Bluff-Jefferson County Economic
Opportunities Commission, Inc.
Post Office Box 7228
817 So. Cherry
Pine Bluff, Arkansas 71611
Telephone: (870) 536-0046

statutory
references

2605(b)(13)

(fair
hearings)

→ Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

→ Denials

Applicants are informed of their rights to appeal any decision made regarding their application and/or assistance. The right to appeal the denial of the household's application is also indicated on the notice to inform the household of the action taken on its application.

→ Applications Not Acted On In a Timely Manner

Applicants may request a hearing regarding claims not acted upon in a timely manner unless the delay is due to lack of cooperation on the part of the applicant in providing necessary information so that eligibility can be established.

See page 24-A for additional procedures.

6510 Filing an Appeal

An appeal must be made in writing on form DCO-2010, the reverse side of form DCO-2001 or by written statement signed by the applicant or his designated representative indicating that he wishes the opportunity to present his case to a higher authority.

When an applicant or recipient or his designated representative requests a hearing, form DCO-2010 (Request for Fair Hearing) will be provided.

Requests for a hearing returned to the subgrantee agency will be dated and forwarded immediately to: Office of Appeals and Hearings, 400 Donaghey Plaza North, P. O. Box 1437 Slot 1001, Little Rock, AR 72203. A copy of the applicable form DCO-2001 will be forwarded along with the DCO-2010 (unless the appeal is requested on form DCO-2001 and the appeal is in response to the decision indicated on the reverse side).

When a request for a hearing is sent by the household directly to the Appeals and Hearings Section, the subgrantee agency serving the claimant's county of residence will be notified that a hearing has been requested. If the claimant is appealing an adverse action, the Appeals and Hearings Section may request a copy of the applicable DCO-2001. If requested, this will be forwarded immediately by the subgrantee agency to the address indicated above.

6511 Time Limit on Filing of Appeals

A claimant requesting a hearing must do so within 30 days from the date the Notice of Action (DCO-2001) was sent or 30 days from the date of denial, if a pre-denial notice was sent, whichever is later.

6512 Reasons for Appeal

An applicant may request a hearing for any of the following reasons:

1. Application was denied.
2. Delay of application unless the delay is due to lack of cooperation on the part of the claimant in providing necessary information so that eligibility can be established.
3. Amount of payment.
4. Method of payment.
5. Discrimination on the basis of race, creed, color, sex, national origin, handicap, religion, or political belief.

GRANTEE ARKANSAS FFY 2016

statutory
references

2605(b)(15)

For States and Puerto Rico only (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

→ Does the State agency that administers the following LIHEAP component also administer the State's welfare program?

(alternate
outreach
and intake)

HEATING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

Outreach and intake procedures for the LIHEAP Programs are completed by and through the subgrantee agencies that implement the programs. Outreach and intake for the Supplemental Nutrition Assistance Program is completed by and through State's offices.

COOLING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

Outreach and intake procedures for the LIHEAP Programs are completed by and through the subgrantee agencies that implement the programs. Outreach and intake for the Supplemental Nutrition Assistance Program is completed by and through State's offices.

CRISIS ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

Outreach and intake procedures for the LIHEAP Programs are completed by and through the subgrantee agencies that implement the programs. Outreach and intake for the Supplemental Nutrition Assistance Program is completed by and through State's offices.

GRANTEE ARKANSAS

FFY 2016

statutory
references

2605(b)(16)

→ Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

X Yes _____ No

If Yes, please describe these activities.

The Assurance 16 program is optional program for the Community Action Agencies of Arkansas. The agencies that participate and administer the A-16 program promotes energy efficiency by enrolling participants in classes that offer training for energy conservation, household budgeting and weatherizing your home. Along with other classes, speakers and informational seminars to assist participants in becoming self-sufficient and energy conscience.

In addition to those listed under references 2605 (b) (16) such activities will include but are not limited to, referrals to other coordinated services, presenting educational program on fuel energy usage, meter reading, etc.

If Yes, how do you ensure that you don't use more than 5% (statutory ceiling) of your LIHEAP funds for these activities?

Regulation require that no more than 5% is used to promote the

No more than 5% of the LIHEAP funds are allocated and transferred to subgrantee agencies who implement these activities. Monitoring and review of the budgeting and allocation process helps to ensure that the total amount of funds expended does not exceed 5% of the LIHEAP funds.

GRANTEE ARKANSAS

FFY 2016

statutory
references

2607A

(leveraging)

→ Please describe leveraging activities planned for the fiscal year. **(This entry is optional.)*** Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

- (1) Identify and described each resource/benefit;
- (2) Identify the source(s) of each resource; and
- (3) Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

* Leveraged resources/benefits that are counted under criterion (iii) in 45 CFR 96.87(d)(2) must be identified and described in the grantee's LIHEAP plan and distributed as indicated in the plan. In addition, leveraging resources/benefits that are counted under criterion (ii) must be carried out under one or more components of the grantee's regular LIHEAP program.

Arkansas Leveraging:

Arkansas Funds for Leveraging include cash contributions from various churches, faith-based organizations and fuel funds to assist low-income households with their energy bills. The funds are distributed both by church and/or faith based organizations and through non-profit organizations such as Community Action Agencies, etc. The funds are used in conjunction with LIHEAP when those benefits are insufficient to meet the households needs and/or when LIHEAP benefits have been depleted. The LIHEAP guidelines are used when distributing the benefits.

These funds are distributed during both the heating, crisis and when applicable, the cooling component of the LIHEAP program.

statutory
references

2605(b)

(performance)
goals and
measures)

→ Please describe performance goals and measures planned for the fiscal year. **(This entry is optional.)**

- 1) To increase participation in the program by households containing children under the age of 3 years.
- 2) To increase awareness of the program in rural areas through increased outreach activities at both the state and subgrantee agencies' level.

ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

- * **Lobbying certification**, which must be filed by all States and territories. If applicable, Form LLL, which discloses lobbying payments, must be submitted. (**Tribes and tribal organizations are EXEMPT.**)
- * **Debarment and suspension certification**, which must be filed by all grantees.
- * **Drug-free workplace requirement certification**, which must be filed by all grantees, unless the grantee has filed a statewide certification with the Department of Health and Human Services. **STATES ONLY:** If you have filed a statewide certification for the drug-free workplace requirement, please check here: _____
- * One of the requirements included in the 1994 reauthorization of the statute is that state grantees must include in their annual application for funds a report on the number and income levels of households applying for and receiving LIHEAP assistance, and on the number of recipient households that have members who are elderly, disabled, or young children.

All Tribes and those territories with allotments of less than \$200,000 need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.
- * Though not a part of this application, the report on funds to be carried over or available for reallocation as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/reallocation report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Reallocation Report** is covered by OMB approval number 0970-0106.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

PROGRAM INTEGRITY SUPPLEMENT

Recent Audit Findings

No Legislative or Federal audit findings have been reported for the Low Income Home Energy Assistance Program (LIHEAP) in the last four years.

Compliance Monitoring

Compliance monitoring is conducted by the LIHEAP staff. The most common findings are listed below and may be discovered during compliance monitoring reviews:

- Overpayment of program funds due to improper or no documentation of household's income and the non-existence of a crisis as verified by the household's energy supplier.
- Underpayment of benefits to households due to the use of excluded income.
- Failure to document and verify payments of program funds to energy suppliers via payment vouchers, etc.
- Unable to locate all records for compliance review.
- No notification to household of disposal of application.

Two reviews, instead of one, will be conducted during a program year at those agencies that have shown to have a high percentage rate of errors during the first review. Also, the percentage of case records reviewed by LIHEAP staff during each program will be increased.

Fraud Reporting Mechanisms

Sub-grantees will be requested to include telephone numbers, including the Department of Human Services (DHS) Fraud Hotline toll free number, in program media notices to the general public concerning the LIHEAP program. During public hearings, which are held each year, the public will be requested to report any instance of fraud to both the sub-grantee agency and DHS. Program and hot line telephone numbers are also included on the DHS web site.

Verifying Applicant Identities

During the application process, the sub-grantee uses Social Security Numbers (SSN's) provided by the applicant to cross reference the applicant's information with other state and federal agencies, i.e. the Department of Workforce Services, the Social Security Administration, the Office of Child Support Enforcement and the Department of Human Services (see Social Security Number Request section).

Social Security Number Request

Social security numbers are used to verify income and other client data. An encrypted file containing Social Security Numbers are remitted to sub-grantees who implement the LIHEAP program. The files are used in compliance with the Privacy Act of 1974 and clients are informed of how their SSN numbers will be used by the Department of Human Services. Please refer to the "Cross Checking against Social Security Numbers against Government Systems/Databases" section for additional information concerning the use of SSN numbers to prevent fraud.

Cross Checking Social Security Numbers against Government Systems/Databases

Applications are processed by sub-grantees using information provided by state and federal agencies i.e., the Department of Workforce Services, the Social Security Administration, the Office of Child Support Enforcement and DHS. Social Security Numbers (SSN's) are an intricate part of any verification process when cross checking information. Client SSN's maintained by DHS are used to verify citizenship with the Social Security Administration,

verify death matches against records maintained by the Department of Health Bureau of Vital Statistics and compared to a list of incarcerated persons provided by the Department of Community Corrections.

The sub-grantee agencies who implement the program use Social Security Numbers provided by the applicant to verify income.

Verifying Applicant Income

Income verification is completed by the sub-grantee agencies who implement the program. All income is verified by using supporting documentation i.e., check stubs, information from the Department of Workforce Services, the Social Security Administration, the Office of Child Support Enforcement and DHS. In addition, the DHS Division of County Operations uses "The Work Number" to verify recent earned income directly from employers.

Privacy Protection and Confidentiality

The Department of Human Services has extensive policies and procedures in place to prevent and report fraud and misuse of applicant information. Policies are provided to CAP agencies to take all measures necessary to prevent improper use of applicant information. Through collaboration, the state will study additional measures to implement in the near future.

LIHEAP Benefits Policy

In an effort to prevent fraud, sub-grantee records are reviewed each year by LIHEAP staff. Additionally, energy suppliers are randomly selected and contacted to verify and document information contained in the applicant's case records. Energy suppliers are also monitored to verify utility costs provided to the sub-grantees as well as conducting a second party review of the payments made to the suppliers on behalf of the applicants.

Procedures for Unregulated Energy Vendors

There are no procedures for unregulated energy vendors in place at this time. We plan to collaborate with other states for ideas and measures which they are using to prevent fraud and improper payments to these vendors.

Verifying the Authenticity of Energy Suppliers

Energy supplier authenticity is verified through applicants' energy bills, by obtaining the list of energy suppliers and a review of a percentage of suppliers each year. Also, each agency is required to enter into a contract with each supplier to which payments are made.

Training and Technical Assistance

Training is provided each year to staff of the sub-grantee agencies and to non-governmental individuals, including energy suppliers and non-profit agencies. Also, technical assistance is continuously provided during the program year.

Audits of Local Administering Agencies

Each sub-grantee agency is required to have an audit completed by a professional audit firm of all programs and components within the agency. The audit results are provided to DHS for review. Any agency with audit findings is required to submit a plan of corrective action.

Telephone Hotlines

The DHS Division of County Operations maintains a toll free number (1-800-422-6641) to report allegations of fraud and program abuse.

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Signature

Title

Organization

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.

4. For grantees who are individuals, Alternate II applies.

5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).

7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - (b) Establishing an ongoing drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
 - (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
 - (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
 - (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
 - (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
- (B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS**

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous

by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in

connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.

2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.

4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.

5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered

transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Nonprocurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.
