

Community Services Policy Manual

# 700 Series

LIHEAP Policy

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## 701 – INCOME ELIGIBILITY GUIDELINES

### REFERENCES

- Federal Register, U.S. Department of Health and Human Services (HHS) Annual Update of the Federal Poverty Guidelines,
- U. S. Department of Energy (DOE), Weatherization Assistance Program (WAP) Notices
- Community Services Policy Manual
- Michigan Weatherization Field Guide
- WAP Agreements
- Department of Health & Human Services LIHEAP State Plan

### PURPOSE

Grantees are required to administer the LIHEAP grant following a combination of U.S. Health and Human Services (HHS) regulations pertaining to weatherization activities and U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) regulations.

### POLICY

The Grantee is required to use 60 percent State Median Income (SMI) or 200 percent of poverty income guidelines whichever is greater to determine income eligibility for weatherization assistance under the Low Income Home Energy Assistance Program. Income refers to total cash receipts (gross) before taxes from all sources (see Income Inclusions/Exclusions below) for all household members.

### Applicant's File

Grantees must maintain a file for all recipients of weatherization services. A copy of the client's FACSPRO Customer Report or the DHS-4283 with original client and agency signatures must be in the physical file. All other required file documents must be uploaded into FACSPRO (See CSPM Item 612, CSPM Item 903, and CSPM Item 909).

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### Re-Certification of Application

An applicant must be re-certified when eligibility lapses due to the length of time the applicant was waiting to receive Weatherization services. Re-certification must occur at least every 12 months from date of application. (See CSPM 612)

### Categorical Income Eligibility

A household is categorically income eligible if any household at any time during the 12-month period preceding the determination of eligibility for weatherization assistance:

- Received cash assistance payments under Title IV (FIP);
- Received cash assistance payments under Title XVI of the Social Security Act (SSI);
- Eligible for assistance under the Low-Income Home Energy Assistance Act of 1981 (LIHEAP) (Energy Related SER); or
- Meets the income requirements of any HUD means-tested programs at or below 80% AMI (examples of HUD programs include but are not limited to Community Development Block Grants (CDBG), HOME Investment Partnerships Program (HOME), Lead Hazard Control & Healthy Homes Program (OLHCHH))

**NOTE:** The receipt of any categorical income eligibility benefit or proof of eligibility for the benefit in the previous twelve months must be documented in the applicant's file. The State's quarterly SSI payments do not need to be documented but must be included in the calculation.

Individuals determined categorically eligible by a HUD means-tested program at or below 80% AMI are eligible for weatherization for the DOE WAP. If a social security number cannot be collected during Weatherization Intake, that is allowable only with this type of income eligibility determination (not traditional or other categorical determinations). In these cases, the SSN Response should be marked "Unavailable – Cannot Provide" and select the characteristic "Wx - HUD SSN". In this case, **no LIHEAP funds** may be used on the weatherization job.

### Household Composition

Income from all household members is used to determine income eligibility. A household is all persons occupying a housing unit, regardless of whether they are related.

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### **Roomers**

For applicants/households that **have “roomers”** paying rent, the “roomer” is not considered a member of the “household” and the income of the “roomer” is not counted for income eligibility. However, the rent from the roomer should be included as income.

### **Income Computations**

Income eligibility must be determined before the eligibility date is set and the client action plan has been created in FACSPRO. In FACSPRO, the create interaction button creates the action plan, determines the eligibility date, and stores the income screens that are used to determine income eligibility. The income screens for all household income must be completed with the current, relevant, assessed income eligibility information before the create interaction button is clicked.

An applicant’s household’s gross **ACTUAL INCOME** for the *preceding three-month period including the date of application* is computed in FACSPRO to be **annualized**.

Gross income is the total income received before deductions such as taxes, medical premiums, retirement plans, garnishments, child support, or other deductions. Gross income for all household members (except as specifically excluded) is countable income.

For example, an application dated June 7 would have a three-month period of March 8 – June 7. Income must be entered into FACSPRO using the Annual option and entering the last three months of income.

**Note:** If a three-month lookback period is not representative of a household member’s annual income, Grantees have the option of requesting a *six or twelve-month period* of documentation. An explanation of using this option must be clearly noted.

For each household member, the income computation process should include actual received current gross income documentation, current and prior monthly benefit documentation, W-2s or income tax returns for prior year’s income, and, **as a last resort**, self-declarations. (See **Self-Declarations** below).

**Best Practice-** Pay period ending dates should not be used unless it is documented that the applicant/household member receives their payments on the same date.

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## Documentation of Income

Income assessment must be completed for all adult household members over the age of 18 years old. In situations where one adult household member has income and other adult household members do not have income, the client file must include documentation confirming that income assessment was completed for all adult household members. Documentation may include an applicant/self-declaration form noting no income for additional adult household members, or other questionnaire support documentation of income status. This is required only when eligibility is determined by income computations. See below for zero income for entire household.

Income must be thoroughly documented and uploaded to FACSPRO (See CSPM 612-Applicant File Documentation). The following items are acceptable documentation:

- Copies of paychecks or pay stubs
- Written statements from employers
- Letters, benefit statements, or other documents from income sources, e.g., DHHS, Social Security, VA
- Unemployment Benefit determination letter or online benefits information
- If self-employed, accounting and other business records showing net income
- W-2 statements and tax forms

**NOTE:** W2's will seldom be adequate by themselves, since W2's usually report a period ending well in advance of the date of application. An exception may be made for the self-employed, since tax records are a convenient source of information about their income. However, W2's should be used in conjunction with a self-declaration.

- Other documents the Grantee has reason to believe will **fully verify** the household income of the applicant

## Self-Declarations of Income

After all other avenues of documenting income eligibility are exhausted, self-declaration is allowable, *but evidence of the various attempts at proving eligibility must be contained in the client file, including a notarized statement signed by the applicant indicating that no other proof of income is available.*

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If the self-declaration is for zero income **for the entire household**, then along with the declaration being notarized, approval by MDHHS BCAEO staff is also required, and a copy of the approval must be in the client file. Requests for approval must be submitted by email to the Grantee's grant manager.

The requests should include the name and FACSPRO System ID for each household member and an explanation of how the household is paying for their living costs.

## **INCOME INCLUSIONS/EXCLUSIONS:**

### **Income Guidelines**

Refer to CSPM Item 208, Poverty Income Guidelines, for the most current poverty income guidelines.

### **Income includes:**

1. Gross wages/earnings and salaries before any deductions.
2. Self-Employment Income for each type of self-employment activity or business (See Self-Employment Income section below).
  - Net receipts from non-farm or farm self-employment (receipts from a person's own business or from an owned or rented farm after deductions for business or farm expenses).
3. Wages from Assistantships, Work Study and Student Stipends.
4. Social Security (Retirement, Survivor's, Dependent's, and Disability Insurance) gross benefits, including **any** Medicare premium.
5. Supplemental Security Income (SSI)\*.
6. Railroad Retirement\*.

**\*Note:** Retroactive lump sum payments for Supplemental Security Income (SSI), Social Security Insurance or Railroad Retirement Benefits should be prorated on a 12-month basis so that only benefits covering the three-month calculation period are included.

7. State SSI Supplemental Quarterly Payment.

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8. Unemployment Compensation Benefits, Strike Benefits from Union Funds.
9. Worker's Compensation, and/or private Long and Short Term Disability Payments.
10. Veteran's Payments: VA Service Connected Disability Compensation; VA Non-Service Connected Disability Pension; Military Retirement Pay, and Military Family Allotments.
11. TANF - Family Independence Program-FIP (Cash Assistance Title IV) and State Disability Assistance-SDA.
12. Alimony or Spousal support.
13. Private Pensions, Government Employee Pensions, and other Retirement income (not including Social Security Retirement Income).
14. Annuity Payments and Insurance Payments.
15. Income from Individual Retirement Accounts (IRAs) received during the computation period, whether received as monthly or in a lump-sum withdrawal.
  - Note:** Lump-Sum IRA withdrawals should be prorated on a 12-month basis and the three months of prorated amount should be included in the computation.
16. Income from Dividends, Interest, Stocks and Bonds.
17. Training Stipends
18. Net Rental Income, including income from Roomers.
19. Net Royalties, Net Gambling/Casino, or Lottery winnings.
20. Periodic Receipts from Estates or Trusts.
21. Tribal Payments - Any payments received by Native Americans, such as income from Casinos or other Tribal Income.
22. Joint Income received by more than one individual. Divide the income equally among recipients.
23. Third party benefits paid directly to a company for a client's housing or bills. Third party benefits are only counted as income if they are paid to a company or entity in lieu of paying an individual alimony or wages directly.



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**Income excludes:**

1. Combat Zone pay from the Military.
2. Housing Assistance from the Military.
3. Capital gains or money from the sale of a house, property, or vehicle.
4. Any assets drawn down as withdrawals from a bank or financial institution.
5. Emergency Assistance Program payment to a family or a person who is in temporary financial difficulty.
6. Tax refunds or Earned Income Tax Credits.
7. Loans or Gifts.
8. Lump-Sum Inheritances.
9. Compensation for injury or one-time Insurance Payments.
10. Non-cash benefits such as the employer paid or union paid portion of health insurance or other employee fringe benefits (including the imputed value of health insurance for domestic partners).
11. Food or housing received in lieu of wages (in-kind).
12. The value of food and fuel produced and consumed on farms or the imputed value of rent from owner-occupied non-farm or farm housing; depreciation for farm or business assets.
13. Federal Non-Cash Benefit programs such as: Medicare (Medicare premiums are **not** excluded), Medicaid, Food Assistance Program benefits (including cash received in lieu of food stamps), school lunches, housing assistance, Childcare Vouchers, WIC, LIHEAP, or Affordable Care Act Subsidy.
14. Reverse Mortgages.
15. College Scholarships and Grants.

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16. Child Support.
17. Foster Care Payments, Adoption Subsidies, Family Support Subsidies, and Guardianship Assistance Payments.
18. Student Income-Income earned through employment by a child who is age 18 and under, **and** attending high school.

**NOTE:** "Earnings" do not include program benefits such as Social Security, Supplemental Security Income, etc.; these **are included** in the total household income.

### Self-Employment Income

Self-employment income must be documented for each type of self-employment activity or business.

Business expenses may be deducted from the gross income amount determined for each self-employment activity/business.

Documentation of claimed expenses must be included in the client file information.

**NOTE:** Losses from a single self-employment source of income cannot be applied to any other self-employment income or other household income types.

**Example:** If self-employment business A realizes a loss of \$10,000, the income from that source is considered zero. The \$10,000 loss cannot be deducted from self-employment business B or other household income.

### Self-Employment Expenses

Allowable expenses include all of the following:

- Identifiable expenses of labor, stock, raw material, seed, fertilizer, etc.
- Interest and principal on loans for equipment, real estate or income-producing property
- Insurance premiums on loans for equipment, real estate and other income-producing property.
- Taxes paid on income-producing property.
- Transportation costs while on the job (example: fuel)

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- Purchase of capital equipment.
- A child care provider's cost of meals for children. Do **not** allow costs for the provider's own children.
- Any other identifiable expense of producing self-employment income except those listed below.

The following are **not** allowable expenses:

- A net loss from a previous period.
- A net loss from another type of self-employment.
- Federal, state and local income taxes.
- Personal entertainment or other individual business expenses.
- Money set aside for retirement.
- Depreciation on equipment, real estate or other capital investments.

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## 702 – PROGRAMMATIC REPORTING

### REFERENCES

- WAP Agreement
- Michigan Weatherization Field Guide
- Community Services Policy Manual

### PURPOSE

Grantees are required to administer the LIHEAP grant following a combination of the U.S. Department of Energy Weatherization Assistance Program Regulations and the State of Michigan Annual LIHEAP State Plan.

### POLICY

The Grantee is required to prepare a Weatherization Assistance Program Monthly Programmatic Report, DHS-1071, in accordance with the instructions in CSPM Item 602 of this policy manual.

The Grantee is required to have all weatherization jobs for the report month entered by the fourteenth (14<sup>th</sup>) day of the month following the report month into the DBA FACSPRO database. BCAEO will extract DHS-1071 report information from FACSPRO the fifteenth (15<sup>th</sup>) day of the month following the report month.

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## 703 – PROGRAM REQUIREMENTS

### REFERENCES

- WAP Agreement
- Community Services Policy Manual
- Michigan Weatherization Field Guide
- Michigan Public Act 523 (2014)

### BACKGROUND

Grantees are required to administer the LIHEAP grant following a combination of the U.S. Department of Energy (DOE) Weatherization Assistance Program (WAP) Regulations and the State of Michigan Annual LIHEAP State Plan.

### POLICY

Grantees are required to administer this grant following the DOE WAP regulations and the U.S Department of Health and Human Service (HHS) LIHEAP regulations. The Community Services Policy Manual (CSPM) will prevail when the manual has policy that contains requirements different from LIHEAP and/or WAP regulations. Unless otherwise stated, LIHEAP funds are to be spent following DOE rules. Exceptions to DOE rules for LIHEAP funds are contained in the LIHEAP Weatherization Assistance Program Plan and in the 700 series CSPM. The flexibility in these rules allows for more extensive measure installation than what is normally allowed in the Weatherization Assistance program (WAP), with the ultimate goal of increasing energy savings, reducing fuel use, and providing a safe and healthy home environment.

The Grantee will determine which weatherization measures will be completed on an eligible dwelling unit in accordance with the Michigan Weatherization Field Guide, Standard Work Specifications (SWS) and CSPM.

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### General Program Requirements

The Grantee shall weatherize eligible dwelling units in its service area as detailed in the Grantee’s LIHEAP Weatherization Assistance Program Plan, as approved by the Michigan Department of Health & Human Services (DHHS).

The Grantee will maintain a basic service system which includes an outreach/intake system, a method of installing measures, audit/inspection procedures, qualified crews and/or subcontractors, and maintenance of quality control procedures to ensure each dwelling weatherized is completed in compliance with all program requirements.

### Eligible Dwelling Units

All dwellings to be weatherized must be owner or renter occupied, and occupied by a household:

1. Whose income is eligible using the percent of poverty level defined in CSPM 701 established by HHS , or
2. Which contains a member who has received any one of the following at any time during the 12-month period preceding the date of application for weatherization assistance:
  - Cash assistance payments under Title IV – Family Independence Program (FIP) or, XVI of the Social Security Act, Supplemental Security Income (SSI) or
3. Occupying a qualified rental dwelling unit in accordance with CSPM Item 608.  
Note: For LIHEAP Weatherization funding, landlord contribution is mandatory.

### Landlord Contributions

For all rental properties that are weatherized with LIHEAP funding, Grantee’s must require not less than 25% of the total cost of the weatherization services for that property be contributed by the property owner unless the property owner is also eligible for weatherization assistance or is a nonprofit organization, governmental agency, or municipal organization. Along with the required landlord contribution for rentals, a landlord agreement is required. See CSPM 600 Series.

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If a landlord refuses to participate in the landlord contribution after the applicant has been determined to be eligible for the program, this must be noted in FACSPRO by moving the job to the “Ineligible queue” in WxPro with a note stating the landlord refused to contribute and also the action plan should be marked as “service not received” and choose the “Landlord refused to contribute” option.

### Allowable Measures

Allowable measures to be installed are determined at the audit during the energy audit process. These measures will be outlined on the Quality Control (QC) checklist. Grantees must use the State of Michigan (SOM) approved audit to determine all appropriate measures to be installed in each unit. See the Michigan Weatherization Field Guide for these requirements.

### Exceptions to DOE Rules

The items listed in this section are allowable exceptions to DOE rules. **The allowability is for LIHEAP funds only;** no DOE funds can be utilized for these exceptions. All waivers listed in this section must be sent to the [MDHHS-BCAEO@michigan.gov](mailto:MDHHS-BCAEO@michigan.gov) mailbox with the BCAEO Technical Monitor and BCAEO Weatherization Specialist copied. If the waiver is approved, the Grantee is responsible for documenting the approval from BCAEO and including it with the file documentation.

#### 1. Maximum Average Cost per Unit

The maximum allowable average cost per unit (ACPU) for LIHEAP expenditures is \$10,000. The ACPU includes support, labor & materials and vehicle purchase (vehicle purchases may not always count toward an agency’s ACPU, please see CSPM 613 for further details).

The Grantee may submit a waiver for approval from BCAEO to exceed the maximum allowable average cost per unit, which will be considered on a case by case basis. Agencies must submit justification for the high costs that lead to this exception being necessary. Agencies approved for an exception to the maximum allowable average cost per unit will also receive an update to their minimum unit production from BCAEO.

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**2. Some Weatherization measures exempt from DOE Savings to Investment Ratio (SIR) standards**

In general LIHEAP installed ECMs **are** subject to the DOE rule of only installing measures with an SIR of 1.0 or greater. However, due to the current low cost of natural gas, BCAEO understands that **rim joist insulation** and **foundation wall insulation** are often not called for on work orders. For that reason, these two types of insulation may be installed as an ECM with an SIR of **0.8 or greater** without a waiver submission to BCAEO.

Also, the Grantee may submit a waiver for approval from BCAEO to install other specific ECM measures outside of SIR standards. Justification for this exception must be submitted with the waiver request.

**3. Re-Weatherization**

In general, dwellings may not have additional weatherization services provided to them if the dwelling was weatherized with a final close out date within the last 15 years and have not been damaged by fire, flood, or act of God.

However, the Grantee may submit a waiver for approval from BCAEO to receive an exception to the re-weatherization rule. Exceptions will be considered for measures that require updates to improve the Health and Safety in the dwelling, to address a technical issue from previous weatherization work that is outside the scope of appliance warranty, or on a case by case basis on measures in a previously weatherized dwelling.

**4. Additional Weatherization H&S measures**

The Grantee may submit a waiver for approval from BCAEO to install specific Health and Safety measures that are not covered as allowable by the Weatherization Health and Safety plan (see CSPM 614).

**5. Miscellaneous LIHEAP specific measures may be installed**

BCAEO allows for the following measures under LIHEAP without an SIR justification:

- Solar screen installation
- Mobile home door installation
- Exterior door installation
- Duct cleaning



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The following measures may be installed under LIHEAP without an SIR justification up to a \$1,000 limit. If the cost of these measures will exceed the limit, the agency must submit a waiver to BCAEO.

- Gas cook stove repair/replacement
- Solar water heaters
- Attic floor installation
- Fuel tank replacement
- Fuel line replacement
- Chimney liner replacement

Items in this category will be charged to the Labor & Materials cost category.

Items in this category must be input into WA as a user defined measure (UDM) with the prefix **LMISC**. These items will move into their own cost center row, that may not be paid for out of DOE funds. BCAEO would anticipate seeing the following UDMs setup in this category:

- LMISC – Solar screen installation
- LMISC – Mobile home door installation
- LMISC – Gas cook stove repair
- LMISC – Gas cook stove replacement
- LMISC – Duct cleaning
- LMISC - Solar water heaters
- LMISC - Attic floor installation
- LMISC - Fuel tank replacement
- LMISC - Fuel line replacement
- LMISC - Chimney liner replacement
- LMISC - Exterior door installation

## 6. Deferral Reduction

Additional measures not called for in the audit may be implemented to reduce deferrals, following the parameters below:

- Measures addressed using deferral reduction funds must be beyond the scope of weatherization work and the ability to be addressed with H&S funds which would result in the job being deferred. In these cases,

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LIHEAP Deferral Reduction funding can be used to address the cause of the deferral allowing weatherization work to continue.

- A total fiscal cost of this category not to exceed 25% of the LIHEAP allocation toward weatherization services. This maximum is indicated on the LIHEAP WAP allocation chart.
- A limit of \$15,000 per job on deferral reduction is allowed without prior approval from BCAEO
  - Grantees must submit a waiver to BCAEO for jobs needing more than \$15,000 in deferral reduction costs and receive pre-approval before work commences
- Measures that may be addressed to reduce deferrals without prior approval from BCAEO are as follows:
  - Mold remediation, moisture control, knob and tube wiring issues, other electrical issues, grading, roof repair, structural issues, measures to meet SHPO requirements gutters and downspouts, drainage system, sump pump installation, plumbing repair and replacement, pest control, ASHRAE related ventilation issues, asbestos encapsulation, duct repair and replacement,
  - Health & Safety measures that are unaffordable with the Subgrantee’s normal Health & Safety funds \*See guidance for DOE WRF CSPM 609
- Grantees must submit a waiver for any other measures to address for deferral reduction to BCAEO and receive pre-approval before work commences.

Items in this category will be charged to the Deferral Reduction cost category.

**\*LIHEAP Deferral Reduction Funds (LDR) cannot be used for roof replacement\***

Items under LIHEAP Deferral Reduction must be input in WRF screen in WxPro under LIHEAP costs. This is a change from the previously used LDR UDM in WA. Now, tracking these items will take place outside of Weatherization Assistant and instead solely inside of WxPro. The WRF screen allows multiple funding sources to be tracked for one job for deferral reduction.

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## 7. Refrigerator Supply Chain Delays

Some Grantees have experienced extensive delays in refrigerator deliveries to clients. In cases where the refrigerator delivery will delay the scheduling of the Quality Control Inspection, Grantees may opt to cover the cost of the refrigerator out of LIHEAP (or another alternative fund source) and proceed with the final inspection before the refrigerator is installed. In this case, the Grantee must confirm receipt and installation of the refrigerator and maintain photo documentation of the installation in the client file.

### LIHEAP funds may be used to:

1. Provide LIHEAP WAP measures on units.
2. Provide additional measures on DOE units. NEAT/MHEA or the NEAT/MHEA Weatherization Measures shall determine the additional measures installed.
3. Provide energy education to LIHEAP eligible weatherization assistance client households. Please see CSPM 705 for further information on client education.
4. Provide health and safety measures on eligible units.
5. Provide/attend training and technical assistance activities.
6. Provide services under any of the listed exceptions to DOE rules

### Roof Repairs vs. Replacements

As a point of clarification, roof repairs are permitted on owner and rental units. The repairs should be in accordance with (10) CFR 440.18 and the CSPM 600 & 700 series, the Michigan Health and Safety Plan, the SWS and the Michigan Weatherization Field Guide. Roof replacements are not permitted.

### Rental vs. Owner Unit Type - Allowable Measures

There are no restrictions to the measures installed to any unit based on it being a rental or owner unit. All allowable measures determined via the DOE approved audit for the State of Michigan are appropriately installed in any eligible unit regardless of the type.

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**Procurement of Vehicles and Equipment**

Vehicles and equipment may be purchased using LIHEAP funds.

Agencies must follow instructions for procuring vehicles and equipment as spelled out in CSPM 404.2. Submissions will be reviewed at BCAEO as spelled out but will not be submitted to DOE for final review. The Grantee may not complete the purchase until approval has been received from BCAEO.

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## 704 – LIHEAP EMERGENCY WEATHERIZATION

### REFERENCES

- LIHEAP Agreement
- [Michigan Weatherization Field Guide](#)
- [US Department of Health & Human Services—LIHEAP Q & As on Disaster Relief](#)

### Purpose

To provide guidance on allowable activities using LIHEAP emergency funding associated with the Weatherization Assistance Program (WAP) to low-income individuals and families in the event of disasters as declared by the President of the United States, State of Michigan Governor, or localities as approved by Michigan Department of Health and Human Services.

### POLICY

Grantees of LIHEAP Emergency WAP funding must adhere to the following policy if utilizing funding toward disaster planning or relief.

The Grantee will determine the specific measures the funding will be used toward to contribute to the disaster relief using LIHEAP Emergency WAP funding. The Grantee must establish that the households receiving the specified services are income eligible and the actual housing unit is program eligible for services. The Grantee will provide specifics in their planning documents. All work completed on eligible dwelling units shall be in accordance with the Michigan Weatherization Field Guide, Standard Work Specifications (SWS) and CSPM.

Grantees must provide a detailed description in the required planning documents showing how many people are expected to be assisted, specific measures for the funds and how those measures are applicable to the disaster relief. Planning documents should also provide an outreach plan along with specific intent for funds.

### Income Eligibility

The Grantee is required to use 200 percent of poverty income guidelines to determine income eligibility for LIHEAP WAP emergency funding. Income refers to total cash

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receipts before taxes from all sources, for all household members, for the last 30 days. The 30 days of income must be annualized to provide the household percentage of poverty. FACSPRO completes these calculations for the Grantee.

Refer to CSPM Item 208, Poverty Income Guidelines for the most current poverty income guidelines.

Refer to CSPM 701 for included and excluded income.

### **Applicant File Requirements**

Grantees must maintain a file for all recipients of LIHEAP Emergency Weatherization services. A copy of the client's FACSPRO Customer Report with original client and agency signatures must be in the physical file. All other required file documents must be uploaded onto FACSPRO (See CSPM Item 612, Applicant File Documentation, and CSPM Item 903, FACSPRO Database Roles and Responsibilities).

### **Allowable Expenses**

- Costs to temporarily shelter or house individuals in hotels, apartments or other living situations in which homes have been destroyed or damaged, i.e., placing people in settings to preserve health and safety and to move them away from the crisis situation
- Costs for transportation (such as cars, shuttles, buses) to move individuals away from the crisis area to shelters, when health and safety is endangered by loss of access to heating
- Utility reconnection costs
- Repair or replacement costs for furnaces
- Insulation repair or replacement
- Coats and blankets, as tangible benefits to keep individuals warm
- Crisis payments for utilities and utility deposits
- Purchase of fans and generators

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- Mold remediation
- Water damage clean-up
- A grantee can provide low-cost residential weatherization and other energy-related home repair and possibly install new heating systems, water heaters, refrigerators and stoves, they could do this under their Weatherization program, but they would be limited to the 15% cap, or 25% if a waiver is requested. If a grantee provides these services under their Crisis Intervention Program, there is no limit.

### **Unallowable Expenses**

- Payments for water/sewage (unless some of it is involved in overall weatherization, but paying water bills is generally not allowable);
- Mortgage or rent assistance is not allowable, UNLESS these are necessary costs to shelter individuals from the crisis situation for a TEMPORARY period of time (see allowable uses)
- Utility assistance for households housing displaced victims UNLESS the household is already low income and qualifies for LIHEAP assistance
- Ramps and wheelchairs
- School uniforms and school supplies
- Clothing (except for coats)
- Mattresses, cots, air beds and pillows

### **Re-weatherization Work**

In the event of a declared federal or state disaster, LIHEAP WAP Emergency funding can be used on a home that has been weatherized previously, if the household is eligible and in need of the specified measures outlined in the Grantee planning documents.

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## 705 – ASSURANCE 16

### REFERENCES

LIHEAP Clearinghouse  
 Understanding LIHEAP Assurance 16  
 State and Territories' Use of Assurance 16

### BACKGROUND

The LIHEAP statute allows states to spend up to five percent (5%) of their LIHEAP Block Grant funds to provide services that encourage and enable households to reduce their home energy needs including needs assessments, counseling, and assistance with energy vendors.

### ALLOWABLE ACTIVITIES

- Needs Assessment - In-depth review of the client's status to assess the need for other services.
- Referrals - Development of referral database and identification of relevant referrals for individual clients.
- Crisis Management/Vendor Advocacy - Working with clients in crisis to identify the resources needed to restore energy services and/or advocating on behalf of those clients with energy vendors.
- Financial Counseling - Furnishing longer-term counseling services to try to prevent future energy-related crises.
- Energy Education and Advocacy - Helping clients to understand how reduce energy usage and how to gain access to energy efficiency programs.
- Energy Education activities may include, but are not limited to:
  - Energy kits
  - Mileage and/or a specifically designated vehicles for transportation to and from a household or other community areas or facilities to perform allowable Assurance 16 activities and/or installation of Energy Kits.



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- Purchase and maintenance of energy education trailers and/or homes used to provide hands on exhibits that teach participants cost-effective energy reduction strategized used to optimize energy efficiency including, but not limited to how to caulk windows, install door sweeps, and change furnace filters. The homes may also be used to demonstrate high efficiency appliances, insulation applications, and other measures used for Weatherization.
  - Development and instruction of energy education exhibits, videos, hands on instructional prompts and material.
  - Incentive benefits to households for attendance at energy education classes.
- Case Management - Ongoing work with clients to ensure that they had their energy service restored and to ensure that they are able to access additional services for which they are eligible.
  - Short Term
    - Developing information and materials about services available to LIHEAP clients. This may include printing and postage costs for Assurance 16 materials and information.
    - Developing an understanding of a client’s needs and offering counseling during LIHEAP intake.
    - Providing blankets, hats, and fans to households.
  - Long Term
    - Developing a curriculum and training materials for service delivery
    - Working with clients on energy education and/or financial counseling over an extended time period.
- Direct staff time spent on the activities listed above.

**UNALLOWABLE ACTIVITIES**

- Assurance 16 funds may not be used in coordination with the Community Services Block Grant.

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- Outreach – Designing outreach materials, conducting outreach activities
- Intake – Working with the client to complete the LIHEAP application
- Crisis Determination – Assessing whether the client is in crisis
- Benefit Determination – Using the information supplied by the client to determine their benefit
- Office space, desks, equipment, supplies (administrative)
- Non-LIHEAP personnel referring people for energy assistance. For instance, a Head Start employee who spends time assessing client needs and decides the household needs energy assistance is doing Head Start referral activities, not Assurance 16.
- Indirect costs, human resources, IT support
- Staff time spent when a caller inquires about programs available to assist their family. It is not an Assurance 16 activity to determine that a household should apply for energy assistance. That is considered a shared administrative cost with other programs.
- Heat or crisis benefits
- Weatherization or home repair
- Leveraging activities

## REPORTING REQUIREMENTS

Grantees providing Assurance 16 services must be able to report the impact of activities through the statewide database:

1. Total number of households assisted
2. Total number of households achieving self-sufficiency
3. Total number of households able to reduce dependency on LIHEAP
4. Total number of households denied benefits