



DEPARTMENT OF ECONOMIC SECURITY

*Your Partner For A Stronger Arizona*

Janice K. Brewer  
Governor

Clarence H. Carter  
Director

AUG 20 2014

Ms. Lauren Christopher  
Director, Division of Energy Assistance  
Office of Community Services  
Administration for Children and Families  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20447

Dear Ms. Christopher:

In accordance with the Low Income Home Energy Assistance Act, as amended (Title XXVI of Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981 as amended), enclosed please find Arizona's Low Income Home Energy Assistance Program detailed State Plan for Federal Fiscal Year 2015.

As the delegated authority for the State of Arizona, I hereby certify that the State will comply with the 16 assurances contained in Title XXVI, 260(b) of the amended Omnibus Reconciliation Act of 1981, in the administration and operation of its Low Income Home Energy Assistance Program. The required certifications regarding Lobbying, Debarment, and Drug Free Workplace are included in the application. A copy of the Governor's Delegation of Authority is also enclosed.

If you have any questions, please contact Melanie K. Starns, Assistant Director, Division of Aging and Adult Services at (602) 542-2591.

Sincerely,

Clarence H. Carter  
Director

Enclosure:

cc: Melanie K. Starns



STATE OF ARIZONA

JANICE K. BREWER  
GOVERNOR

EXECUTIVE OFFICE

August 27, 2014

Ms. Jeannie Chaffin  
Director, U.S. Department of Health and Human Services  
Administration for Children and Families  
Office of Community Services, Division of Energy Assistance  
Aerospace Building, 5<sup>th</sup> Floor West  
370 L'Enfant Promenade, S.W.  
Washington, D.C. 20447

Dear Director Chaffin:

I, Janice K. Brewer, Governor of the State of Arizona, delegate my authority to the Director of the Department of Economic Security, to certify to the 16 assurances outlined in the Low Income Home Energy Assistance Act of 1981, as amended, and otherwise perform all necessary functions to properly administer the Low Income Home Energy Assistance Program and the Community Service Block Grant Program.

If you have any questions, please contact Melanie Starns, Assistant Director, Division of Aging and Adult Services, at (602) 542-2591 or via email at [mstarns@azdes.gov](mailto:mstarns@azdes.gov).

Sincerely,

A handwritten signature in cursive script that reads "Janice K. Brewer".

Janice K. Brewer  
Governor

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

MODEL PLAN

PUBLIC LAW 97-35, AS AMMENDED

FEDERAL FISCAL YEAR 2015

GRANTEE: ARIZONA DEPARTMENT OF ECONOMIC SECURITY (ADES),  
DIVISION OF AGING AND ADULT SERVICES (DAAS)

EIN: 1-866014791-A9

ADDRESS: P.O. Box 6123

Site Code 950A, Phoenix, Arizona 85005 OR

1789 West Jefferson 3<sup>rd</sup> Floor N.W.

Phoenix, Arizona 85007

LIHEAP COORDINATOR: Kathleen Cruz

EMAIL: kcruz@azdes.gov

TELEPHONE: (602) 542-6620 FAX: (602) 542-6655

CHECK ONE: TRIBE / TRIBAL ORGANIZATION \_\_\_\_\_ 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: 04/30/2015**

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.

## Assurances

The STATE OF ARIZONA agrees to:

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 Veteran's 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 Federal 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 Federal fiscal year preceding the Federal 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 Federal 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 Federal 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: Clarence H. Carter  
Clarence H. Carter  
Title: Director, Arizona Department of Economic Security  
Date: 8/20/14

**\* 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. (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.

**Section 1: Program Components, 2605(a), 2605(b)(1) – Assurance 1, 2605(c)(1)(C)**

1.1 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.)

Dates of Operation

- Heating assistance                      Start date: 10-1-14    End date: 9-30-15
- Cooling assistance                      Start date: 10-1-14    End date: 9-30-15
- Crisis assistance                      Start date: 10-1-14    End date: 9-30-15
- Weatherization assistance              Start date: 10-1-14    End date: 9-30-15

**Estimated Funding Allocation, 2604(c), 2605(k)(1), 2605(b)(9), 2605(b)(16) – Assurances 9 and 16**

1.2 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 percent.**

- 22.7% heating assistance
- 42.1% cooling assistance
- 5.0% crisis assistance
- 15.0% weatherization assistance
- 0.0% carryover to the following Federal Fiscal Year
- 10.0% administrative and planning costs
- 5.0% services to reduce home energy needs including needs assessment (Assurance 16)
- 0.2% used to develop and implement leveraging activities
- 100.0% **TOTAL**

**Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)**

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

- Heating assistance
- Weatherization assistance
- Cooling assistance
- Other (specify): Support a year round crisis assistance program that includes heating and cooling.

**Categorical Eligibility, 2605(b)(2)(A) – Assurance 2, 2605(c)(1)(A), 2605(b)(8A) – Assurance 8**

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below?  Yes  No

	Heating	Cooling	Crisis	Weatherization
SNAP				
TANF				
SSI				
Means-tested veteran's program				
Other (Specify) _____				

1.5 Do you automatically enroll households without a direct annual application?

Yes  No -- If yes, explain:

1.6 How do you ensure there is no difference in the treatment of categorically eligible households from those not receiving other public assistance when determining eligibility and benefit amounts?

Not Applicable.

**SNAP Nominal Payments**

1.7 Do you allocate LIHEAP funds toward a nominal payment for SNAP clients?

Yes  No -- If yes, explain:

Amount of Minimal Assistance: \$ \_\_\_\_\_

Frequency of Assistance

Once per year

Once every five years

Other (describe): \_\_\_\_\_

## Determination of Eligibility – Countable Income

1. In determining a household's income eligibility for LIHEAP, do you use gross income or net income?

- Gross Income  
 Net Income

2. Select all of the applicable forms of countable income used to determine a household's income eligibility for LIHEAP.

- Wages  
 Self-employment income  
 Contract income  
 Payments from mortgage or sales contracts  
 Unemployment insurance  
 Strike pay  
 Social Security Administration (SSA) benefits  
 Including MediCare deduction       Excluding MediCare deduction  
 Supplemental Security Income (SSI)  
 Retirement / Pension benefits  
 General Assistance benefits  
 Temporary Assistance for Needy Families (TANF) benefits  
 Supplemental Nutrition Assistance Program (SNAP) benefits  
 Women, Infants and Children Supplemental Nutrition Program (WIC) benefits  
 Loans that need to be repaid  
 Cash gifts (\$50.00 or more)  
 Savings account balance  
 One-time lump-sum payments, such as rebates/credits, winnings from lotteries, refund deposits, etc.  
 Jury duty compensation  
 Rental income  
 Income from employment through Workforce Investment Act (WIA)  
 Income from work study programs  
 Alimony  
 Child support  
 Interest, dividends or royalties  
 Commissions  
 Legal settlements  
 Insurance payments made directly to the insured  
 Insurance payments made specifically for the repayment of a bill, debt, or estimate  
 Veterans Administration (VA) benefits  
 Earned income of a child under the age of 18 (If not a full time student)  
 Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty.  
 Income tax refunds  
 Stipends from senior companion programs, such as VISTA  
 Funds received by household for the care of a foster child  
 Ameri-Corp Program payments for living allowances, earnings and in-kind aid.  
 Reimbursements (for mileage, gas, lodging, meals, etc.)  
 Other:

## Section 2: Heating Assistance, Eligibility, 2605(b)(2) – Assurance 2

2.1 Designate the income eligibility threshold used for the heating component:

2014 HHS poverty income level 150%

**AND**

FY 2015 median income 60%

Other: Arizona uses one-hundred-fifty percent (150%) of the Federal Poverty Guideline and sixty percent (60%) of the State Median Income.

2.2 Do you have additional eligibility requirements for **Heating Assistance**?

Yes  No

2.3 Check the appropriate boxes below and describe the policies for each.

• Do you require an assets test?  Yes  No

• Do you have additional/differing eligibility policies for:

○ Renters?  Yes  No

○ Renters living in subsidized housing?  Yes  No

○ Renters with utilities included in the rent?  Yes  No

• Do you give priority in eligibility to:

○ Elderly?  Yes  No

○ Disabled?  Yes  No

○ Young children?  Yes  No

○ Households with high energy burdens?  Yes  No

○ Other? Working poor  Yes  No

## Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.4 Describe how you prioritize the provision of heating assistance to vulnerable households, e.g., benefit amounts, application period, etc.

Elderly, disabled, working poor and households with children age six and under are given additional points for eligibility, which could increase the benefit level.

2.5 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 (percent of income spent on home energy)

Energy need

- Other: (Elderly, disabled, working poor and households with children age six (6) and under are given additional points for eligibility, which could increase the benefit level.)

**Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)**

2.6 Describe benefit levels:

\$75 Minimum benefit

\$640 Maximum benefit

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

- Yes     No -- If yes, describe. Service Providers make blankets available when possible.

**Section 3: Cooling Assistance, Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2**

3.1 Designate the income eligibility threshold used for the cooling component:

2014 HHS poverty income level 150%

**AND**

FY 2015 median income 60%

Other: Arizona uses one-hundred-fifty percent (150%) of the Federal Poverty Guideline and sixty percent (60%) of the State Median Income.

3.2 Do you have additional eligibility requirements for **Cooling Assistance**?

Yes  No

3.3 Check the appropriate boxes below and describe the policies for each.

• Do you require an assets test?  Yes  No

• Do you have additional/differing eligibility policies for:

○ Renters?  Yes  No

○ Renters living in subsidized housing?  Yes  No

○ Renters with utilities included in the rent?  Yes  No

• Do you give priority in eligibility to:

○ Elderly?  Yes  No

○ Disabled?  Yes  No

○ Young children?  Yes  No

○ Households with high energy burdens?  Yes  No

○ Other? Working poor  Yes  No

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable households, e.g., benefit amounts, application period, etc.

Elderly, disabled, working poor and households with children age six (6) and under are given additional points for eligibility, which could increase the benefit level.

**Determination of Benefits, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)**

3.5 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 (percent of income spent on home energy)
  - Energy need

- Other: (Elderly, disabled, working poor and households with children age six (6) and under are given additional points for eligibility, which could increase the benefit level.)

**Benefit Levels, 2605(b)(5) – Assurance 5, 2605(c)(1)(B)**

3.6 Describe benefit levels:

\$75 Minimum benefit

\$640 Maximum benefit

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

Yes  No -- If yes, describe. Service Providers provide fans when available.

**Section 4: Crisis Assistance, Eligibility, 2604(c), 2605(c)(1)(A)**

4.1 Designate the income eligibility threshold used for the crisis component:

2014 HHS poverty income level 150%

**AND**

FY 2015 median income 60%

Other: Arizona uses one-hundred-fifty percent (150%) of the Federal Poverty Guideline and sixty percent (60%) of the State Median Income.

4.2 Provide your LIHEAP program’s definition for determining a crisis.

A crisis is defined as a delinquent or shut off notice, or if utilities are included in the rent, an eviction notice is required.

Added to the definition of a crisis is the determination of a Human Service Emergency made by the Arizona Department of Economic Security. A Human Service Emergency includes, but is not limited to, fire or flood which results in the evacuation of homes and shelters. Upon determination of a Human Service Emergency, households affected may be assisted with costs to temporarily shelter or house individuals in hotels, apartments or other living situations, i.e., placing people in settings to preserve health and safety and to move them away from the crisis situation.

4.3 What constitutes a life-threatening crisis?

A life-threatening crisis is defined as, but not limited to, individuals who are exposed to extreme indoor temperatures that adversely affect their health and can potentially directly or indirectly lead to death. A life-threatening crisis also includes individuals who must utilize life sustaining medical equipment and are either unable to pay their utility bill or are within five days of running out of fuel/utility or being shut off. A household member’s health and/or well-being would likely be endangered if energy assistance is not provided.

**Crisis Requirements, 2604(c)**

4.4 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households? 48 Hours

4.5 Within how many hours do you provide crisis assistance that will resolve the energy crisis for eligible households in life-threatening situations? 18 Hours

**Crisis Eligibility, 2605(c)(1)(A)**

4.6 Do you have additional eligibility requirements for Crisis Assistance?

Yes  No

4.7 Check the appropriate boxes below and describe the policies for each.

- Do you require an assets test?  Yes  No
  
- Do you give priority in eligibility to:
  - Elderly?  Yes  No
  - Disabled?  Yes  No
  - Young children?  Yes  No
  - Households with high energy burdens?  Yes  No
  - Other? Working poor  Yes  No
  
- In order to receive crisis assistance:
  - Must the household have received a shut-off notice or have a near empty tank?  Yes  No
  - Must the household have been shut off or have an empty tank?  Yes  No
  - Must the household have exhausted their regular heating benefit?  Yes  No
  - Must renters with heating costs included in their rent have received an eviction notice?  Yes  No
  - Must heating/cooling be medically necessary?  Yes  No
  - Must the household have non-working heating or cooling equipment?  Yes  No
  - Other?  Yes  No
  
- Do you have additional/differing eligibility policies for:
  - Renters?  Yes  No
  - Renters living in subsidized housing?  Yes  No
  - Renters with utilities included in the rent?  Yes  No

[KCC1]

**Determination of Benefits**

4.8 How do you handle crisis situations?

- Separate component
  
- Fast Track (Defined for the purpose of the LIHEAP plan as being integrated into the heating or cooling assistance program for prioritizing and expediting service to households experiencing heating or cooling emergencies.)
  
- Other: Supplemental Crisis assistance is available to applicants who have already received assistance within a twelve (12) month period. The applicant must have a shut-off; disconnect notice or a notice that the utility has already been disconnected or an eviction notice if utilities are included in the rent.

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

Amount to resolve crisis, up to a maximum of \$500

Other:

**Crisis Requirements, 2604(c)**

4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served?

Yes  No

Explain: Accommodations are made to address households in rural areas by various Service Providers offering satellite locations and partnering with local community agencies that are geographically accessible to households. Some Service Providers travel to alternate locations to accommodate those who reside in rural areas.

4.11 Do you provide individuals who are physically disabled the means to?

- Submit applications for crisis benefits without leaving their homes?

Yes  No -- Applications for homebound and/or medically fragile applicants are completed during Service Providers' designated timeframes.

- Travel to the sites at which applications for crisis assistance are accepted?

Yes  No -- Service Providers travel to homes of homebound and/or medically fragile applicants, as well as, specified local sites to accommodate those who have the inability to travel to office locations.

**Benefit Levels, 2605(c)(1)(B)**

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis	\$ _____	maximum benefit
Summer Crisis	\$ _____	maximum benefit
Year-round Crisis	<u>\$500</u> _____	maximum benefit

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

Yes  No -- Service Providers provide blankets, space heaters and fans are provided when available.

4.14 Do you provide for equipment repair or replacement using crisis funds?

Yes  No

4.15 Check appropriate boxes below to indicate type(s) of assistance provided:

	Winter Crisis	Summer Crisis	Year-round Crisis
Heating system repair			
Heating system replacement			
Cooling system repair			
Cooling system replacement			
Wood stove purchase			
Pellet stove purchase			
Solar panel(s)			
Windmill(s)			
Utility poles / Gas line hook-ups			
Other (Eligible applicants with disconnect, shut off notices or eviction notices related to not being able to pay utility bills are provided crisis assistance):			X

4.16 Do any of the utility vendors you work with enforce a winter moratorium on shut offs?

Yes     No

4.17 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

Several of Arizona’s energy vendors enforce moratoriums with varying criteria. The largest energy vendors are represented below with their specific guidelines.

In accordance with Arizona Administrative Code 14-2-211(A)(5)(c) & 14-2-201(46), Arizona Public Service (APS) uses 32 degrees Fahrenheit as the point in which they stop disconnections for non-payment for low temperatures. In addition, APS also developed an internal business process where disconnections are suppressed for non-payment when high heat stress indexes are present, as determined by the Phoenix Heat Alert website that relies on heat and humidity predictions from the National Oceanic and Atmospheric Administration (NOAA).

Southwest Gas (SWG) tariff is prohibited from performing shutoffs during periods of time where weather will be especially dangerous to one’s health. These weather conditions are defined as that period of time commencing with the scheduled termination date when the local weather forecast, as predicted by the NOAA, indicates that the temperature will not exceed 32 degrees Fahrenheit for the next day’s forecast. The Corporation Commission may determine that other weather conditions are especially dangerous to one’s health as the need arises.

Salt River Project (SRP) self-initiates moratoriums in the winter and summer based on weather conditions. The duration of the self-initiated moratoriums fluctuates based on weather conditions. The criteria for moratoriums are excessive heat warnings issued by the National Weather Service.

**Section 5: Weatherization Assistance, Eligibility, 2605(c)(1)(A), 2605(b)(2) – Assurance 2**

5.1 Designate the income eligibility threshold used for the Weatherization component:

2014 HHS poverty income level 150%

**AND**

FY 2015 median income 60%

Other: Arizona uses one-hundred-fifty percent (150%) of the Federal Poverty Guideline and sixty percent (60%) of the State Median Income.

5.2 Do you enter into an interagency agreement to have another government agency administer a **Weatherization component**?  Yes  No

5.3 Name the agency: Governor's Office of Energy Policy

5.4 Is there a separate monitoring protocol for Weatherization?  Yes  No

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

Weatherization – Types of Rules

Entirely under LIHEAP (not DOE) rules

Entirely under DOE WAP (not LIHEAP) rules

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

Income Threshold

Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days.

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

Other: Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.

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

Income Threshold

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

Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.

Other:

**Eligibility, 2605(b)(5) – Assurance 5**

5.6 Do you require an assets test?  Yes  No

5.7 Do you have additional/differing eligibility policies for:

- Renters?  Yes  No
- Renters living in subsidized housing?  Yes  No

5.8 Do you give priority in eligibility to:

- Elderly?  Yes  No
- Disabled?  Yes  No
- Young children?  Yes  No
- Households with high energy burdens?  Yes  No
- Other?  Yes  No

**Benefit Levels**

5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household?

Yes  No

5.10 What is the maximum amount? Average of \$6,000.

**Types of Assistance, 2605(c)(1), (B) & (D)**

5.11 What LIHEAP weatherization measures do you provide? (Check all categories that apply.)

- |   |   |
|---|---|
| <input checked="" type="checkbox"/> Weatherization needs assessment/audits  | <input checked="" type="checkbox"/> Major appliance repairs             |
| <input checked="" type="checkbox"/> Caulking and insulation   | <input checked="" type="checkbox"/> Major appliance replacement         |
| <input checked="" type="checkbox"/> Install storm windows   | <input checked="" type="checkbox"/> Install windows/sliding glass doors |
| <input checked="" type="checkbox"/> Heating system repairs  | <input checked="" type="checkbox"/> Install doors (interior/exterior)   |
| <input checked="" type="checkbox"/> Heating system replacement  | <input checked="" type="checkbox"/> Install water heater                |
| <input checked="" type="checkbox"/> Cooling system repairs  | <input checked="" type="checkbox"/> Water conservation measures         |
| <input checked="" type="checkbox"/> Cooling system replacement  | <input checked="" type="checkbox"/> Compact florescent light bulbs      |
| <input checked="" type="checkbox"/> Energy related roof repair  |   |
| <input checked="" type="checkbox"/> Other: Replacement of air sealing/envelope sealing, duct sealing, base load measures, appliances that have high/unsafe Carbon Dioxide readings, weather-stripping of doors and windows and other health and safety needs of clients shall be allowable. |   |

Replacement of domestic hot water heater tanks (propane, gas or electric) shall be an allowable Low Income Weatherization Assistance Program expense.

Existing gas kitchen ranges which because of advanced age and deteriorated condition and which show high unsafe levels of carbon monoxide shall be eligible for replacement. The replacement range shall have electronic intermittent ignition features and shall comply with all applicable codes for gas kitchen ranges. If conversion to electric range is needed, prior approval is required from the Governor's Office of Energy Policy, Low Income Weatherization Assistance Program.

Conversion of electric water heating tanks to natural gas water heating tanks where the natural gas service is available to the property line is an allowable measure only if the household size is two or more occupants.

Conversion of propane heating, heat pump or electrical resistance heating to electric heating shall be allowable but only with prior approval from the Governor's Office of Energy Policy, Low Income Weatherization Assistance Program. The cost of running service lines shall be funded by another fund source.

**Section 6: Outreach, 2605(b)(3) – Assurance 3, 2605(c)(3)(A)**

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

- Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.
- 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.
- Mass mailing(s) to prior-year LIHEAP recipients.
- Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.
- Execute interagency agreements with other low-income program offices to perform outreach to target groups.
- Other (specify): Service Providers periodically hold mass intake events.

**Section 7: Coordination, 2605(b)(4) – Assurance 4**

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.).

- Joint application for multiple programs
- Intake referrals to/from other programs
- One-stop intake centers
- Other (describe):

The Arizona Department of Economic Security will continue its policy of cooperation, coordination, and information exchange with the Governor's Office of Energy Policy, LIHEAP Provider Agencies, Community Services Block Grant providers, the Social Security Administration, and any other Energy Programs in order to minimize duplication of services and maximize services available to eligible clients. This cooperation is in the form of both formal and informal meetings, coordination of contracting procedures and contractors, exchange of significant correspondence, and joint planning. Currently, the same Assistant Director administers the Community Services, Social Services, and the Low Income Home Energy Assistance Program Block Grants. Coordination between the three Block Grants occurs on a regular basis to ensure that the needs of the low income households are addressed. The LIHEAP Weatherization Program is administered by the Governor's Office of Energy Policy, which also operates the DOE Weatherization Program.

## Section 8: Agency Designation, 2605(b)(6) – Assurance 6

8.1 How would you categorize the primary responsibility of your State agency?

- Administration Agency
- Commerce Agency
- Community Services Agency
- Energy/Environment Agency
- Housing Agency
- Welfare Agency
- Other – describe:

## Alternate Outreach and Intake, 2605(b)(15) – Assurance 15

8.2 How do you provide alternate outreach and intake for **Heating Assistance**?

The Arizona Department of Economic Security contracts with Service Providers on a statewide basis. Application intake and eligibility determination are conducted by the Service Provider that provides the service year-round. Service Providers deliver alternate outreach and intake functions for heating assistance through associated community partners, local community churches, and neighborhood based organizations, via massive intake events, targeting those with the highest energy burden and vulnerable populations including senior centers.

8.3 How do you provide alternate outreach and intake for **Cooling Assistance**?

The Arizona Department of Economic Security contracts with Service Providers on a statewide basis. Application intake and eligibility determination are conducted by the Service Provider that provides the service year-round. Service Providers deliver alternate outreach and intake functions for cooling assistance through associated community partners, local community churches, and neighborhood based organizations, via massive intake events, targeting those with the highest energy burden and vulnerable populations including senior centers.

8.4 How do you provide alternate outreach and intake for **Crisis Assistance**?

The Arizona Department of Economic Security contracts with Service Providers on a statewide basis. Application intake and eligibility determination are conducted by the Service Provider that provides the service year-round. Service Providers deliver alternate outreach and intake functions for crisis assistance through associated community partners, local community churches, and neighborhood based organizations, via massive intake events, targeting those with the highest energy burden and vulnerable populations including senior centers.

	Heating	Cooling	Crisis	Weatherization
Who determines client eligibility?	Local Service Providers	Local Service Providers	Local Service Providers	Service Providers that offer Weatherization
Who processes benefit payments to gas and electric vendors?	Local Service Providers	Local Service Providers	Local Service Providers	Service Providers that offer Weatherization
Who processes benefit payments to bulk fuel vendors?	Local Service Providers	Local Service Providers	Local Service Providers	Service Providers that offer Weatherization
Who performs installation of weatherization measures?	Local contractors provide installation of Weatherization measures	Local contractors provide installation of Weatherization measures	N/A	Local contractors provide installation of Weatherization measures

8.5 What is your process for selecting local administering agencies?

Eleven Community Action Agencies were awarded as LIHEAP providers due to the 2003 procurement code change that exempts Community Action Agencies (A.R.S §41-2081.P). The two other LIHEAP Service Providers are nonprofit agencies and were awarded LIHEAP funds using the State procurement process. Tohono O'dham Nation is awarded LIHEAP as a sub-grantee.

8.6 How many local administering agencies do you use? 13

8.7 Have you changed any local administering agencies from last year?

Yes  No

8.8 Why?

- Agency was in noncompliance with grantee requirements for LIHEAP
- Agency is under criminal investigation
- Added agency
- Agency closed
- Other:

## Section 9: Energy Suppliers, 2605(b)(7) – Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating  Yes  No

Cooling  Yes  No

Crisis  Yes  No

Are there exceptions?  Yes  No

Other: Home energy suppliers are directly paid by local Service Providers.

9.2 How do you notify the client of the amount of assistance paid?

Clients are notified by Service Providers via an approval letter of the amount paid on their behalf.

9.3 How do you 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?

Energy suppliers will, through their normal billing process, apply the Energy Assistance payments to the approved households' account, just as any other payment would be applied.

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

Local Service Providers assure that households receiving LIHEAP are not treated adversely by working collaboratively with energy vendors.

9.5 Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households?  Yes  No. If so, how?

**Section 10: Program Fiscal Monitoring, and Audit, 2605(b)(10) – Assurance 10**

10.1 How do you ensure good fiscal accounting and tracking of LIHEAP funds?

Arizona Department of Economic Security assures that fiscal control and fund accounting procedures are established to assure the proper accounting of their disbursement of federal funds paid to the state under this program, including procedures for monitoring the assistance provided under this title, and that the Arizona Auditor General's Office includes LIHEAP in its audit of program expenditures in accordance with the Single Audit Act of 1984.

**Audit Process**

10.2 Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A-133?

Yes    No

10.3 Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited federal fiscal year.

Finding	Type	Brief Summary	Resolved?	Action Taken
1. The 2012 State of Arizona Single Audit of Low-Income Home Energy Assistance (LIHEAP) found errors in the LIHEAP Annual Household Report submitted during FY 2012.	Reporting	1. The reporting documents were corrected and management oversight was implemented.	Yes	Procedural/policy changes

10.4 Audits of Local Administering Agencies:

- What types of annual audit requirements do you have in place for local administering agencies/district offices?
  - Local agencies/district offices are required to have an annual audit in compliance with the Single Audit Act and OMB Circular A-133.
  - Local agencies/district offices are required to have an annual audit (other than A-133).
  - Local agencies/district offices' A-133 or other independent audits are reviewed by Grantee as part of compliance process.
  - Grantee conducts fiscal and program monitoring of local agencies/district offices.

## Compliance Monitoring

10.5 Describe the Grantee's strategies for monitoring compliance with the Grantee's and Federal LIHEAP policies and procedures by:

Grantee employees:

- Internal program review
- Departmental oversight
- Secondary review of invoices and payments
- Other program review mechanisms are in place. Describe:

Local Administering Agencies/District Offices:

- On-site evaluation
- Annual program review
- Monitoring through Central Database
- Desk reviews
- Client File Testing/Sampling
- Other program review mechanisms are in place. Describe:

10.6 Explain, or attach a copy of, your local agency monitoring schedule and protocol.

**Schedule** – Monitoring of Service Providers will occur at least every other year on a rotational basis. Any Service Provider that has a particular problem will be given technical assistance until the problem is resolved.

**Focus** - Monitoring focuses on the following areas: program, fiscal, policy and general contract requirements. Monitoring may occur through a desk review of materials or on-site monitoring. Weatherization monitoring encompasses the aforementioned areas plus on-site quality control inspection of weatherized homes. Monitoring visits are also used for contractor training and technical assistance as required. Monitoring relates to Service Providers' separate evaluations of internal controls, such as control self- assessments or internal procedures and performance. Internal monitoring processes shall be practiced by Service Providers. LIHEAP Service Providers have a responsibility to monitor and be monitored for compliance with program requirements.

The Arizona Department of Economic Security monitors Service Providers' compliance with all requirements of federal, state and local laws, the contractual requirements and directives in the policy manual. The Service Provider shall cooperate in the evaluation of contracted services. The evaluation may assess the Service Provider's progress and/or success in achieving the goals, objectives and deliverables set forth in their contract related to LIHEAP.

**Protocol** – The Arizona Department of Economic Security shall provide the Service Provider with a request for needed documents, such as, case management files, fiscal and administrative records, at least one week prior to the scheduled monitoring date. Regarding unscheduled monitoring, the Arizona Department of Economic Security may request needed documents while on-site without prior notice. The Arizona Department of Economic Security will communicate recommendations or findings with key personnel and provide the opportunity for clarification, and will provide written results of the monitoring in a reasonable amount of time.

The Service Provider will ensure that key personnel are available for discussion during the scheduled monitoring and that the requested records are available and in order beginning on the first day of the scheduled on-site monitoring visit. It is the Arizona Department of Economic Security's expectation that the monitoring will begin at the agreed date and time for scheduled monitoring.

The on-site monitoring visit will include these activities:

The interview should include the Arizona Department of Economic Security Contract Specialist, Arizona Department of Economic Security Program Specialist and the Service Provider's Program Manager. It may include other Arizona Department of Economic Security and Service Provider staff upon request of the Arizona Department of Economic Security Contract Specialist, Arizona Department of Economic Security Program Specialist or at the discretion of the Service Provider. The entrance interview will describe the monitoring activities that will take place, review the monitoring process and schedule interviews with other Service Provider staff, as requested by the Arizona Department of Economic Security monitoring team.

On-site compliance monitoring will consist of a program review, with follow-up questions appropriate to the local situation. In order to complete the compliance monitoring, the Arizona Department of Economic Security Contract Specialist and/or the Arizona Department of Economic Security Program Specialist will interview the Service Provider Program Manager, the Fiscal Director, the position responsible for outreach activities, and any other staff whose work is integral to the program, as well as applicants.

#### 10.7 Describe how you select local agencies for monitoring reviews?

Service Providers are monitored according to a biennial schedule on a rotational basis. If there are concerns related to a specific Service Provider's operations that Provider would be a priority for [monitoring](#)<sup>[kcc2]</sup>.

#### 10.8 How often is each local agency monitored?

Service Providers are monitored according to a biennial schedule on a rotational basis.

#### 10.9 What is the combined error rate for eligibility determinations?

The Arizona Department of Economic Security has not captured collective data in this area, however; resolution to eligibility determination issues is addressed at the time of monitoring and in a formal Report of Findings.

#### 10.10 What is the combined error rate for benefit determinations?

The Arizona Department of Economic Security has not captured collective data in this area, however; resolution to eligibility determination issues is addressed at the time of monitoring and in a formal Report of Findings.

10.11 How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues?

There are no Service Providers on corrective action plans for eligibility and/or benefit determination issues.

10.12 How many local agencies are currently on corrective action plans for financial accounting or administrative issues?

There are no Service Providers on corrective action plans for financial accounting or administrative issues.

**Section 11: Timely and Meaningful Public Participation, 2605(b)(12) – Assurance 12, 2605(c)(2)**

11.1 How did you obtain input from the public in the development of your LIHEAP plan?

Check all that apply:

- Tribal Council meeting(s)
- Public Hearing(s)
- Draft Plan posted to website and available for comment
- Hard copy of plan is available for public view and comment
- Comments from applicants are recorded
- Request for comments on draft Plan is advertised
- Stakeholder consultation meeting(s)
- Comments are solicited during outreach activities
- Other, describe:

11.2 What changes did you make to your LIHEAP plan as a result of this participation?

Section 17.3 Identification Verification was modified to reflect that some Service Providers verify Social Security Numbers with the State Eligibility/Management System (e.g. SNAP, TANF).

**Public Hearings, 2605(a)(2)**

11.3 List the date(s) and location(s) that you held public hearing(s) on the proposed use and distribution of your LIHEAP funds?

Date	Event Description
May 22, 2014	Phoenix Public Hearing
June 4, 2014	Flagstaff Public Hearing
June 10, 2014	Tucson Public Hearing

11.4 How many parties commented on your plan at the hearing(s)?

A total of five (5) parties commented.

11.5 Summarize the comments you received at the hearing(s).

Overall comments were regarding Service Providers requesting that OCS change the State Plan Form to reflect the cooling realities of warm weather states. Section 10.6, Monitoring Protocol; that the monitoring protocol be more specific with a 30 day notification and case management list from the Department of Economic Security. It was also mentioned that in section 17.2(A) that the government issued identification categories is incomplete and causes concern that certain items listed, but not all that are recognized and used. In Section 17.3 Identification Verification, additional items that should be checked off; match Social Security Numbers with state eligibility/management system (e.g. SNAP, TANF).

11.6 What changes did you make to your LIHEAP plan as a result of the public hearing(s)?

Section 17.2(A) Identification Forms; other government issued identification categories were added in 'other'. Section 17.3 Identification Verification; other was checked with language to include Some Service Providers verify SSNs with the State eligibility/management system (e.g. SNAP, TANF).

## Section 12: Fair Hearings, 2605(b)(13) – Assurance 13

12.1 How many fair hearings did the grantee have in the prior federal fiscal year?

There were no fair hearings in federal fiscal year 2014.

12.2 How many of those fair hearings resulted in the initial decision being reversed?

There were no fair hearings in federal fiscal year 2014.

12.3 Describe any policy and/or procedural changes made in the last federal fiscal year as a result of fair hearings?

No policy and/or procedural changes were made in the last federal fiscal year as a result of fair hearings.

12.4 Describe your fair hearing procedures for **households whose applications are denied**.

A Fair Hearing procedure is in place within the Department of Economic Security (DES), Division of Aging and Adult Services (DAAS) Community Action Programs Unit and the Community Action Agencies (CAAs). Clients will be notified at time of application of their right to appeal.

Step One: An opportunity to file a request for a fair hearing regarding any adverse action shall be granted by the CAA to any applicant/recipient who requests a hearing because his or her benefit assistance is denied, delayed, discontinued, suspended or terminated. The applicant/recipient must within ten working days provide in writing a statement of the grounds for the hearing. The request must be submitted to the CAA within ten working days after the mailing date on the decision letter. The CAA receiving the grievance will make all efforts to resolve the issues within ten working days of the request.

Step Two: In the event the applicant/recipient wishes to appeal the decision of the CAA, the applicant/recipient may within ten working days of receiving the CAA decision letter appeal in writing to the Arizona Department of Economic Security Assistant Director. The Assistant Director will assign the appropriate personnel to conduct the hearing. A decision will be provided within ten working days of the appeal letter.

Step Three: In the event the applicant/recipient wishes to appeal the decision of the Arizona Department of Economic Security Assistant Director, the applicant/recipient may within ten working days of receiving the Arizona Department of Economic Security Assistant Director's decision letter request in writing a fair hearing from the Arizona Court of Appeals. The Arizona Court of Appeals will be responsible for conducting the hearing and providing a decision within 60 days of the request.

Step Four: In the event the applicant/recipient wishes to appeal the decision of the Arizona Court of Appeals, the applicant/recipient may within ten working days of receiving the Arizona Court of Appeals decision letter request in writing a fair hearing from the Department of Health and Human Services, Office of Community Services in Washington D.C. The Department of Health and Human Services, Office of Community Services in Washington D.C. will be responsible for providing a decision within 60 days of the request.

## 12.5 When and how are applicants informed of these rights?

Applicants are informed of the right to a fair hearing through notices posted in Service Providers' waiting areas and in writing and verbally during their initial intake appointment.

## 12.6 Describe your fair hearing procedures for **households whose applications are not acted on in a timely manner.**

A Fair Hearing procedure is in place within the Department of Economic Security (DES), Division of Aging and Adult Services (DAAS) Community Action Programs Unit and the Community Action Agencies (CAAs). Clients will be notified at time of application of their right to appeal.

**Step One:** An opportunity to file a request for a fair hearing regarding any adverse action shall be granted by the CAA to any applicant/recipient who requests a hearing because his or her benefit assistance is denied, delayed, discontinued, suspended or terminated. The applicant/recipient must within ten working days provide in writing a statement of the grounds for the hearing. The request must be submitted to the CAA within ten working days after the mailing date on the decision letter. The CAA receiving the grievance will make all efforts to resolve the issues within ten working days of the request.

**Step Two:** In the event the applicant/recipient wishes to appeal the decision of the CAA, the applicant/recipient may within ten working days of receiving the CAA decision letter appeal in writing to the Arizona Department of Economic Security Assistant Director. The Assistant Director will assign the appropriate personnel to conduct the hearing. A decision will be provided within ten working days of the appeal letter.

**Step Three:** In the event the applicant/recipient wishes to appeal the decision of the Arizona Department of Economic Security Assistant Director, the applicant/recipient may within ten working days of receiving the Arizona Department of Economic Security Assistant Director's decision letter request in writing a fair hearing from the Arizona Court of Appeals. The Arizona Court of Appeals will be responsible for conducting the hearing and providing a decision within 60 days of the request.

**Step Four:** In the event the applicant/recipient wishes to appeal the decision of the Arizona Court of Appeals, the applicant/recipient may within ten working days of receiving the Arizona Court of Appeals' decision letter request in writing a fair hearing from the Department of Health and Human Services, Office of Community Services in Washington D.C. The Department of Health and Human Services, Office of Community Services in Washington D.C. will be responsible for providing a decision within 60 days of the request.

## 12.7 When and how are applicants informed of these rights?

Applicants are informed of the right to a fair hearing through notices posted in Service Providers' waiting areas and in writing and verbally during their initial intake appointment.

### **Section 13: Reduction of home energy needs, 2605(b)(16) – Assurance 16**

13.1 Describe how 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?

Service Providers offer energy reduction education through brochures, teaching applicants during the application process, in-house tutorial videos presented in waiting areas, and classes.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

To ensure that no more than 5% of LIHEAP funding is used for Assurance 16 purposes the Arizona Department of Economic Security utilizes fiscal and program controls, including fund accounting procedures, to assure that Service Providers abide by the federal guidelines.

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

The Arizona Department of Economic Security has not collected this LIHEAP data for FFY 2014, however; future plans are to incorporate information collected in FFY 2015.

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

FFY 2014 data is not available, however the direct level benefits provided to households in FFY 2013 was \$7,856,626.

13.5 How many households applied for these services?

Applicants do not apply for these services; they are offered the education during their initial intake appointments. In FFY 2013, 22,728 households were served.

13.6 How many households received these services?

FFY 2014 data is not available at this time. Households provided Assurance 16 services in FFY 2013 was 22,728.

**Section 14: Leveraging Incentive Program, 2607A**

14.1 Do you plan to submit an application for the leveraging incentive program?

Yes     No

14.2 Describe instructions to the third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

A request for submittal is emailed to Service Providers along with all pertinent attachments (blank leveraging report and previous year report/reports submitted, if applicable) with a deadline to submit all leveraging resource reports by October 15<sup>th</sup> of each year.

14.3 For each type of resource and/or benefit to be leveraged in the upcoming year that will meet the requirements of 45 C.F.R. § 96.87(d)(2)(iii), describe the following:

The identification of these items does not preclude the identification of additional resources when the final report on leveraging is submitted (2607A).

<b>Resource/Benefit</b>	<b>Source(s) of each resource</b>	<b>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)</b>
Arizona Community Action Association (ACAA) – Utility Repair, Replace and Deposit Program (URRD)	URRD funds are used by community action agencies in coordination with LIHEAP for deposits, and repairs, or replacements of energy related appliances and systems.	E
Arizona Community Action Association (ACAA) – Home Energy Assistance Fund	This resource provides energy assistance to eligible low income households statewide.	A
Arizona Public Service (APS)	Provides a discount to households based on electricity usage for each month.	D
APS/Community Action Partnership	APS provides funding for materials, supplies and repairs to low income homeowners for weatherization. Funds are also used to provide utility assistance payments for gas and electric to LIHEAP eligible households.	A

<b>Resource/Benefit</b>	<b>Source(s) of each resource</b>	<b>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)</b>
City of Phoenix Water Fund (Project Assist)	The Project Assist dollars are used in conjunction with LIHEAP funds to assist low income families in addressing their utility and water needs.	N/A
City of Scottsdale Utility Assistance Program	Funds are used to provide emergency utility assistance to low income families.	A
City of Tucson – Low Income Assistance Program	Funds are used to provide a discount to low income households with water bills.	A
Coconino County General Funds (Not State General Funds)	Funds are used to provide low income Coconino County residents with financial assistance with utility bills in conjunction with LIHEAP.	A, C and E
Donations to Agency	The resource provides funds to the Community Action Human Resources Agency (CAHRA), LIHEAP provider, for utility assistance to low income households.	N/A
Neighbors Helping Neighbors	Funds for Home Energy Assistance available statewide. Funds are received through a voluntary State Tax check off.	E
Pima County General Fund - Utility Assistance	Funds are used to provide low income Pima County residents with financial assistance with utility bills in conjunction with LIHEAP.	N/A
Salt River Project (SRP) Bill Assistance Program	This resource provides funds to meet the energy affordability needs of low income customers.	A

Resource/Benefit	Source(s) of each resource	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)
SRP - Economy Price Plan	Provides a discount to households based on monthly electricity usage. The LIHEAP Grantee and Arizona Community Action Association met with SRP to discuss the expansion of the utility discount program to all low income households rather than only seniors. All low income households at 150 percent of poverty may apply for the discount. A LIHEAP eligibility criterion was incorporated with this resource.	N/A
SRP - Weatherization Program	The resource provides material, supplies and repairs to low income households for weatherization.	A
Salvation Army - Project SHARE	Fuel fund providing benefits within the LIHEAP program statewide. Project SHARE provides benefits to households who have already been assisted by LIHEAP but are still in a crisis situation or applicant has gone to a Community Action Agency (CAA) first and the CAA has no funding available, only benefits to LIHEAP eligible households are counted.	A
SemStream Arizona Propane	This resource provides utility bill assistance for low income households with SemStream Arizona propane service territory.	A

<b>Resource/Benefit</b>	<b>Source(s) of each resource</b>	<b>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)</b>
Southwest Gas (SWG) Corporation – Low Income Rate Assistance Program (LIRA)	LIRA provides a 30 percent reduction on the per therm rate applied to the first 150 therms of natural gas used each month from November 1 through April 30 and on the service establishment and/or re-establishment charge year round.	N/A
SWG – Low Income Energy Conservation	SWG provides funding to Community Action Agencies (CAA) to meet the energy affordability needs of low income customers through a coordinated partnership. CAAs’ serving SWG territory will coordinate and deliver the program elements in conjunction with their existing activities for the Weatherization and LIHEAP programs.	A
SWG – Donated Water Heaters	SWG donated hot water heaters to be installed in low income households. Households are assessed on energy consumption and condition of unit, LIHEAP/WAP criteria is used to determine eligibility.	A
Tucson Electric Power (TEP) – HERO – Help with Emergency Relief Operation	Fuel fund providing benefits within the LIHEAP program in the Tucson area. LIHEAP provider agencies take applications and eligibility criteria are the same.	A
TEP – LIFELINE Discount Program	Provides a discount to low income households at 150 percent based on electricity usage for each month. The CAAs take applications and assist clients through the application process.	D

<b>Resource/Benefit</b>	<b>Source(s) of each resource</b>	<b>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)</b>
TEP Weatherization	TEP funds to provide weatherization services, specifically designed to lower energy burden for qualified homeowners.	D
Unisource Energy Services	Provides a discount to households based on electric usage for each month. Households are at 150 percent of poverty.	D
Unisource Energy Services – Customers Assistance Residential Energy Support Program-Gas	Home energy discounts that reduce low income households utility bills.	D
Unisource Energy Services – Weatherization Program	UniSource Energy Services funds cover weatherization strategies specifically designed to lower energy burden for qualified homeowners, and are leveraged/combined with other funding sources for comprehensive home repairs.	G
Warm Spirit	Unisource Energy Services-Gas and Electric Division’s collect donations from customers and businesses to provide utility assistance to low income households.	D
Arizona Utility Companies: APS; SRP; Unisource Energy Services; TEP; SWG; and City of Mesa Electric, Gas and Water Company	These companies provide a wide variety of resources that may include discounts, donated utility related appliances and funds to assist low income households with utility assistance payments and/or weatherization benefits.	N/A

## Section 15: Training

15.1 Describe the training you provide for each of the following groups:

### A. Grantee Staff:

- Formal training on grantee policies and procedures

How often?

- Annually  
 Biannually  
 As needed  
 Other – Describe
- Employees are provided with policy manual  
 Other – Describe: Arizona Department of Economic Security LIHEAP Staff receives formal training from the Office of Community Services and National Energy Assistance Directors' Association.

### B. Local Agencies

- Formal training conference

How often?

- Annually  
 Biannually  
 As needed  
 Other – Describe: The Arizona Department of Economic Security provides LIHEAP training on a quarterly basis via webinars. Service Providers also attend various OCS and other LIHEAP training via conferences at their discretion.

- On-site training

How often?

- Annually  
 Biannually  
 As needed  
 Other – Describe:
- Employees are provided with policy manual  
 Other – Describe:

### C. Vendors

- Formal training on grantee policies and procedures

How often?

- Annually  
 Biannually  
 As needed  
 Other – Describe:
- Policies communicated through vendor agreements  
 Policies are outlined in a vendor manual  
 Other – Describe:

Vendors are provided with current LIHEAP Policy Manuals. Questions and concerns are communicated verbally and via email[kcc3].

15.2 Does your training program address fraud reporting and prevention?

Yes  No

## **Section 16: Performance Goals and Measures, 2605(b)**

- 16.1 Describe performance goals and measures that will be tracked for the upcoming Federal fiscal year[KCC4].

Arizona will continue to provide data to meet the required performance goals and measures for the upcoming fiscal year. A Statewide database system is being considered. Required performance goals and measures will continue to be provided with the current method of collecting data from service providers, aggregating the data utilizing Excel spreadsheets and/or service provider functioning database systems. The State is working closely with OCS' federal contractor regarding the LIHEAP Performance Measures to develop a comprehensive spreadsheet and methodology for collecting the new information.

- 16.2 Summarize results of performance goals and measures for the prior Federal fiscal year[KCC5].

In Federal Fiscal Year 2014 the performance measures and goals section in the State Plan was optional. The State did not complete this section. However, the State met performance goals of reaching and assisting those households with the lowest income and the highest energy burden and those of the vulnerable population which is evidenced through utilizing Arizona's eligibility worksheet.

**Section 17: Program Integrity, 2605(b)(10)**

**17.1 Fraud Reporting Mechanisms**

A. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse.

- Online Fraud Reporting
- Dedicated Fraud Reporting Hotline
- Report directly to local agency/district office or Grantee office
- Report to State Inspector General or Attorney General
- Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse.
- Other – Describe: A dedicated fraud reporting hotline is in place for state wide fraud abuse and is not specific to LIHEAP.

B. Describe strategies in place for advertising the above-referenced resources.

- Printed outreach materials
- Addressed on LIHEAP application
- Website
- Other – Describe:

**17.2 Identification Documentation Requirements**

A. Indicate which of the following forms of identification are required or requested to be collected from LIHEAP applicants or their household members.

REQUIRED Type of Identification Collected	Collected from Whom?		
	Applicant Only	All Adults in HH	HH Members Seeking Assistance*
Social Security Card is photocopied and retained	<input type="checkbox"/> Required	<input type="checkbox"/> Required	<input type="checkbox"/> Required
	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested
Social Security Number (without actual card)	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required
	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested
Government issued identification card (i.e.: driver's license, state ID, Tribal ID, passport etc.)	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required
	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested	<input type="checkbox"/> Requested
Other: Citizenship/Legal Permanent Resident Status	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required	<input checked="" type="checkbox"/> Required

B. Describe any exceptions to the above policies: Other documents that Service Providers use for identification verification are; wage stubs, work and school identification cards, Arizona State Driver's License and identification cards, birth certificates, birth records, Certificates of Indian Blood (CIBs), tribal identification cards, housing authority (section 8) documents, social security cards and

documents, family census cards, health benefit identification cards, social service program documents or cards, passports, legal permanent residence documents, tax returns and voter registration cards [KCC6].

### 17.3 Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members.

- Verify SSNs with Social Security Administration
- Match SSNs with death records from Social Security Administration or state agency
- Match SSNs with state eligibility/management system (e.g., SNAP, TANF)
- Match with state Department of Labor system
- Match with state and/or federal corrections system
- Match with state child support system
- Verification using private software (e.g., The Work Number)
- In-person certification by staff
- Match SSN/Tribal ID number with tribal database
- Other – describe: Some Service Providers verify SSNs with the State eligibility/management system (e.g. SNAP, TANF).

### 17.4 Citizenship/Legal Residency Verification

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits?

- Clients sign an attestation of citizenship or legal residency
- Clients' submission of Social Security cards is accepted as proof of legal residency
- Noncitizens must provide documentation of immigration status
- Citizens must provide a copy of their birth certificate, naturalization papers, or passport
- Noncitizens are verified through the SAVE system
- Tribal members are verified through Tribal database/Tribal ID card
- Other – describe:

### 17.5 Income Verification

What methods does your agency utilize to verify household income?

- Require documentation of income for all adult household members
  - Pay stubs
  - Social Security award letters
  - Bank statements
  - Tax statements
  - Zero-income statements
  - Unemployment Insurance letters
  - Other – describe: Unearned income verification, require documentation of income for all adult household members and persons age 16 or above who are not full-time students.

- Computer data matches:
  - Income information matched against state computer system (e.g., SNAP, TANF).
  - Proof of unemployment benefits verified with state Department of Labor
  - Social Security income verified with SSA
  - Utilize state directory of new hires
  - Other – describe:

17.6 Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure.

- Policy in place prohibiting release of information without written consent
- Grantee LIHEAP database includes privacy/confidentiality safeguards
- Employee training on confidentiality for:
  - Grantee employees
  - Local agencies/district offices
- Employees must sign confidentiality agreement
  - Grantee employees
  - Local agencies/district offices
- Physical files are stored in a secure location
- Other – describe:

17.7 Verifying the Authenticity of Energy Vendors

What policies are in place for verifying vendor authenticity?

- All vendors must register with the State
- All vendors must supply a valid SSN or TIN/W-9 form
- Vendors are verified through energy bills provided by the household
- Grantee and/or local agencies/district offices perform physical monitoring of vendors
- Other – describe, and note any exceptions to policies above:

17.8 Benefits Policy – Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients?

- Applicants are required to submit proof of physical residency
- Applicants must submit current utility bill
- Data exchange with utilities that verifies:
  - Account ownership
  - Consumption
  - Balances
  - Payment history
  - Account is properly credited with benefit
  - Other – describe

- Centralized computer system/database tracks payments to all utilities
- Centralized computer system automatically generates benefit level
- Separation of duties between intake and payment approval
- Payments coordinated among other heating assistance programs to avoid duplication of payments
- Payments to utilities and invoices from utilities are reviewed for accuracy
- Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities
- Direct payment to households are made in limited cases only
- Procedures are in place to require prompt refunds from utilities in cases of account closure
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other – Describe: Some Service Providers utilize computer databases to periodically review to verify accuracy and timeliness of payments made to utilities.

#### 17.9 Benefits Policy — Bulk Fuel Vendors

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors?

- Vendors are checked against an approved vendors list
- Centralized computer system/database is used to track payments to all vendors
- Clients are relied on for reports of non-delivery or partial delivery
- Two-party checks are issued naming client and vendor
- Direct payment to households are made in limited cases only
- Conduct monitoring of bulk fuel vendors
- Bulk fuel vendors are required to submit reports to the Grantee
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other – Describe: Service Providers directly pay vendors and keep accounting records which are monitored by the Arizona Department of Economic Security to avert fraud and improper payments.

#### 17.10 Investigations and Prosecutions

Describe the Grantee's procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud.

- Refer to state Inspector General
- Refer to local prosecutor or state Attorney General
- Refer to US DHHS Inspector General (including referral to OIG hotline)
- Local agencies/district offices or Grantee conduct investigation of fraud complaints from public
- Grantee attempts collection of improper payments. If so, describe the recoupment process.
- Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?
- Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated
- Vendors found to have committed fraud may no longer participate in LIHEAP
- Other – describe:

## **REQUIRED ATTACHMENTS**

The following documents must be attached to this application and are represented in the pages following this one:

- Assurances signature page
- Designation letter for signature to Assurances is required if someone other than the Governor or Tribal Chairperson signs the Assurances,
- Heating component benefit matrix.
- Cooling component benefit matrix.
- Local Agency Monitoring Schedule.

## **Section 18: 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.

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#### 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 whom 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.

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#### Certification Regarding Debarment, Suspension, Ineligibility and 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.

By checking this box, the prospective primary participant is providing the certification set out above.

## Section 19: Certification Regarding Drug-Free Workforce 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, D.C. 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 sub-recipients or subcontractors in covered workplaces).

#### Certification Regarding Drug-Free Workplace Requirements

##### 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:
  - I. The dangers of drug abuse in the workplace;
  - II. The grantee's policy of maintaining a drug-free workplace;
  - III. Any available drug counseling, rehabilitation, and employee assistance programs; and
  - IV. 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:
  - I. abide by the terms of the statement; and
  - II. 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:
  - I. 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
  - II. 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);
- h. 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)

1789 W. Jefferson Street

Phoenix, Arizona 85007

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]

- By checking this box, the prospective primary participant is providing the certification set out above.

## Section 20: Certification Regarding Lobbying

The submitter of this application certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated 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 Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification 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 certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

### Statement for Loan Guarantees and Loan Insurance

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.

- By checking this box, the prospective primary participant is providing the certification set out above.

## ARIZONA HEATING COMPONENT BENEFIT MATRIX

Payment guidelines are based upon income, energy burden and energy need. Priority points are given to households with the lowest income, highest energy burden and energy need. Households, which meet these criteria, are eligible for higher benefits.

1. Poverty: Based on 60 percent of State Median Income for household sizes of one through six. For households of seven or more, percentages will be based on 150 percent of the Federal Poverty guidelines.

<u>Percent of Poverty</u>	<u>Points Applied</u>
0% - 25%	5 points
26% - 50%	4 points
51% - 75%	3 points
76% - 100%	2 points

2. Energy Burden

<u>Percent of Energy Burden</u>	<u>Points Applied</u>
5% - or less	0 points
6% - 10%	3 points
11% - 15%	4 points
16% - 20%	5 points
21% - Higher	6 points

3. Energy Need

<u>Percent of Energy Need</u>	<u>Points Applied</u>
Elderly	1 point
Disabled	1 point
Child age 6 and under in Household	1 point
Working Poor	1 point

<u>Total Points Applied</u>	<u>Payment Levels</u>
1 - 2	\$ 75 - \$160 maximum
3 - 6	\$125 - \$320 maximum
7 - 11	\$175 - \$480 maximum
12 - 15	\$225 - \$640 maximum

## ARIZONA COOLING COMPONENT BENEFIT MATRIX

Payment guidelines are based upon income, energy burden and energy need. Priority points are given to households with the lowest income, highest energy burden and energy need. Households, which meet these criteria, are eligible for higher benefits.

1. Poverty: Based on 60 percent of State Median Income for household sizes of one through six. For households of seven or more, percentages will be based on 150 percent of the Federal Poverty guidelines.

<u>Percent of Poverty</u>	<u>Points Applied</u>
0% - 25%	5 points
26% - 50%	4 points
51% - 75%	3 points
76% - 100%	2 point

2. Energy Burden

<u>Percent of Energy Burden</u>	<u>Points Applied</u>
5% - or less	0 points
6% - 10%	3 points
11% - 15%	4 points
16% - 20%	5 points
21% - Higher	6 points

3. Energy Need

<u>Percent of Energy Need</u>	<u>Points Applied</u>
Elderly	1 point
Disabled	1 point
Child age 6 and under in Household	1 point
Working Poor	1 point

<u>Total Points Applied</u>	<u>Payment Levels</u>
1 - 2	\$ 75 - \$160 maximum
3 - 6	\$125 - \$320 maximum
7 - 11	\$175 - \$480 maximum
12 - 15	\$225 - \$640 maximum

## **ARIZONA: LOCAL AGENCY MONITORING SCHEDULE FOR FY 2015**

The Arizona Department of Economic Security monitors LIHEAP service providers every two years. For State Fiscal Year 2015 there will be desk monitoring to allow for the request for application process and contract renewals. LIHEAP on-site monitoring will resume in SFY 2016.