



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Douglas A. Ducey
Governor

Cara M. Christ, MD, MS
Interim Director

April 14, 2020

To: Community Action Contractors
From: Community Action and Aging Programs Administration
Re: Guidance and waivers regarding COVID-19

In light of the COVID-19 pandemic, the Community Action and Aging Programs Administration is issuing guidance and waivers for certain contractual requirements. Unless otherwise noted, these waivers are effective March 11, 2020, and expire at the end of June 30, 2020. This guidance will be posted to our website at <https://des.az.gov/services/aging-and-adult/partners/daas-policy-and-procedure-manual> in the Community Action section toward the bottom of the page. Updates to the guidance will be communicated by email and posted to the website.

ELIGIBILITY

30-day Income: If an individual's employment has been terminated or hours reduced, you may extrapolate their present situation to their prospective income for the *coming* 30 days and use this figure instead of their income from the trailing 30 days. Employer verification should be attempted, but in case of employer closures, applicants' attestations that they were terminated may be accepted. Caseworkers should thoroughly document all instances where future income is used for eligibility determination.

Eviction Prevention: An eviction or foreclosure notice is not required to be eligible for housing payment assistance. Qualifying need for assistance is established by the client producing a late notice from their property owner or providing an attestation that they are behind on rent if no such notice is available. The usual income, immigration status, and other eligibility criteria still apply.

Economic Impact Payments (EIPs): §2201 of the CARES Act (P.L. 116-136) provides a one-time tax credit of \$1,200 for most individuals. The IRS is referring to these tax credits as "economic impact payments," while many news outlets are using the term "stimulus payments." The LIHEAP Policy Manual at §900.09(P) excludes income tax refunds from countable income. Therefore, since EIPs are defined in the CARES Act as a tax credit, they are **not** counted as income for LIHEAP and any other programs which follow the LIHEAP Policy Manual.

Coronavirus-affected Individuals: CSBG and LIHEAP funds under the CARES Act are appropriated specifically "to prevent, prepare for, or respond to coronavirus." COVID-19's damage to the economy has been pervasive, systemic, and cascading. Even if an individual's financial challenges predated COVID-19, that person is now in a

much worse position with fewer possible recourses. Therefore, **all** low-income individuals are considered coronavirus-affected, and use of CARES Act funds to assist **any** low-income individual or community is considered a legitimate “response to coronavirus.” This guidance is valid through June 30, at which time it will be updated to reflect evolutions in the macroeconomic environment.

CSBG Income Threshold: In accordance with Title VII of the CARES Act, for services provided with CSBG funds from October 1, 2019 through September 30, 2021, you may use an income eligibility threshold of 200% of the federal poverty level rather than 125%.

SERVICE PROVISION

Home Visits: You are exempted from the requirement to provide home visits to clients of limited mobility. However, you must maintain an ability to serve such clients by another mechanism.

LIHEAP Supplemental: The maximum supplemental payment is being increased from \$800 to \$1,000. If a client has received LIHEAP supplemental since January 1, 2020, you may retroactively increase their payment to the \$1,000 level without resetting the client’s 12-month waiting period.

DOCUMENTATION

Original Documents: You may accept photographs, photocopies, and faxes of documents in lieu of originals.

Documents on File: For clients who have previously been assisted, you may re-use non-expired copies of documents that you have on file which demonstrate identity and citizenship, e.g. passports. You may not re-use documents which demonstrate residency, income, and energy burden.

Phone Signatures: You may accept applicants' attestations over the phone in lieu of wet signatures. The caseworker should verify the identity of the individual on the phone (e.g., by asking for name and date of birth) and take a case note that verbal attestation was made. This waiver may be updated with additional specifications for phone signatures.

ADMINISTRATION

Subrecipient Monitoring: We are suspending on-site subrecipient monitoring requirements. We encourage you to continue desk reviews to the extent prudent.

LIHEAP Carryover: The 10% limit on automatic carryover is being waived for funds carried over from FY 2020 to FY 2021. Contractors which would normally receive only up to 10% of their original allocation in automatic carryover will instead receive their full

unspent amount of LIHEAP funds in automatic carryover. Please note that the Department still does **not** have authority to carry over unspent TANF, NHN, or SSBG funds.

Please reach out for any clarification. We appreciate your partnership and commitment to low-income Arizonans in these trying times.

Sincerely,

A handwritten signature in cursive script, appearing to read "Edward Chien".

Edward Chien
Community Action Program Manager
Community Action and Aging Programs Administration
Arizona Department of Economic Security