The Energy Assistance Program

2011 Program Operations Manual
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The Energy Assistance Program 2011

The Low-Income Home Energy Assistance Program (LIHEAP) Block Grant is a federally funded block grant offered through the U.S. Department of Health and Human Services (HHS). The LIHEAP Block Grant provides funds to individual states to assist low-income families with the high cost or home energy. Since July 1, 2006 the block grant has been administered by the Indiana Housing and Community Development Authority (IHCDA). Throughout Indiana, this program is known as the **Energy Assistance Program (EAP)**.

Last year, the basic federal LIHEAP award to Indiana was $103.6 million dollars; tying a record high amount. It was appropriated October 30, 2009. In addition, Indiana received $10.8 million dollars in federal contingency (emergency) funds. They were released on January 21, 2010.

For FY 2011 the LIHEAP appropriation is pending as of September 1, 2009. The President's budget would reduce Indiana's core award by 35% to approximately $67.3 million with a "trigger" provision that would adjust funding levels upward in the event of higher energy prices. The Senate Budget Resolution, however, is recommending LIHEAP be restored to full FY 2010 levels. Indiana's projection of funds to the CAAs is expected to be $62.3 million to start the fiscal year. State TANF funds may be available to supplement the federal funding in FY 2011.

Community Action Agencies (CAAs) are designated by federal regulation and under contract with the IHCDA as the local agencies administering the Energy Assistance Program. Twenty-four (24) CAAs throughout the State will take applications; either in person, through a mail-in process, or through another subcontractor from all households requesting energy assistance. CAAs are responsible for eligibility determination and timely submission of payment transmittals to vendors.

The Energy Assistance Program will treat all households equitably when determining eligibility. The program will serve low-income households subject to an energy burden. The program will respond promptly to eligible households with a heating emergency. EAP can provide benefits to off-set the high costs of energy, but does not traditionally have the funds available to pay all of a household's energy costs.

IHCDA will render technical assistance to the CAAs for continued program support. Should you have any questions concerning this program, please contact Tom Scott, IHCDA Energy Assistance Program Manager at (317) 232-7015, or Taura Brown Edwards, Energy Assistance Program Monitor at (317) 234-5825, or call:

Indiana Housing and Community Development Authority
Toll Free: 1-800-872-0371

APPLICATION DATES

The Energy Assistance Program will begin accepting early mail-in applications for "at-risk" households and/or households determined needy by local CAAs on August 1, 2010**.** Those approved applications may be entered into the RIAA system starting on August 30, 2010. Beginning September 7, 2010, CAAs should begin taking appointments for the start of the program on **October 5, 2010**. There will be no early sign-up in October for "at-risk" or crisis households. Rather, all interested persons may seek application beginning October 5, 2010. Agencies should schedule daily appointments as part of their intake process. No Transmittals should be sent to utility vendors, nor Applicant Notifications sent to clients, prior to October 5, 2010.

A statewide program ending date for Heating/Crisis Assistance component has been established as **May 13, 2011**, or when heating funds are depleted, whichever comes first. A Cooling Assistance Program and Summer Fill Program will operate from **June 1, 2011** through **August 26, 2011**.

APPLICATION SITES

A household may apply for Energy Assistance Program through:

- a local CAA serving their county;
- a Township Trustee or other CAA subcontractor who has received training from their local CAA and has agreed to take applications; or
- the mail-in application process.

IHCDA must be informed of all local application sites, addresses, phone numbers, and times of operation by **September 17, 2010.**

A major area of concern is the processing of applications for the "at-risk" groups (including, homebound); the elderly, the disabled, and families with children under 6 years of age. Contact by mail or telephone is a recommended option for taking applications in areas where travel is difficult and the applicant does not have family or neighbor support to make an application for them. The mail-in application procedure has been developed to alleviate the hardship of applying in person. CAAs should integrate the mail-in procedure with the usual face-to-face program application procedure to alleviate early season congestion.

MORATORIUM

The Indiana General Assembly has enacted Indiana Code 8-1-2-121 governing the termination of natural gas and electric service without the customer's request. This law, which first became effective in 1983, states that a utility (municipally-owned, privately-owned or cooperatively-owned) may not, during the period from December 1 through March 15 of any year, terminate residential utility service to any customer who is eligible for and who has applied for the Energy Assistance Program.

Utilities may not disconnect service to EAP recipients if:

- the customer has submitted a complete application and eligibility has been determined by the local CAA or their subcontractor; and/or,

- the customer has furnished proof to the utility provider of his/her application to receive such benefits, or the local CAA has notified the utility in writing.

See the complete Utility Shutoff Moratorium in the Appendix.

SECTION 100

APPLICATION PROCESS

The CAA, or its subcontractor, is obligated to review and determine EAP eligibility status for anyone requesting an application. Clients may not be denied the right to submit an EAP application by the CAA or any of its subcontractors.

When the household applies, it is incumbent upon the CAA to make a *timely* and *accurate* determination of the household's eligibility for benefits. Therefore, after October 5th, households must be notified in writing of their eligibility and the amount of their benefit, or their denial within ten (10) working days of the application's completion.

101 APPROVED APPLICATIONS

A household applies for benefits on the Energy Programs Application form (State Form 14381) which combines the EAP and the Weatherization Assistance Program application. The applications have been combined to ensure that those clients who have high heating costs are referred to Weatherization services. Any household whose application indicates that Weatherization services are needed, such as indicated by a high point total on the 2011 Benefit Matrix scale, must have the application and copies of the income verification passed on to the Weatherization department of the CAA.

The CAA must ensure that applications are complete and that all applications are signed by the applicant or household representative and the intake worker or authorized signatory of the CAA. If approved, the EAP benefit amount should be determined and recorded on the application. The household is to receive a copy of the application for their records showing that that they have applied for benefits. The application is not to be sent to the vendor by the CAA. Additionally, all approved households should be given a "**Things for YOU to Remember**" Form (See Appendix A).

Only approved applicants are protected by the moratorium on disconnections.

102 DENIED APPLICATIONS

If upon completion of the EAP application, a household is found to be over the income guidelines, or does not meet other criteria of the Energy Assistance Program, the household is ineligible for EAP benefits.

Within ten (10) working days of the completion of the application, an ineligible household must be notified in writing of the reason(s) for their denial and advised of their right to appeal the decision at the next level. The "**Applicant Notification**" form in Appendix B must be used to notify the applicant of their denial. CAAs must retain documentation of the household's ineligibility and appeal rights notification, in the client's files.

Households with income between 150% of poverty and 200% of poverty may qualify for weatherization services under the American Recovery and Reinvestment Act of 2009. Therefore, agencies should go ahead and complete those applications for possible referral to weatherization services although they would be ineligible for EAP.

103 CAA EMPLOYEE or SUB-CONTRACTOR APPLICATIONS

Applications from households with members employed by the CAA or any of its subcontractors (i.e., Township Trustee) or by employee's family members or by any board of directors' member, they must have their application approved by the Executive Director of the CAA. Likewise, any family members of the Executive Director must have the application approved by an active board member.

104 LIFELINE / LINK-UP

Lifeline – Lifeline provides qualified consumers with a discount on monthly service charges for their primary home phone line, even if it is a cell phone.

Link-Up – Link-Up lowers the cost eligible consumers pay for setting up new phone service at their home, including cell phone service.

The Energy Programs Application offers clients a reminder to contact their phone carrier for information about this program.

Approved EAP households qualify for Lifeline and Link-Up.

SECTION 200
EAP BENEFITS AND SERVICES

Financial eligibility for Energy Assistance benefits (heating, crisis, cooling, and summer fill) is limited to households with a combined annual income at or below **150%** of the current Office of Management and Budget Poverty Guidelines. This is the sixth consecutive year households in Indiana may qualify for assistance with an income up to 150% of poverty.

A new benefit formula was implemented in 1998, which awarded the largest benefits to households with the highest energy costs and the lowest income levels based on family size. Thus heating benefit amounts are calculated by awarding points based on factors within six categories of a benefit matrix. These categories are: ***poverty level*** based on household size, ***income status***, ***dwelling* type**, ***housing status***, ***at-risk*** (family) **status**, and ***fuel source***. The amount of the benefit is computed at $20 per point awarded on the benefit matrix, plus a regional differential, and an additional $100 for the secondary utility needed to keep the heating system operational. A household may be eligible for an additional Crisis benefit of up to $200 or $400 if their situation meets the Crisis criteria defined in this section of the manual.

Beginning with the Fiscal Year 2007 program, a subsidized household with both heat and electric included in the rent will no longer be eligible for a benefit.

New this year: <u>All</u> renters with heat and electric included-in-rent will not be eligible for an energy assistance benefit.

201 HEATING ASSISTANCE BENEFIT LEVELS & HOUSEHOLD INFO

The benefit computation is completed using the **Energy Assistance Program Benefit Matrix** form (see Appendix C). The matrix sections and instructions follow:

201.1 Household Information

Name of Head of Household:	
SSN or Case No.:	County:
Household Income:	Date of Application:

- Enter household and case identification as indicated.

201. 2 Poverty Level Determination

The Poverty Points are determined by comparing the household's income level and size to the Poverty Guidelines. Points range from 2-6 based on where the household falls on the following chart.

HOUSEHOLD SIZE	<50%		<75%		<100%		<125%		<150%	
	MO.	YR.	MO.	YR.	MO.	YR.	MO.	YR.	MO.	YR.
1	451	5,415	676	8,123	902	10,830	1,128	13,538	1,353	16,245
2	607	7,285	910	10,928	1,214	14,570	1,517	18,213	1,821	21,855
3	762	9,155	1,144	13,733	1,525	18,310	1,907	22,888	2,288	27,465
4	918	11,025	1,378	16,538	1,837	22,050	2,296	27,563	2,756	33,075
5	1,074	12,895	1,611	19,343	2,149	25,790	2,686	32,238	3,223	38,685
6	1,230	14,765	1,845	22,148	2,460	29,530	3,076	36,913	3,691	44,295
7	1,386	16,635	2,079	24,953	2,772	33,270	3,465	41,588	4,158	49,905
8	1,542	18,505	2,313	27,758	3,084	37,010	3,855	46,263	4,626	55,515
Add Member		1,870		2,805		3,740		4,675		5,610
POINTS:	**6**		**5**		**4**		**3**		**2**	

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Poverty Points	From Chart Above	2 – 6 points	

- Compute the household's gross annual income.
- Locate the point on the chart where the income and household size falls and circle the amount and the number of points to be awarded.
- Enter the number of points on the matrix under Poverty Points.
- Note: The OMB poverty guidelines remain the same as FY 2010

The OMB Poverty Guidelines normally change in February of each year. If so, the updated guidelines will become effective in the EAP program on June 1st of each year. This will keep the guidelines the same for the entire heating program. The updated guidelines will be implemented with new applications for the Summer Cool and Summer Fill Programs each year.

201.3 Income Status

The household is awarded points based on the type of income for that household, earned or unearned income. (See Section 401 for an explanation of the earned and unearned income.)

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Income Status	Earned Income Unearned Income Zero Income	3 1 0	

- If any member of a household has earned income, award three (3) points;
- For a household with unearned income only, award one (1) point;
- If a household reports "zero" income, no points are given in this category;
- Maximum points are three.

201.4 Dwelling

Dwelling points are awarded based on the relative cost of heating three types of dwellings.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Dwelling	Mobile Home Single, Site Built Duplex or Greater	2 2 1	

- Award two (2) points if the household lives in a mobile home;
- Award two (2) points if the household lives in a single, site built dwelling;
- Award one (1) point for households living in a duplex or multiplex (apartments);
- Maximum points are two.

201.5 Housing Status

Housing Status points are awarded to factor in whether the household is responsible for all of its utility costs or receives assistance in meeting those costs.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Housing Status	Non-subsidized Housing Subsidized/ Not Included Subsidized / Included	2 0 0	

- Award two (2) points if the household pays its own heat utility costs (included or not).
- Award zero (0) points if the household pays its own heat utility cost but the rental cost is subsidized.
- Award zero (0) points if the household's heat utility cost is included in their rent and is subsidized.
- Maximum points are two.

201.6 At-Risk

The At-Risk households for the Energy Assistance Program include the elderly (60+), the disabled, and those households with children 0 to 5 years old. (See Section 302.6)

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
At-Risk	Elderly, disabled, and/or children 0-5 years old	3	

- Award three (3) points only if the household has a member who fits one of the At-Risk factor definitions.
- Maximum points are three.

201.7 Fuel Source

Points are awarded for the primary Fuel Source based on the relative costs of heating with the various types of fuel.

CATEGORY	FACTORS	POINTS POSSIBLE	POINTS AWARDED
Fuel Source	Bulk Fuels (Kerosene, LP Gas, Oil, Wood, Coal) Natural Gas Electric Heating Included	3 3 3 0	

- Award three (3) points if the household uses one of the listed bulk fuel sources.
- Award three (3) points if the household heats with natural gas.
- Award three (3) points if the household uses electric heat.
- Note; award zero (0) points if the household uses any one of the heat sources above but has heat included as a part of their rent.
- Maximum points are three.

201.8 Total Points

Total points are used to determine the amount of the EAP benefits.

Notes & Comments: *If household received 2010 Summer Fill regular benefit, ineligible for additional winter regular benefit. Electric and crisis eligible only.* *If heat and electric are included in rent, benefit is $0.*		= Total Points	
		X $20 per point	
		+ Electric	$100
		+ Regional Differential ($5 Central, $15 North)	
		+ Crisis EAP	
Intake Worker:	Date:	**= TOTAL EAP BENEFIT**	

201.8 Total Points, *continued*

- Add all of the points in each category for the Total Points.
- Multiply that amount by $20 per point and enter the subtotal.
- Add the $100 for the Electric utility, which is already on the form.
- Enter the correct Regional Differential of $5 for the Central region or $15 for the Northern region. (See Appendix L in back for Regional Map.)
- Enter the amount of any Crisis benefit, which the household is getting. (See Section 202 for Crisis benefit rules.)
- Add the amount of the points benefit, the electric benefit, the regional differential and the Crisis EAP to determine the **Total EAP Benefit**.
- If a household's subsidized or non-subsidized rent payment includes the cost of both the heat and electric utility adjust the household's EAP benefit to $0.

201.9 Subsidized Households/Utilities Included

If a household's subsidized rent payment includes the cost of the heat and electric utility, the household's EAP benefit is $0. If the heat and/or electric are paid separate, by the client, that benefit should go directly to the utility. No crisis dollars should be awarded.

201.10 Non-Subsidized Households/Utilities Included

If a household's rent payment includes the cost of the heat and electric utility, the household's EAP benefit is now $0. If the heat and/or electric are paid separate, by the client, that benefit should go directly to the utility. Crisis dollars may be awarded

201.11 Completion of the Benefit Matrix Form

Instructions: Complete the form by signing and dating it. Complete the Comments and Notes section as necessary.

202 CRISIS ASSISTANCE BENEFITS

The LIHEAP statute requires that states reserve a reasonable amount of funds each fiscal year for crisis intervention. In Indiana, these funds make up the Crisis Assistance line item in each CAA's budget. (See Section 1400). Funds budgeted for crises should be used at the time of application in an energy emergency.

202.1 Crisis

A crisis means an *energy emergency* where a household is in imminent danger of disconnection, already shut-off, is low on heating fuel, or is totally out of heating fuel.

202.2 Crisis Intervention

The LIHEAP statute requires a *timely and effective energy crisis intervention program* for households in crisis. The Indiana program includes additional benefits and services.

Timely Intervention - If the eligible household is experiencing an energy emergency the local CAA and/or its subcontractor must provide intervention that will resolve the crisis within 48 hours from the time of application. Assistance must be provided within 18 hours of the time of the application, if a life-threatening situation exists. This response must

be designed to protect the health and safety of the household members. For the agency's part, the extension of Crisis benefits and other services constitutes a proper response to the emergency.

Because agencies take applications on an appointment basis the "time of scheduled application" may be later than when the household in crisis contacts the agency. Agency procedures must be in place to address a crisis within the time frames noted above and from the date of the determination by the agency that the household is in crisis. This can be simply accomplished by maintaining open appointment slots each day to address crisis applications.

Intervention Strategies - Appropriate intervention on the agencies part includes, but is not limited to:

- *Crisis Assistance.* For households whose regular heating benefit cannot assure service (regulated) or guarantee delivery (bulk fuel), the agency must use Crisis Assistance funds to alleviate the situation. Crisis Assistance must guarantee continuation of service or not be offered.

- *Case Work Activities.* If the authorized heating and crisis benefits cannot resolve the emergency, the agency must provide services to the household to secure additional funds. These services include referrals to other sources of utility assistance, intervention on behalf of the family with utility vendors, providing budget counseling with an emphasis on maintaining rent and utilities.

- *Case Management.* Crisis clients should be referred to the EAP Energy Education component. For more extensive intervention with the family, the CAA should have procedures for referrals to the agency's case management component, i.e. Family Development Consultants, or Family Self-Sufficiency caseworkers.

202.3 Crisis Assistance Benefits

In addition to the regular benefit, the agency may extend up to **$200** in Crisis Energy Assistance to a household with a *regulated* utility energy emergency as defined above.

Typically, the Crisis benefit will be based on the family's circumstance at the time they apply. The amount of the benefit will be based on the actual amount needed at that time but may not exceed the $200 maximum. This applies at any time that the household initially applies; before, during, or after the moratorium period.

Families receiving less than the $200 maximum are not entitled to any additional amount later in the program. This applies even if the household was not originally in an emergency and did not receive any Crisis benefits in the first place.

Households not covered by the moratorium regulation, using unregulated utilities such as bulk fuels, may be in an energy crisis at any time throughout the winter. Thus crisis-heating assistance for unregulated households may be extended up to the maximum, anytime from the beginning of the current year's program, until March 15th. This includes offering the maximum crisis at time of application to ensure a minimum delivery. New applicants, after March 15th may receive regular and crisis assistance if necessary.

However, it is not recommended that crisis be offered at time of application to wood, corn pellet, and/or kerosene clients.

The maximum amount of crisis assistance for a bulk fuel household is **$400.**

202.4 Outreach

EAP Program Support funds (See Section 1300) may be used for traditional outreach activities designed to increase awareness of and participation in the program, activities such as:

- Staff activities in the delivery of general information about EAP, as well as other energy-related programs;
- cost of materials such as EAP program pamphlets, energy education information;
- postage for mail-in applications;
- maintenance of seasonal outreach sites;
- overhead costs associated with these activities.

A goal of the program is to increase the participation of at-risk families, by providing outreach that should be directed toward the elderly, disabled, and households with young children.

202.5 EAP Social Services

EAP funding may be used for a range of social services, everything from short-term crisis intervention to long-term services under the Family Development Plan.

Agencies are encouraged to examine the way in which households are evaluated at intake for further services beyond the provision of the utility assistance benefit and to have in place referral procedures to other areas of the agency, or to other agencies in the community, for delivery of those services.

Assurance 16 (outreach and social services) funds may be used in longer-term activities with Energy Assistance families as established in the CAA Family Development Plan, including case management in the areas of:

Energy	Adult Education
Employment	Health
Housing	Child Development and Education
Transportation	Nutrition
Income Maintenance	Family Relations/ Domestic Violence
Support Systems	Alcohol and Drug Abuse

Many CAAs have been working to strengthen their case management function. Through training and creative cost allocation, agencies have enhanced their ability to provide social services to EAP households. Through Family Development Consultant certification, agencies can develop staff equipped to respond to families in need of case management.

By combining funds such as CSBG, higher reimbursement rates from Section 8 Family Self-Sufficiency, Weatherization client education funding, and other sources; agencies have an opportunity through cost allocation to fund social service positions to work with EAP households on an intensive basis.

An agency that will provide services using the Family Development process, may budget up to 2% of the agency's contract for such activities.

(See Section 1300 for additional requirements for the use of "Program Support" and "Family Development" funds.)

202.6 Weatherization Assistance Program

Because the application process is combined, any household applying for EAP is also applying for Weatherization. This requires that the agency have a process whereby the households are identified for the Weatherization Program in the agency. Initially this may only mean that the Weatherization Program has access to the agency's EAP list from which to draw names for prospective clients. However, the agency should have a procedure in place which calls attention to the households that have the highest energy burden - that is the highest energy costs in ratio to the lowest income – as quantified by the point totals using the EAP benefit matrix.

Also, household with income up to 200% of poverty should be completed and the applicant told that their household may still be able to receive weatherization services.

203 EAP BENEFIT PAYMENTS

EAP benefit payments are made to the utility vendors on behalf of the eligible household for current utility accounts or past due utility accounts. (Transactions involving home energy payments are no longer exempt from the state gross retail sales tax. The LIHEAP sales exemption rule lasted from July 1, 2006 to June 30, 2009).

Vendors include:

- **Regulated Heating and Electric Utilities** who provide electricity and/or natural gas.

- **Bulk Fuel, LP, and other non-regulated vendors** who provide Fuel Oil, LP Gas, Coal, Wood, or Kerosene. The delivery fee for LP gas, wood, coal, kerosene, or fuel oil should be part of the benefit.

203.1 Application of the Regular EAP Benefit

The household's regular benefit is applied first to the heating bill, even if that results in a credit to the bill (Exception: If an applicant household has a credit balance in excess of $500.00 they will not be considered eligible for heating assistance).

The $100 electric benefit is applied to the electric utility bill to maintain the operation of the heating unit.

If the heating source for which the home is designed is not operable either due to disconnection or mechanical failure, the regular benefit should not be provided to the applicant if they are heating with electric space heaters. If the heating source is later deemed operable, during the program year, the client may return for the regular benefit for which they qualified.

If there is an additional amount owed by the household, on the heating and/or electric source, a Crisis benefit may be used to pay it. To be eligible for the Crisis benefit, the household must have lost service, or be in danger of losing service by providing a utility bill with a "**disconnect**" amount showing. The allowable Crisis benefit is the actual amount needed to maintain or restore service, up to the maximum crisis benefit of $200 for regulated fuel, $400 for bulk fuel. The agency must show in the client file how the crisis award was determined.

As with regular benefits, Crisis benefits may be used to pay on both the primary and secondary source of heat. The Crisis benefit may be applied to the heat or the electric utility bill, or split among the two as the agency deems appropriate with a total maximum of $200 offered for regulated customers, $400 for bulk customers.

A household application may be approved only <u>one</u> time during the heating season (Exception: If a fire, flood, or other natural disaster forces a family to permanently relocate, they may apply a second time).

A household must apply at the Community Action office of their primary residence.

203.2 Electric Utility Payments

Even though a household may not depend on electricity as a source of heat it is generally required to operate the heating appliance. Thus, to maintain heat it is important that the electric utility also be kept on. The benefit matrix adds $100 for the electricity.

In the instance that a household does not have electric service, the household is not eligible for the additional electric benefit.

It is the intent of the program that $100 be the amount allocated from the regular benefit to the electric utility. Again this year, the agency

may not apply more regular benefit dollars to the electric utility and less to the heat.

However, up to the maximum of $200 (or $400 for a bulk fuel heated household) in Crisis benefits may be applied to the electric utility if it is not the primary heat source and the crisis amount is warranted. Again, the agency must show in the client file how the crisis award was determined.

203.3 Heating with Wood

For eligible households using wood as their primary heating source, agencies should ensure that households receive wood that meets the following criteria.

- Wood: all wood vended for EAP must be of a good density, such as cherry, hickory, oak, beech, birch, and ash. Types of wood not recommended are maple, elm, gum, sassafras, tulip, aspen, white pine, or poplar. In addition to these woods, IHCDA recommends that no green wood in more than 1/3 to 2/3 seasoned ratios be accepted for delivery to a household.

- Rick: a measurement which is 4' x 8' by 16" - 20" deep.

- Seasoned Wood: at least one year old and dry.

Wood costs are not covered when it is a supplemental heat source.

Clients who heat with wood may be issued a "wood certificate" or voucher by the agency. This would allow the client to select a vendor of their choice. The client and vendor would then complete the "wood certificate" upon product delivery and the vendor would return the voucher to the agency for payment.

Clients who heat with wood should not be offered crisis at time of application but may return for their appropriate crisis benefit at time of need before March 15th. This applies to kerosene and corn pellets as well.

New this year: Applicants who cut their own wood are not eligible for heating assistance benefits

204 EAP BENEFIT - UNALLOWABLE PAYMENTS

Energy Assistance payments may not be made for the following utility-related expenses:

- utility reconnection fees or deposit fees;
- past-due bulk fuel bills (unless payment of the past due bill prevents an immediate crisis delivery to the household);
- water or sewage bill;
- direct rent payments;
- tampering charges;
- outdoor security lights; or
- appliance payments.

204.1 Limits on Arrears Payments

The energy assistance benefit may not be applied to that portion of a household's utility bill, which is in arrears over one year from October 1st of the current program year.

The CAA EAP program manager may waive this rule. The reason for the waiver is to be documented in the case file.

205 DOCUMENTATION OF UTILITY PAYMENTS

Households applying for the Energy Assistance Program must show a utility bill as a part of documenting their need. This should become part of the applicant's file.

If a household claims that the utility payment is included in the rent, a lease agreement or contract with the landlord stating the landlord's name, address, telephone number, and who is responsible for utilities, is required. If a lease or contract is not available, a Landlord Affidavit must be completed. (See Appendix D for a sample of a **Landlord Affidavit**.) The lease agreement, contract copy, or Housing Affidavit, must be attached to the application form and retained in the client's file.

New this year: All rental applicants will be asked to provide a lease agreement or Landlord Affidavit. A collateral contact by phone to the landlord or management company for verification will be allowable if the household is in a crisis situation.

If an applicant presents a utility bill that does not include their name on the bill at the address they claim to live, then another piece of identification is needed to verify their residence.

206 RENTERS

206.1 Equitable Treatment of Renters

The 1995 Federal LIHEAP reauthorization, and program amendments governing the Energy Assistance Program, clearly states that renters and homeowners must be treated equitably in the determination of energy assistance needs and eligibility.

Households who rent are eligible for the Energy Assistance Program, if they are income eligible and are:

- responsible for payment of heat and/or electric utilities separate from their rent; or

However, if a household's rent payment includes the cost of the heat and electric, the household does not have an energy burden and <u>will not</u> receive an EAP benefit this year.

206.2 Direct Benefit Payments

New this year: EAP will no longer make direct utility payments to individual households.

In the case of a household, where the heat is included in rent <u>and</u> electric is paid separately, no check will be sent to the client for heat but a $100.00 payment is to be made by transmittal to the electric utility.

Conversely, if the electric cost is included in the rent <u>and</u> the heat is paid separately, a direct check will not be sent to the client for electric but a payment determined by the matrix is to be made by transmittal to the heating vendor.

207 BENEFIT REFUNDS

If a household moves out of the service area of their utility company, leaving a credit on the utility bill, which was paid by the Energy Assistance Program, the remaining amount is to be refunded by the utility company to the household. If the household can not be located, the remaining benefit is to be returned to the Community Action Agency

that issued the benefit. In case of the death of a recipient, the remaining utility credit becomes a part of the deceased's estate.

After application, if a household moves out of the services area of their utility company, or otherwise leaves an open account with a balance due, then the EAP benefit may be applied to the balance before any credit is returned to the CAA.

It is not the intent of the program to pay on a closed or disconnected account.

SECTION 300

ELIGIBILITY AND INCOME STANDARDS

301 RESIDENCY AND CITIZENSHIP REQUIREMENT

The applicant must reside in the State of Indiana at the time of application and for at least one (1) month of the current heating or "moratorium" season (December 1 through March 15) to be eligible for the Energy Assistance Program.

Current verification of residency and service address must be verified at each application and reapplication for benefits.

Possible verification sources are as follows (not all inclusive):

- Valid Indiana Drivers License with current address
- Utility bill/statement listing the applicant's name and current address
- Rental/Lease agreement listing the applicant's name and current residence
- Completed Housing Affidavit form
- Employer's statement or pay stub listing residence address

In addition to the above criteria, all members of the assistance unit must be United States (U.S.) citizens, U.S. Nationals or qualified aliens.

A United States citizen is someone born in:

- One of the 50 states
- The District of Columbia
- Puerto Rico
- Guam
- The Virgin Islands
- The Northern Mariana Islands

A United States National is someone born in:

- America Samoa
- Swain's Island

To verify a household member is a U.S. Citizen or National, use any of the following documents:

1. Birth Certificate
2. U.S. Passport
3. Report of Birth Abroad of a Citizen of the U.S. (FS-240) issued by the Dept. of State
4. Certification of Birth (FS-545) issued by a Foreign Service post
5. U.S. Citizens I.D. card (I-197) issued by the Bureau of Citizenship and Immigration Services (BCIS)
6. Certificate of Naturalization (N-550 or N-570) issued by BCIS
7. Certificate of Citizenship (N-560 or N-561) issued by BCIS
8. Northern Marianas I.D. card (I-873)issued by BCIS
9. Statement provided by the U.S. consular official certifying the individual is a citizen.

There are secondary sources of verification which may include religious records, U.S. civil service employment records dated before June 1, 1976, early school records, census records, adoption papers, and any other document establishing or denoting a place of birth.

Indiana will accept social security cards as citizenship verification.

Non-citizens must provide documentation verifying Resident Alien status to be eligible for EAP benefits. The federal government considers the following to be qualified aliens:

1. An alien legally admitted for Permanent Resident Alien Status. I-151, commonly referred to as a "*green card*".
2. An alien granted asylum. Documentation: I-94 or INS letter
3. A refugee admitted to the United States. Documentation: I-94 "Arrival Departure Record".
4. An alien paroled in the United States. Documentation: I-94 "Arrival Departure Record".
5. An alien whose departure is being withheld. Documentation: I-94 and/or order from an immigrations court judge.
6. An alien granted conditional entry. Documentation: I-94 "Arrival Departure Record".
7. An alien who is a Cuban/Haitian entrant. Documentation: I-151 "*green card*".
8. An alien who is a battered spouse or child. Documentation: 1) Veteran-proof of legal entrance in U.S. DD-214 or poof of active military service, birth/marriage certificate; 2) Other-

Approval Notice of "Notice of Prima Facie Case" under the 1994 Violence Against Women Act (VAWA).

301.1 Social Security

New this year:
A Social Security number (SSN) is required for all persons in the household age 1 and older. If not provided, the household is ineligible for assistance.

A SSN can be verified by viewing the SS card, another federal form, pay stub, SSA benefit letter or other acceptable proof. An intentionally invalid SSN entry is unacceptable.

An agency should assist applicants to apply for social security numbers. the web site for the SSN application form and instructions for applying for a new social security number can be found at: http://www.ssa.gov/online/forms.html (Form SS-5 Application for a Social Security Card).

When a household member exists and cannot provide the intake worker with an SSN at time of application: Enter the household member, leaving the SSN field blank, and leave the application in pending status until the SSN is verified.

However, after 30 days of application, if the household has not provided SSNs for all eligible adult household members, a denial letter should be generated. The entire household is ineligible for Energy Assistance if any member fails or refuses to provide or verify their SSN or provide proof of application for a SSN.

302 EAP OPERATING DEFINITIONS

302.1 Household

A household means any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

Households **do not** include people residing in hospitals or medical institutions, homeless shelters, alcohol or drug treatment centers, battered women and children shelters, transitional dwellings, group homes, or correctional institutions.

Households **do** include people residing in rented or purchased dwellings.

302.2 Head of Household

The head of household is determined to be the person who has the most income based on the agency's income calculations for EAP. This is especially important when accepting an elderly application where an additional non-elderly household member declares a larger income. The head of household would change accordingly.

302.3 Energy Burden

Energy Burden is defined as the ratio of the cost of a household's energy divided by their income (*percent* of income spent on energy costs). Through the benefit matrix various factors are used to determine the EAP benefit based on this ratio and other considerations. In order to qualify for EAP the household must have an energy burden. Therefore a household that cannot establish that it pays a <u>direct</u> utility cost is categorically ineligible for EAP. Residents who pay neither rent nor fuel costs because of an in-kind rental agreement do not qualify.

302.4 Disabled

Disabled means the inability to engage in any substantial, gainful activity, by reason of any medically determinable physical or mental impairment which can be expected to result in death, <u>or</u> which has lasted or can be expected to last for a continuous period of 12 months or longer.

A person may be determined to meet this definition through various methods. The most desirable verification is a doctor's statement that attests to the person meeting the definition, as defined herein. A household member may automatically be considered disabled if he/she receives one or more of the following benefits:

- Supplemental Security Income (SSI)or,
  Social Security Disability payments
- Veterans Disability

- Railroad Retirement Disability
- Vocational Rehabilitation Services
- Black Lung Disability
- Medicaid Disability
- Medical Assistance for Aged, Blind, and Disabled (MAABD)

Disabled Household: A household with any member meeting the definition of Disabled above is counted as a Disabled Household for EAP statistical purposes.

302.5 Elderly

Elderly means persons 60 years of age or older.

Elderly Household: For EAP statistical purposes the household is defined as an Elderly Household when any member of the household is 60 years of age or older. If an elderly household member is also disabled, the household is counted as *Elderly*, for EAP statistical purposes.

302.6 At-Risk Households

A household is considered At-Risk if it has one or more members in the following categories: elderly, disabled or a child age zero (0) to five (5) years old. These factors are considered in the benefit determination because they identify households with the highest priority energy needs, as defined in the LIHEAP statute.

302.7 Household Income

The household income is the gross earned income and other unearned income received by all household members age 18 and above during the eligibility determination period. Income means any and all type of payment that is a gain or benefit to the household. All income must be counted unless the income falls within the category of "Income Exclusions". (See Section 500.)

When a household member has turned 18, any time during the year, that member's full, annualized income is determined using the standard formulas in Section 303, Income Computations. (See Section 304.3 and 504.2)

302.8 Poverty Level

The terms poverty level and poverty guidelines refer to the federal poverty levels established and revised annually by the Office of Management and Budget. The guidelines are generally updated in February of each fiscal year. However, the updated figures are not implemented for purposes of the Indiana Energy Assistance Program until June 1st of the current fiscal year for new summer program applicants.

Indiana uses 150% of the current Office of Management and Budget federal poverty guidelines (2009, not updated).

303 INCOME COMPUTATIONS

The total household income is used to determine financial eligibility for benefits. Households are eligible with an income of *150%* of poverty or less. The income computation is subsequently used to compute points on the benefit matrix.

303.1 Computation of Earned Income

Earned income (See Section 401.1) or fluctuating income must be verified by the following method and converted to an annual figure for the eligibility determination:

- twelve (12) months of income, prior to the date of application.

303.2 Computation of Unearned Income

Unearned (See Section 401.2), fixed or non-fluctuating income may be computed in one of the two methods above, or by:

- computing the annual income based on the current month's income times twelve (12).

304 HOUSEHOLD UNIT CONSIDERATIONS

304.1 Births

Household members born any time during the twelve (12) months prior to the date of application shall be counted as members of the household for the entire twelve (12) months. If a household member is pregnant

and can provide a medical statement that the child will be born prior to May 13, 2011 then the unborn child may be counted as a household member.

Similarly, for a new Summer Cooling Program applicant, a child projected to be born prior to August 26, 2011 may be counted as a household member.

The household is awarded points under the At-Risk category based on this child.

To consider a newborn under the age of 1, without a social security card, as a household member, a verification of birth must be presented.

304.2 Roomers and Boarders

Roomers and boarders are persons renting space within the residence of the energy assistance applicant who do not have separate kitchen and bathing facilities. These persons are counted as household members, and their income is included on the application.

304.3 Full-time College Students

A full-time college student, up to age 23, who is a dependent of a member of the household, may be excluded from the household if the applicant chooses. This means that the person would not be counted as a household member nor would their income be counted. Proof of the student's full-time status must be provided. A full-time student must be enrolled for 12 credit hours or more per semester. The student must also be declared as a dependent of the household's most recent income tax forms.

304.4 Death of a Household Member

If a household member died during the 12 months prior to the date of application, the deceased member should neither be counted as a household member, nor should his/her income for the twelve (12) month eligibility period be considered.

304.5 Divorce/ Legal Separation

If a man and woman can prove that they have been legally divorced or separated within the past twelve (12) months, then income from the

absent spouse may be excluded and the remaining spouse counted as a single person for the full twelve (12) months prior to application.

Proof in the form of a divorce or separation decree, documented proof of a permanent residence for the absent spouse, verification of separation from a member of the clergy or an attorney, or verification from the local DFR office, Township Trustee, or a reliable collateral contact must be presented at the time of application. If proof cannot be shown the spouse must be counted as a household member and all income must be counted.

304.6 Drop-In Household Guests

A drop-in guest is defined as:

- an unexpected or casual visitor; or
- family members, friends, etc., who have resided in the household less than three (3) months and who the applicant certifies will be in the home less than three (3) months of a twelve (12) month period.

Drop-in guests are not to be included on the application. Drop-in guests are not counted as a member of the household or as part of the income calculations.

Conversely, if a person resides or is expected to reside in the household more than three (3) consecutive months, that person should be considered as any other household member.

If there is a question on the part of the agency as to the status of any household member the agency may require a collateral contact. This could be in the form of a note or statement from a neighbor, friend or relative as to the living situation of the person(s) in question.

304.7 Marriages

If a household member marries during the twelve (12) months prior to application, their spouse should be included as a household member on the application. The spouse's income is counted fully in the eligibility determination.

304.8 Nursing Home Residents

If a family member is currently in a nursing home and has been there more than three (3) of the twelve (12) month application period, he/she should neither be included on the application, nor should his/her income be counted.

304.9 Foster Children

The household may be given a choice to count foster children in the household. If they are counted then the stipend received for the children is also counted as household income.

Adoption assistance should be treated the same.

SECTION 400

INCOME SOURCES AND DOCUMENTATION

It is the household's responsibility to provide accurate documentation of income. It is the agency's responsibility to assess the adequacy of that documentation and provide the applicant with a list of additional documentation needed to determine eligibility for benefits.

Intake staff will encounter various forms of income documentation, as described in Section 402. The worker should use their judgment, with opinions from their supervisors, in accepting or rejecting specific forms of verification. Most importantly, workers should indicate, in writing to the case file, the reason for accepting documentation that may be considered less than ideal.

401 INCOME

The household income is the total income received by all household members age 18 and above, during the application period. For purposes of the benefit determination, income is considered to be earned or unearned. This distinction is used on the benefit matrix as part of the point's determination for benefits. (See Section 504.2)

401.1 Earned Income

Earned income is payment received as a result of a persons work, including but not limited to:

- wages (including wages from sheltered workshop employment);
- salary, tips, bonuses, commissions;
- self-employment income;
- income from rental of property;
- profit from a business;
- blood plasma payments; and
- other taxable income.

401.2 Unearned Income

Unearned Income is payment for which there is no corresponding performance of work or services, including but not limited to:

- disability payments, worker's compensation;
- cash assistance payments such as Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF), Unemployment Compensation Benefits (UCB);
- disability payments such as Social Security Disability, Veterans Disability, Worker's Compensation;
- annuities, pensions and other retirement payments such as private retirement plans;
- Social Security (SS);
- alimony and child support payments;
- strike benefits;
- profits or gains from the sale of assets;
- proceeds from insurance settlements;
- winnings, prizes, and awards;
- gifts and inheritances;
- contributions directly paid to a household member; and
- other unearned income.

Because most of unearned benefits remain the same in a given year, they are frequently referred to as "**fixed**" income.

401.3 Zero Income Claimants

If a household declares no income, it is appropriate for the agency to question the applicant as to how living expenses are met. In any instance where there is 12 months of no income claimed, the agency should require a collateral contact. This would be in most all cases a printout from the Indiana Department of Workforce Development. Other secondary possibilities include a signed statement from another social service agency, attesting to the family's situation. Lastly, a collateral verification from a relative, a neighbor or a friend substantiating the family's situation may be used only if the options above are unattainable and the agency Program Manager approves.

Zero-income households should be given a priority in case management services offered by the agency under EAP Family Development or other agency programs.

In instances where individual members within a household claim to have periods of no income, each household member who is 18 years of

age or older, must sign an agency *Zero-Income Form* attesting to the fact that he/she has had no income during those certain months within the last year. A State produced *Zero Income Household Verification Form* should be used with members declaring absolute zero income for the past 12 months.

If a household has provided sufficient documentation of zero-income, then the CAA may proceed to serve the household.

If upon further inspection by the CAA or IHCDA staff, it is discovered that the household has undeclared income resulting in total household income exceeding the Poverty Guidelines, the CAA must attempt to stop the assistance payment. If the assistance has already been given by the vendor, the CAA must notify the household, in writing, of their ineligibility and attempt to recoup the funds. If the funds cannot be recouped, the household is ineligible for future EAP benefits.

See Section 702 for further information on zero-income claimants.

402 TYPES OF EARNED INCOME AND DOCUMENTATION

Income documentation is **not** an "**exact science**". This section suggests preferable ways in which to document income. However, the agency staff may find that only other verification is available. The important step in using alternate documentation is to briefly note in the case file the reasons other types of verification were accepted.

402.1 Employment Income

Employment income includes all gross wages, salaries, commissions, bonuses, profit sharing, cashed out vacation or sick pay, and tips of an employee. There are several allowable forms of documentation to verify employment (see Section 303 regarding the methods of computing gross income), including:

- pay stubs identifying the person whose income is being considered (i.e., social security number or name) and showing the income for the period being considered for the computations;

- a letter from the employer stating the income for the period being considered for the computations;

- a W-2 Form for the previous year's wages. (This documentation can be used by itself only for applications in the months of January, February, and March and thru April 15th of the current heating season). **Use Box #1**.

402.2 Incidental, Unreported Income

Earned income that is not reported for tax purposes is nevertheless included in the calculation of the household's gross income. This income may be verified by a written statement from the payer.

402.3 Profits from Self Employment

Self-employment income is an individual's income from a private trade or business (including farming). The person's adjusted gross income is calculated using the IRS Schedules listed below, allowing for certain business deductions, as computed as self-employment income under Federal income tax law.

If a household reports a member who is self-employed, their income must be verified by the Internal Revenue Service (IRS) Tax Form 1040 for the most recent, complete calendar year. (See copy of 1040 form in Appendix E). The adjusted gross income is listed on the last line of the section on Form 1040 labeled "Adjusted Gross Income".

In addition to the Form 1040, applicants should have one or more of the schedules dealing with self-employment income:

Schedule	Form
Form 1040	U.S. Individual Income Tax Return
Schedule C	Profit or Loss From Business
Schedule E	Supplemental Income and Loss
Schedule F	Profit or Loss From Farming
Schedule SE	Self-Employment Tax

Note that Form 1040 also has information on other income that a self-employed person may have had in the section labeled "Income". This amount will have been computed in the Adjusted Gross Income, already.

402.4 Income from the Rental of Property

Income from the rental of property is considered earned, self-employment income and is determined using the methods in Section 402.3, above.

402.5 Contract Sale of Property

Income received in installments from the sale of property is counted as earned income. This income is handled in the same way as self-employment income in that certain expenses may be deducted from the cost of producing the income.

Only income based on an actual contracted sale may be counted using this stipulation so the agency should actually see the contract for documentation. Otherwise, the income is counted as rental income.

The income may be verified using the methods in Section 402.3, above.

403 TYPES OF UNEARNED INCOME AND DOCUMENTATION

403.1 Assets - Sale of Assets

Profits or gains from the sale of assets are counted as income. See Section 404 regarding the computation of unearned income from the disposition of assets.

403.2 Black Lung Disability

When awarded to the recipient while he/she is still living, it should be excluded when figuring income. When Black Lung Pension is awarded to the survivor of the recipient it should be included as income.

403.3 Child Support

Child support received is included in a family's income. The question of child support should always be raised with single or remarried parents, or guardians. An applicant should provide payment records of support

received for the previous twelve (12) months. Acceptable verification includes statements from the county clerk's office or a court statement.

A toll-free number is also available: 1-800-840-8757.

403.4 Disability Payments from Insurance

An individual may have insurance coverage that pays a specified amount for a specific period of time during which he/she is unable to work because of a disabling condition. Such disability payments made by an insurance company directly to the individual are counted as unearned income.

Indemnity health insurance plans pay a specified benefit to a person based on the number of days the person is hospitalized. Variations on indemnity health insurance include accident and cancer policies. These benefits are counted as unearned income.

However, the verified and documented amount of the benefit that is used for the payment of medical bills may be deducted from the benefit in computing the household's income.

403.5 Dividends, Interest

Dividends or interest earned on financial assets are counted as unearned income to the extent that they are realized (received) by the owner of the asset. Assets include: savings accounts, interest bearing checking accounts, equity shares (mutual funds and stocks), bonds, and retirement accounts, or other similar accounts.

Dividends and interest from financial assets can be verified by earnings statements from the financial institution. If a monthly statement is presented, take the monthly amount times twelve to annualize. Or, Tax Form 1099 for the previous calendar year is acceptable in the first three and a half months of the current calendar year.

That portion of any savings instrument, which represents the individual's contribution to the principle, is never considered as income. Saved money has already been counted as it was received by the household.

For example, the principal withdrawn from a savings account or other cash asset is not used in income calculations. The principle is the

amount of the asset that was contributed by the individual owner of the asset.

403.6 Gambling Winnings

Winnings from any source of gambling or gaming is considered unearned income; including, but not limited to private gambling, the Hoosier Lottery, PowerBall, horse racing, bingo and other games of chance.

403.7 Military Allotments

An individual may be eligible to receive a military allotment if the spouse, adult child, or parent is in the U.S. Armed Forces. Such payments are unearned income and can be verified by a copy of the check, a check stub, or other documents showing the current amount.

403.8 Pensions

Ongoing pension payments are counted as unearned income. They may be available to any household member who has retired from private industry, local or state governments, or the federal government. These payments are the result of an investment in a retirement instrument such as an employer-sponsored plan, a personal 401K plan, or an Individual Retirement Account. Most often, the employee and/or the employer pay retirement funds into an annuity account. Annuities are paid out after the person retires, usually with an option for lump sum payments or periodic payments.

Like Social Security, many retirement funds are also available to persons who become disabled, or to their surviving spouse and surviving minor children in the event of the individual's death.

The most desirable documentation of a pension amount is a check stub. Care should be taken to use the *gross* amount of the pension check, since deductions, including income tax withholding, may affect the net. Pensions are usually "fixed", unearned income that may be computed based on one month's check.

(See Section 502.3, Pensions, regarding the treatment of lump sum pension payments.)

403.9 Railroad Retirement Benefits

Railroad Retirement benefits are available to former railroad workers, their dependents, or survivors. Both retirement and disability benefits are available and are counted as unearned income. These benefits are administered by the Social Security Administration and payments are often combined with regular Social Security if the person is eligible.

These benefits can be verified using the same methods as Social Security.

403.10 Royalties

Royalties include payment for copyrighted or patented property of a household member, such as payments for:

- the right to use copyrighted materials;
- the right to use licensed products;
- the right to use patented items;
- the right to use secret processes, formulae or designs;
- consideration for trademarks and other analogous rights;
- the rights on the use of motion picture films; and,
- for the use of industrial, commercial, or scientific equipment.

Royalties may be documented by statements or by contracts with the entity paying the royalty. Alternately, documentation of a period of income from the royalties may be used.

403.11 Social Security Benefits

Benefits administered by the Social Security Administration include Social Security retirement benefits, Social Security disability benefits, Supplemental Security Income assistance, and Railroad Retirement.

There are several acceptable methods to obtain Social Security (SS) documentation.

- Copy of the Social Security Award Certification.

- Direct deposit statement from a bank.

- SSA-2458, Report of Confidential Social Security Benefit Information or written verification from the Social Security Administration (SSA) with a Form L634 (cover letter) attached.

- Copy of the most recent Social Security check.

- A lump sum Social Security awarded for back payment may be used to calculate income. Determine the amount by pro-rating the entire award and then consider the most recent twelve (12) months.

The net amount of the Social Security check, after the deduction for Medicare Part B premiums and/or Part D, is to be used to compute income.

403.12 Strike Benefits

A union may award strike benefits to employees who are striking against their employer. Strike benefits are counted as unearned income. They may be verified by statements from the union, or by a check copy or stub.

403.13 Temporary Assistance for Needy Families (TANF)

TANF replaced several forms of welfare assistance. For income calculation purposes consideration is only given to the cash assistance award that was previously awarded under the AFDC program.

Acceptable proof of this income would include a copy of the most recent TANF check, a TANF award letter, or any other form of verification from the local office of the Division of Family Resources.

403.14 Unemployment Compensation

Unemployment Compensation Benefits (UCB) are unearned income that is available to individuals who have a recent, covered work history and are currently available for employment.

UCB may be documented by weekly pay stubs. Note that the net amount of the weekly check is after applicable deductions; such as federal income tax withholding, child support, and garnishment. The gross amount of the check is on the check stub. It is the *gross benefit* that should be used to compute the household member's income. There also may be a $25.00 per week stimulus addition that should be counted.

UCB may also be documented by a letter which is issued to the claimant by the Department of Workforce Development (DWD) which states the total amount of money available under their claim and the length of time it is to be paid out. However, this letter only indicates the amount

the claimant may receive. If there are issues regarding the circumstances under which the claimant separated from employment, those issues may prevent or postpone the individual's actual receipt of benefits.

UCB recipients also receive a tax form 1099G from the DWD showing the previous year's draw of benefits.

403.15 Veteran's Benefits

A copy of the most recent benefit check, an entitlement letter, or a statement from the Veterans Administration is all acceptable documentation of VA benefits.

403.16 Worker's Compensation

Worker's Compensation may be awarded to an injured employee or his survivors under state and federal statute. Benefits are paid either in a lump sum or, more likely, as a monthly payment. Benefits are counted as unearned income.

Worker's Compensation is either paid by an insurance company or by the employer out of a self-insurance fund. In either case the individual should have an "Agreement to Compensation" form which states the amount of the benefit.

Worker's Compensation can also be verified by calling the Worker's Compensation Board of Indiana at (317) 232-3808. Agencies will be asked if they have a release of information form signed and on file.

403.16 Life Insurance Payments

Life insurance payments of a regular basis to a surviving household member should be counted as unearned income.

404 ASSETS - SALE OF ASSETS

Profits or gains from the sale of the assets of an individual household member are counted as income. Losses from the sale of assets are disregarded in the calculation of income.

404.1 Definition of Assets

For purposes of the Energy Assistance Program assets include:

- equity shares (stocks);
- bonds;
- savings;
- retirement accounts;
- personally-owned real estate and/or dwellings that are *not* the households primary place of residence;
- personally-owned real estate and/or dwellings that *are* the households primary place of residence (but see Section 404.6 below);
- household furnishings;
- personal vehicle(s);
- coins, stamps, or other valuable collections;
- gems and jewelry;
- gold;
- silver; and/or,
- other items of value.

404.2 Calculation of Asset Income

Assets may produce income in two ways. Some assets, such as savings or investments produce ongoing income from interest or dividends. This income is counted as it is received. (See Section 403.5, Dividends and Interest.)

Assets also produce income when they are liquidated, sold or otherwise disposed. The resulting income is counted for the eligibility determination for EAP. However, certain deductions or exclusions are applicable in determining the countable gain or profit.

The determination of the gain (or loss) from the sale of an asset is based on this example:

$10,000	the original purchase price of the asset
- 4,000	Depreciation to the value of the asset
= 6,000	the current value of the asset
- 500	other allowable deductions or exclusions
+7,000	amount received for the asset
$1,500	gain (profit) or loss from the asset sale

404.3 Loans Against an Asset

Gains derived from the sale of an asset which are subsequently utilized to discharge the balance of a debt on the asset are deducted when computing the income from the sale of the asset.

For example, an individual sells a car for $6,000 and still owes $3,000. The amount still owed on the car, which can be documented, is deducted from the amount received for the car when calculating income.

404.4 Depreciation

The amount of depreciation of an asset is deducted from the original cost of the asset before computing the gain received by disposal of the asset. Put more simply, the intake worker should use the current value of the asset when calculating the income from the disposition of the asset.

For example, an individual purchases a car for $10,000 and drives it for 3 years during which time it depreciates in value by $5,000. The amount of depreciation is excluded in the income calculation. (The depreciation of the car is actually computed by merely looking up the current value of the car.) The current value of the car is then $5,000. The individual then sells the car for $6,000. So the gain on the sale of the car is $1,000.

404.5 Fees For the Sale of an Asset

The fees necessary for the sale of an asset are deducted from the proceeds of the sale when computing gain from the sale of an asset. Such fees are limited to broker's fees, real estate agent fees, or other reasonable and necessary fees paid to an intermediary by the asset seller. Deductible fees *do not* include the individual's incidental or personal expenses for the sale.

404.6 Sale of a Residence

If a household member has sold "homestead" property, that is real estate and/or a dwelling in which the member resided, the profit or gain from the sale of that asset is counted as income. *Except,* if the household uses that gain for another residence a deduction is made to the extent that:

- the gain was applied to the purchase of another house in which the household member is currently residing; or

- the household member can provide documentation of intent to apply the gain to another residence and is actively searching for another residence.

For example, a residence is sold for its current value of $50,000. The mortgage on the residence of $45,000 is paid off. And, the Realtor's fees of $3,500 are paid. The household has realized $1,500 from the sale. The household member makes a down payment of $1,000 on another residence. The countable income from the sale is then reduced by the amount used for another residence and becomes $500.

404.7 Forced Sale of Assets and Discharge of Debts

Gains derived from the forced sale of an asset, which are subsequently used to discharge a debt, are excluded as income. These involuntary sales of assets are usually supervised by creditors and may precede a threatened foreclosure or bankruptcy.

Any portion of the gain not used to discharge a debt is to be considered income.

404.8 Sale of Assets of a Business

The assets held by and disposed of as a part of a household member's business are not a part of their personal income calculation. Those transactions would be considered in the calculation of their business profit or loss. (See Section 402.3)

404.9 Asset Tests

There is not an asset test or resource limit with the Energy Assistance Program. The total value of a household's assets does not affect its eligibility for benefits. Only the income produced by the assets is used in the eligibility determination.

SECTION 500

INCOME EXCLUSIONS

In computing a household's eligibility for EAP certain types of income are to be excluded. Exclude the following income when determining gross annual household income.

501 LOANS

In general, sums received as a loan to an individual are not counted as income.

501.1 Loans

Loans include, but are not limited to: educational loans, car and home loans, various loans to pay household expenses, reverse mortgages, money advanced on a credit card, etc.

501.2 Reverse Mortgages

A reverse mortgage is a mortgage contract which allows a homeowner, age 62 or over, to borrow a percentage of the appraised value of the home. The homeowner then receives either a periodic payment or a line of credit that does not have to be repaid as long as the person is in their home. Reverse mortgages are essentially loans and are excluded.

502 NON-RECURRING, LUMP SUM PAYMENTS

No longer will non-recurring, or lump sum payments to a household be considered an asset and not counted as income.

502.1 Medical Reimbursement

Reimbursement, from a third party, for medical expenses is not counted as income. However, note that funds paid by a health indemnity plan, for a person in the hospital, may be counted to the extent that it is not used to pay medical bills. (See Section 403.4)

502.2 Insurance Settlements

A one-time, lump sum insurance settlement payment for injury is excluded as income. (However, see Section 403.5 regarding dividends and interest.)

502.3 Retirement

A lump sum pension or retirement payment is included in income to the extent that it represents the employer's contribution and/or interest. The payment is excluded from income to the extent that it represents the employee's contribution. However, the ongoing retirement payments are counted as income. (See Section 403.8)

Lump sum Social Security and Supplemental Security Income (SSI) payments may be excluded from income calculations (See Section 403.11). However, the ongoing amount of such income is annualized, and counted.

Social Security benefits paid to a surviving spouse in the name of the surviving children is counted as income to the household.

502.4 Inheritance

An inheritance received in a lump sum is excluded as income.

502.5 Gifts

Gifts of a one-time nature that do not represent support on a cash basis are excluded as income.

502.6 Savings Instruments Principle

That portion of any savings instrument which represents the individual's contribution to the principle is never considered as income. Saved money has already been counted as the household received it.

For example, the principal withdrawn from a savings account or other cash asset is not used in income calculations. The principle is the amount of the asset that was contributed by the individual owner of the asset. (See Section 403.5, Dividends and Interest regarding income from such instruments).

502.7 Tax Refunds

Tax refunds and Earned Income Tax Credits refunds are excluded as income.

502.8 Veterans Reduction Assistance Allowance

That portion of Veterans Reduction Assistance Allowance which represents the veteran's contribution to the allowance is excluded. Veterans who served before December 31, 1977, have not made a contribution toward their benefits. This contribution will not exceed $2,700 and can be identified by the Veterans Administration (VA) when verifying benefits.

To verify benefits call 1-800-827-1000 and provide the applicant's VA file number. A social security number may be used as a last resort. The VA will verify the educational expenses (i.e., tuition, books, fees, transportation) which are excluded from income.

That portion of the allowance which represents the Veterans Administration contribution and which exceeds these educational expenses is counted as income.

502.9 Payments on a Household's Behalf

Payments made by others on the household's behalf are excluded, including payments for such items as car and health insurance payments, payments for rent, or payments for other household expenses made on the household's behalf. However, if money is given directly to the applicant for any purpose, that is counted as income.

503 BENEFITS FROM OTHER ASSISTANCE PROGRAMS

In general, the cash and non-cash benefits received by the household from other social services programs are excluded as income. (Except as delineated in Section 403, Types of Unearned Income)

503.1 Agriculture Commodities

TEFAP: the value of federally donated food commodities acquired through price support operations for school lunch programs or for distribution to needy individuals shall not be considered income for the purpose of determining eligibility for the Energy Assistance Program.

Child Nutrition Program Commodities: the value of food provided under National School Lunch Act or other child related commodities distribution programs are excluded as income.

Elderly Nutrition Programs: the value of food such as congregate dining and home-delivered meals are excluded. (See Section 503.12)

503.2 Black Lung Disability

When awarded to the recipient while he/she is still living, it should be excluded when figuring income. When Black Lung Pension is awarded to the survivor of the recipient it should be included as income.

503.3 Child Care Assistance

Childcare assistance payments on behalf of the household are not considered income to the household. Childcare assistance paid to the household as a childcare voucher is counted. Common types assistance include; Child Care and Development Funds (CCDF), Child Care and Development Block Grant funds (CCDBG), Social Services Block Grant funds (SSBG), At-Risk Child Care, Guaranteed Child Care, and Transitional Child Care.

503.4 Domestic Volunteer Service Act of 1973.

VISTA, ACTION, RSVP, Foster Grandparents, Senior Companion Program, Older Americans Community Services. Payments to volunteers under this act shall not in any way reduce or eliminate the level of eligibility for assistance under EAP. Except when such payments, adjusted to reflect the number of hours such volunteers are serving, are equivalent to or greater than the minimum wage then in effect under the Fair Labor Standards Act of 1938, or the minimum wage under the laws of the State where such volunteers are serving, whichever is greater (minimum wage rate is $7.25 as of 8/1/09). Refusal to accept other work while a volunteer under this Act shall not cause a loss of benefits.

503.5 Food Stamp Act of 1964

The value of the food stamp coupon allotment provided to a household or any of its members is excluded.

503.6 Medicare and Medicaid

Reimbursements to a household for medical expenses are not considered income for the Energy Assistance Program. The premium for Medicare Part B is not included as income.

503.7 Student Grants and Loans

Any grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the United States Department of Education is not to be considered income for the Energy Assistance Program. (This includes federal work-study grants.)

503.8 Victims of Nazi Persecution

Restitution payments made to individuals because of their status as victims of Nazi persecution shall not be counted as income, per Public Law 103-286 signed August 1, 1994.

503.9 Subsidized Housing

The value of a housing subsidy is excluded with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, Section 101 of the Housing and Urban Development Act of 1965, or Title V or the Housing Act of 1949.

Direct payments to the household for utility assistance under these programs are also excluded as income.

503.10 Supportive Services for Employment

The value of supportive services received under various employment and training programs is excluded as income. These programs include; the Job Training Partnership Act, the Personal Responsibility and Work Opportunity Reconciliation Act, or similar programs.

Supportive services include payments made on behalf of, or through an individual for transportation, health care, special services and materials for the handicapped, child care, meals, temporary shelter, financial

counseling, and other reasonable expenses required for participation in the training program and may be provided in kind or through cash assistance.

Note: actual wages earned in employment and training programs are generally counted as income.

503.11 Township Trustee Assistance

All forms of township trustee assistance are excluded as income for the EAP program.

503.12 Older Americans

The value of elderly nutrition programs such as congregate dining, home-delivered meals, Senior Citizens Service Employment Program (Title V), and Experience Works (formerly Green Thumb) may not be treated as income or benefits for eligibility purposes under the EAP.

503.13 AmeriCorps

AmeriCorps is a network of national service programs which engage Americans in intensive service to meet critical needs in education, public safety, health, and environment. Created in 1993, AmeriCorps is part of the Corporation for National and Community Service, which also oversee Senior Corps and Learn and Serve America. AmeriCorps living allowances and education awards are excluded as income.

503.14 Certain Children of Vietnam War Veterans

VA benefits provided to children of Vietnam Veterans (including adult children) who were born with the congenital defect spina bifida are excluded. Also, effective December 1, 2001 VA benefits to children of female Vietnam veterans born with certain other birth defects are excluded. The monthly monetary allowance is paid at a rate that is based on the child's level of disability. (refer to chapter 18 of Section 401 of P.L. 106-419).

503.15 Economic Recovery Payment to Certain Individuals

A $250.00 payment to recipients of Social Security, SSI, Railroad Retirement Benefits, and Veterans Disability for Pension Benefits

shall not be considered income in FY 2011

504 EXCLUDED EARNED INCOME

In general, earned income is counted. (See Sections 401.1 and 402.) The following earned income is excluded.

504.1 Adult Care Payments

Income paid to care-attendants for care of the elderly or handicapped living in the applicant's household. **Note**: A live-in care attendant related by blood, marriage, or adoption to any member of the household is considered a household member.

504.2 Income of Students

Income of a full-time college student, up to age 22, and who is a dependent, may be excluded if the applicant wishes. If so, that student would not be counted as a household member. Proof of the student's full-time status must be provided.

A full-time student is enrolled at a university, vocational college, business college, or other accredited institution for 12 credit hours or more per semester.

Income from a student still attending high school, regardless of age, is excluded.

504.3 In-kind Payment to the Household

An in-kind payment to a household in lieu of payment for work is excluded from income computations, including:

- the imputed value of rent from owner-occupied housing;
- food or rent received in lieu of wages;
- items received in barter for rent; and
- gifts received from an employer.

504.4 Income of Household Members Under 18

The earned income of any household member under 18 years old at the time of application is excluded from the household's eligibility determination.

505 ASSETS - SALE OF AN ASSET

The determination of the gain (or loss) from the sale of an asset is based on the current value of the asset and the amount received in the sale of the asset. When a household member sells or liquidates an asset the resulting income is counted, except that there are certain deductions from that sale that are, in effect excluded from the calculations.

It is *important* to also review Section 404, Assets - Sale of Assets, regarding the sale and liquidation of assets.

506 INCOME EXCLUSIONS - NON-CASH BENEFITS

506.1 Employer Paid Benefits

Employer paid or union paid portion of health insurance or other employee fringe benefits are excluded as income.

507 DRASTIC LOSS OF EARNED INCOME

New this year: There will be no Drastic Loss of Earned Income In FY 2011

SECTION 600

VENDOR NOTIFICATION AND PAYMENT PROCEDURES

The agency is responsible for promptly notifying the eligible household's utility vendor(s) so that the EAP benefit can be applied to the bill.

601 EAP VENDOR NOTIFICATION PROCEDURE

601.1 Transmittal Forms

The **Daily Transmittal** form (see Appendix K) is a list of eligible households for whom the vendor applies the EAP financial credit.

The **Transmittal Summary** form (see Appendix L) is a list of processed transmittals from which to pay the vendor for credited utility bills.

601.2 Vendor Notification

The vendor should be notified of client eligibility once the application is fully completed, signed, and approved by the authorized CAA representative. If the household is ineligible or is pending eligibility determination, an EAP benefit amount should *not* be recorded on the application. The vendor should *not* be notified prior to the benefit determination.

The vendor notification procedure is as follows. The CAA will generate the EAP Daily Transmittal Form(s) that will reflect client information obtained directly from the approved EAP application(s).

The purpose of the Daily Transmittal is to notify the vendor of approved households and their benefit awards. This notification should be sent to the vendor on a daily basis if electronic transmission is available. For the Universal Service Program, this is particularly important. Otherwise, weekly submission of transmittals should be the standard.

The EAP Daily Transmittal Form should be fully completed, except for the vendor's signature. The authorized agency representative will sign and date in the appropriate space and send the original to the vendor and maintain a copy for fiscal accountability.

Transmittal(s) signed by the agency representative signifies EAP approval of the listed households and financial obligations to the respective vendor.

Original or electronic signatures are not necessary on electronic transmittals.

601.3 Vendor Processing

The vendor will review the EAP Daily Transmittal to verify the account, and acknowledge the EAP enrollments and benefit amounts. The vendor must report any discrepancies in client name, address, account number, billing amount, or bulk fuel order as soon as possible either by telephone contact or notation on the transmittal.

The authorized vendor (bulk fuel or regulated utility) representative will sign and date the appropriate space and return the EAP Daily Transmittal as soon as possible to the local agency for vendor payment.

The vendor signature on the EAP Daily Transmittal Form certifies that the vendor has acknowledged the EAP enrollment, credited the account or delivered the fuel, and (for regulated utilities) will protect the household under the provision of the "moratorium on disconnection" during the period of December 1st through March 15th.

If the assistance is not completely used, the remaining EAP benefit should be rolled over to the next month and placed on the customer's account as a credit.

Once the vendor has processed the transmittal it is returned to the CAA. When the CAA has received the signed Daily Transmittal from the vendor, the agency must complete the new fiscal procedures for issuing a check to the vendor for payment.

601.4 Crisis Assistance Benefits

Crisis benefits for households will follow the same vendor notification procedure. Program enrollment can be verified by the EAP application on file at the local agency.

602 EAP VENDOR PAYMENT PROCEDURE

The CAA will now submit the approved transmittal(s) to IHCDA for payment. The EAP payment amount will be accompanied by a Transmittal Summary Form for fiscal accountability. The Transmittal Summary should be computer-generated.

The Transmittal Summary is a comprehensive report of the transmittal(s) that corresponds with the dollar amount of the payment.

Quality assurance adjustments regarding household eligibility or benefit adjustment should be indicated on the Transmittal Summary Form. The vendor payment package to IHCDA should include:

A. EAP vendor check amount;

B. Transmittal Summary Form; and

C. Copies of Daily Transmittals (optional if vendor has copy on file).

603 EAP PAYMENT SCHEDULE

Payments for households that use bulk fuel will be made as soon as feasible after the beginning date of the program.

CAAs should begin transmitting to regulated utilities as federal funds become available through IHCDA. Regulated utilities should anticipate first payments for eligible clients no later than November 2010. Once transmittals are received by the CAAs from the utilities, IHCDA should be notified within 5 days of the amount to be made plus verification.

No households will receive a direct benefit check in FY 2011.

For FY 2011, the earliest transmittal date will be October 5, 2010, the official start of the program.

Vendors will not receive timely payment if transmittals are not returned promptly to the CAA.

604 IHCDA CLAIM REIMBURSEMENT

The CAAs may claim reimbursement for EAP obligated funds from IHCDA for Eligibility (.1), Program Support (.2), Energy Education (.3), Family Development (.9), Conservation Action Kits (.10), Materials and Supplies (.11). This procedure should sufficiently maintain the CAA's cash flow.

The IHCDA field staff will monitor and statistically sample the client files to ensure that the CAA is maintaining acceptable program eligibility documentation and financial payment records.

Approval of benefits by the CAA, which exceed the available balance of their allocation, or the maximum percentage of a particular line item, will not be reimbursed by IHCDA.

SECTION 700

QUALITY ASSURANCE

The CAA has the responsibility of conducting Quality Assurance (QA) Reviews of no less than thirty percent (30%) of all EAP applications.

701 APPLICATION INTAKE QUALITY

Quality Assurance Reviews may include, but are not limited to, the following:

The agency should check for the completeness and accuracy of the Energy Programs Application form, including:

- the household information;
- the statistical sections;
- the benefit information sections;
- the utility company information;
- the identification of application type, including TANF status; and,
- the signature and date on the application.

The quality reviewer should check the accuracy of the benefit matrix, including:

- the completeness of the case identification information;
- the accuracy of the income computation;
- the points awarded correctly under each category;
- the points totaled correctly;
- the electric benefit is noted;
- a crisis benefit, if applicable, is noted;
- the matrix form is signed and dated by the intake worker.

Other case file information to check for includes:

- copies of the most recent or other appropriate fuel bills;
- copies of income documentation;
- notation of participation in Energy Education Class, if applicable;
- case-management notes for further energy related services using the Family Development Matrix;
- forms indicating referrals to other agencies or programs; and
- other documentation including the intake worker's written comments (i.e. notes regarding contacts with utility companies).

It is highly recommended that agencies compile an internal list of QA errors and use this list for future program improvements.

IHCDA has developed a Quality Assurance review form. It is available in the RIAA software and should be used by all agencies this year in reviewing files internally this year.

702 ZERO INCOME CLAIMANTS

If a household has provided documentation that it has no declarable income, the CAA may still proceed to serve the household. However, IHCDA recommends that the local agency conduct a more thorough QA review on a sampling of these applications. Therefore, it is extremely important that intake sites accurately verify Social Security numbers, particularly those declaring zero income.

Households that declare no income should document how their living expenses are met. This should be recorded on the EAP application or in the case file. **If there is no indication how a zero income household meets basic living expenses, then no EAP assistance should be offered**. This is not meant to disqualify a household with no income but rather understand how such a household survives and if case management services would be appropriate.

A signed EAP application gives the agency consent to make any necessary contacts to verify information given by the applicant. Therefore, all household members declaring zero income for the previous 12 months must provide a wage history from Work One, the unemployment office in Indiana. Households which are found to have undeclared income, resulting in total household income exceeding the Poverty Guidelines, or resulting in getting benefits for which they were not entitled, should be notified that unreported income has been found. Further, the EAP benefit, which has already been given to the vendor, should be recouped.

The CAA should also include QA random samplings of households that rent by using a **Landlord Affidavit** (see Appendix D). The CAA may verify information such as account name and service address by contacting the utility vendor. Verification of property ownership may also help in the QA effort. If upon further review by the CAA staff, it is determined that a household has provided fraudulent housing information, the agency should begin procedures to recoup the benefit.

SECTION 800

MAIL-IN PROTOCOL

Most agencies are serving a portion of their EAP households through a mail-in process, which allows the eligibility determination to be accomplished without a face-to-face interview. The process may be used with any group the agency chooses but the most successful groups have been the elderly and the disabled since they are mostly on fixed incomes and have static living conditions.

Other agencies have served families with children under age six (6), the other "at-risk" group in EAP. We encourage agencies to continue to expand their mail-in groups, particularly experimenting with the working poor to whom coming to the office may mean taking time from a job and losing pay.

801 APPLICATION DATES

All clients from the previous year's EAP roles, who fit the agency's chosen population, may be sent a mail-in application packet. IHCDA has again promoted the mail-in application time frame, prior to the official start of the program in the fall. Households may receive FY 2011 applications beginning August 1, 2010. This is done to alleviate the congestion at the start of the fall appointment period. Completed applications for the FY 2011 program may be entered into RIAA beginning late August, 2010. But no Transmittals should be sent to the utility vendors until October 5, 2010 or after. Nor should the Applicant Notification form be sent to households prior to October 5, 2010. Again, October 5, 2010 is the effective start date of the FY 2011 program.

802 APPLICATION PACKET

802.1 Application Packet Contents

Each agency develops its own mail-in packet. However, the packet should contain the following:

- the Energy Program Application form (some agencies use a pre-application form); with instructions on how to complete the application;

- all other state and local required forms and any special instructions which the client may need in order to complete the mail-in process successfully. If possible, the agency should also provide the client with a phone number other than the main EAP line so clients with questions can get through;

- forms for obtaining income verification or a process for obtaining third-party verification from the Social Security Office, DFR Office, or employer;

- a pamphlet describing other available services such as Weatherization;

- an addressed return envelope; and

- a Right to Appeal form.

802.2 Returned Packets

When the household sends or takes back the application packet it should be date stamped, or the return envelope kept in the file. These packets should be processed on a first-return, first-serve basis. Completed mail-in applications, received before October 5th, may be assigned the date received instead of the program start date. The ten day period to determine eligibility, however, will commence October 5, 2010.

802.3 Incomplete Packets

Incomplete packets should be followed-up immediately with a letter informing the client that:

- they have a certain number of days (at least ten business days) to return the proper information and/or verification;

- if the proper information or verification is not received in that designated time period then the client must come to the office for an appointment; failure to do so will result in a denied application.

- homebound clients, who were unable to complete the mail-in application, should be followed-up with a home visit if necessary; and

- clients should receive notification of their eligibility within ten (10) days of the agency receiving and approving the completed packet, but no sooner than October 5, 2010.

803 OUTREACH AND CONTINUED ACCESS TO ON-SITE APPLICATION

Also, in order to reach those clients who did not apply during the previous EAP year, information should be made available throughout the community explaining the mail-in procedure, the mail-in target population, and a telephone number for acquiring a mail-in packet. IHCDA has designed a brochure for EAP and the Home Energy Conservation (Weatherization) Program. These brochures are available to agencies upon request. Mail-in applications remain a strongly recommended intake procedure.

Federal regulations mandate that walk-in sites be available for those clients who need crisis assistance, intake services, or help with completing their application. These sites must, of course, be available once the regular program begins.

SECTION 900

SUMMER COOLING ASSISTANCE PROGRAM

The statewide Cooling Assistance Program for FY 2011 will begin June 1, 2011 and end August 31, 2011.

Unless otherwise specified below, the rules established for the EAP winter heating assistance program apply to the Summer Cooling program.

901 ELIGIBILITY REQUIRMENTS

901.1 Application and Eligibility Determination

Households that received FY 2011 winter heating benefits are considered eligible for Summer Cooling Assistance based on the previously approved application. A further eligibility determination is not necessary.

A household that did not receive heating benefits the prior winter must be determined eligible under the guidelines as a *new* applicant. The program is not restricted to households that received the prior winter's heating benefits. *New* households may apply.

Note: financial eligibility for a *new* Summer Cooling Assistance application will be determined based on the annually updated poverty level guidelines which are effective for EAP beginning June 1st of each year.

901.2 Categorical Requirements and Cooling Benefits

All financially eligible households qualify for either:

- a $50 payment to their electric utility, and under certain conditions;
- a room air conditioner

The $50 electric benefit paid direct to the vendor is awarded to households that are responsible for an electric utility bill. **Effective in**

2011, there will not be a direct $50 payment made to households with electric included in their rent.

A room air conditioner may be awarded only to income eligible households that pay an electric bill.

Eligible households may receive the above electric dollar benefit payment annually.

901.3 Eligibility for an Air Conditioner

Under certain, limited circumstances a household may be eligible to receive an air conditioning unit, *plus the monetary benefits above*. Except as noted, all three criteria must be met to receive an air conditioner.

1. The household must be financially eligible for the program as described above; and,

2. The household must have a verified medical requirement for an air conditioner. That is, a statement from a doctor or nurse practitioner that indicates a medical condition of a household member justifies the need for an air conditioner and that the lack of a room air conditioner in the household may seriously jeopardize the health of that person. IHCDA has developed an Air Conditioner Certification Affidavit for use in FY 2011. It must be completed and signed in order to qualify for this benefit; and,

3. Using EAP program definitions, the household must be classified as at-risk: elderly, disabled, or have a child under the age of 6. (See Section 302.4)

   <u>Exception to #3:</u> *If a household applies which does not meet the third criterion but the agency feels that it is a life-threatening situation, the CAA Program Manager may approve, by a written waiver, overriding the third criterion.*

A household will qualify for the air conditioner benefit no more than once every five (5) years, except in extreme circumstances such as a flood, tornado, or fire that caused the household to relocate.

902 LIMITS TO THE VALUE OF PURCHASES

The air conditioner purchase must be a 5,000 (minimum) BTU capacity unit, but not to exceed a cost of $275. Further, the household must sign a statement that they will not sell or transfer their air conditioner for a period of five years.

It is required that agencies purchase Energy Star rated air conditioners. Exceptions must be approved in writing by the IHCDA Program Administrator for EAP.

Although the Summer Cool Program will no longer be awarding box fans, the program will still coordinate with the Channel 6 Fan Club to distribute their box fans to our clients in Central Indiana.

903 INVENTORY

It is important to purchase enough of a supply of air conditioners to accommodate the anticipated demand, as well as obtaining a volume based price. However, inventory should be limited to avoid storage costs. We suggest that agencies plan to have no more than 10% of their volume on hand to carry over as inventory for next year.

Remaining box fans may be given to *new* Summer Cool applicants until supplies are deleted.

SECTION 1000

SUMMER FILL

The Summer Fill Program for FY 2011 will again target households using bulk fuel as their primary heating source. The intent of this program is to offer EAP clients the opportunity to receive heating fuel, in advance of the winter heating season at reduced prices. As with last year, households who receive Summer Fill benefits will not be eligible for the *regular* heating benefit, the following winter. They will however be able to return for their regular electric benefit of $100 and crisis benefits up to $400, over the winter.

With the volatility of bulk fuel prices, it may be found that the summer discounts previously available are no longer offered. The agency should discuss the advisability of using summer fill with the household. It is entirely up to the household whether to participate.

Also, it is suggested that agencies question summer recipients as to whether they may be moving. In that event, it may be worth their while to wait for winter benefits, so as to be eligible for the entire regular benefit in the winter.

1001 PROGRAM DATES

The Summer Fill Program will begin June 1, 2011 and will end August 26, 2011.

Transmittals to and from the vendors, and claims with IHCDA, will be handled exactly like they are during the EAP winter heating season. All obligations must be made by August 26, 2011 and all claims must be submitted and subsequently paid to the vendors by November 30, 2011.

1002 ELIGIBILITY REQUIREMENTS

The program is open to all EAP eligible households who are bulk fuel users (oil, propane, and wood).

In order to allow clients to take advantage of the possible lower summer prices, any household may apply for its regular heating benefit under Summer Fill. By doing this, households are then

electing to receive their benefit, during the summer, in lieu of being eligible for a regular heating benefit next winter.

For existing applications from the FY 2011 winter program, eligibility for the Summer Fill benefit is based on the household's 2010-11 winter eligibility. The Summer Fill benefit is awarded under the application already on file, using the same benefit matrix points.

Otherwise the household is considered *new*, requiring a new application, an evaluation of the household's eligibility and computation of the matrix score and benefit, all based on current eligibility information.

(**Note:** households may still be eligible for Summer Cooling benefits, apart from this program. See Section 900.)

1003 ALLOWABLE BENEFITS

The amount of the Summer Fill benefit is to be based on the amount computed during the winter season, using the 2011 EAP Benefit Matrix; or newly computed if the benefit is for a new application. This would include the regional differential.

Neither the $100 regular electric benefit nor any crisis benefits will accompany the summer fill benefit. Instead the household's regular electric and crisis will be available, <u>under a new application</u>, the following winter. At that time the summer fill household will only be eligible for those benefits, and not another regular benefit.

If a household changes provider fuel types after the summer, and returns in the winter for a benefit, the household is eligible for a maximum of $50 in regular heating benefits on the new utility; the necessary crisis benefit; and the standard electric benefit designated to operate the furnace.

If a credit is given, the credit ticket must state that the supplier will be providing the fuel at a later date. The later delivery of additional fuel must be at the price that it would be delivered to any of the vendor's other customers. That is if a non-EAP household has the option of pre-paying for its fuel at lower summer price then the EAP customer must be extended the same credit.

The amount of the credit must be documented by the supplier with the total amount due and the price per gallon on the credit slip.

1004 SUMMER PRICES

Agencies are encouraged to negotiate with vendors for discounts on summer purchases.

Note that discounts can be used for the agency's leveraging purposes. Agencies should record the purchase price from each vendor, for comparison to their pre-discount summer price. If you are able to negotiate an even better "low-income discount", those savings also count in leveraging.

SECTION 1100

LEVERAGING INCENTIVE PROGRAM

In 1992, federal legislation established the Leveraging Incentive Program to reward States under the Low-Income Home Energy Assistance Program (LIHEAP) that have acquired non-federal home energy resources for low-income households. Leveraging Incentive Program funds will be awarded to those CAAs that play an active role in developing or acquiring dollars that represent a net addition to the total energy resources available to the low-income in their areas.

1101 LEVERAGING INCENTIVE AWARDS

Under this program, Leveraging Incentive awards in one fiscal or program year (the award period) are based on countable leveraged resources that were provided to low-income households during the previous fiscal year (the base period). For example, the 2009 data is used to award the funds to the states in summer 2010. Those funds are then awarded to CAAs in their FY 2011 contracts.

States, territories, and tribes desiring Leveraging Incentive funds must submit an application each year - the federal "LIHEAP Leveraging Report" - that delineates the amount and types of leveraging activities they carried-out during the base period. HHS will then determine whether the reported activities meet the requirements of the statute and regulations, and therefore, are countable under the program for the purpose of determining allocation of the incentive award funds.

Once the State of Indiana receives a Leveraging award, it is allocated to the CAAs based on Leveraging activities that took place in their service area.

1102 COUNTABLE LEVERAGED RESOURCES

Leveraged resources means the benefits made available to Indiana's Energy Assistance Program, or to households qualifying for the program, insofar as the benefit represents a net addition to the total energy resources for the low-income client, expanding the effect of their federal LIHEAP funding.

Note that the households who "qualify" in this instance include any that have an income up to the federally established limit of 150% of poverty, whether they were an EAP recipient or not.

1102.1 Leveraged Utility Bill Assistance

Any non-federal form of utility assistance to the low-income household may be reported by the agency as a leveraged resource. This would include assistance paid to or on behalf of a household by township trustees, local community organizations, churches, a landlord, or other individuals.

1102.2 Utility Company Programs

Any utility vendor programs which benefit the qualifying population can be evaluated and counted as leveraged funds. This may include utility company fee waivers, discounts, deposit waivers, arrearage forgiveness, and/or the value of any other household benefit provided.

Also included are home weatherizations or similar activities funded by utility companies. To the extent that labor and/or materials are provided by the utility company, the values can be counted as leveraged funds.

1102.3 Fuel Fund Programs

Various activities are used to establish local fuel assistance funds to benefit the low-income. Efforts such as NIPSCO's "Gift of Warmth" and Duke Energy's "Helping Hand", programs that reduce a low-income consumer's bill can be counted as leveraging activities. IHCDA is able to gather information from the major investor owned utilities doing business in Indiana. Agencies should look for other local fuel funds established by rural co-ops, municipal utilities, and bulk fuel vendors in their service territory.

1102.4 Donated/ Discounted Energy Related Items

Any energy related items donated to an agency on behalf of qualifying households, or donated directly to the household, may be counted for leveraging. Such items have included weatherization materials and energy efficient lighting. Other donated items may include space heaters, smoke alarms, windows, and doors.

Also, agencies may be able to obtain discounts on fans and air conditioners for the Summer Cooling Program. Even donated items such

as blankets in the winter or Channel 6 fans in the summer may be counted. Another countable resource is the landlord's contribution to the weatherization of rental property.

To the extent that they are either donated or discounted, the value of these donated goods and services may be countable.

1102.5 Fuel Discounts

Anytime a lower price for utility costs for a low-income household can be negotiated, the difference between the current price and the lower discount price can be counted as leveraged. In 1997, the Energy Assistance Program's Summer Fill Program began. Because it is a slow business time for most bulk fuel vendors, summer is a prime opportunity for the local agencies to negotiate for the delivery of bulk fuels at a lower price. In this instance, the difference between the "regular" summer price and the negotiated price can be counted under leveraging.

1103 ALLOWABLE USES OF LEVERAGED FUNDS

When the Leveraging Incentive Program awards are made to the states all of the funds are then distributed by IHCDA to the CAAs based on the portion leveraged in each service area. The funds received by the local CAA must be used to maintain or increase benefits to low-income households as a part of the Energy Assistance Program.

Leveraged funds may *not* be used for administration or planning.

1103.1 Utility Assistance

Leveraged funds may be used to augment the regular energy assistance benefits: heating, crisis, cooling, or summer fill benefits. This may mean the expansion of the number of households served. But it may also include the awarding of funds to a household, over and above the amount of the regular and crisis benefits, whenever the local CAA feels it is warranted.

Funds may also be used to pay costs that are not eligible for payment under the regular EAP program (See Section 204). *This could include deposit and reconnect fees.*

- ✓ Leveraging incentive grants must be obligated no later than September 30, 2011, or the funds will revert to the federal government.

- ✓ For the 2011 Energy Assistance Program, the State of Indiana will receive a federal leveraging award of **$353,992**

- ✓ For a possible 2012 leveraging award from HHS, agencies should submit their local leveraging information to IHCDA no later than October 31, 2010. This information should cover activities from October 1, 2009 to September 30, 2010 in their service territory.

SECTION 1200

APPEALS PROCEDURE

1201 APPLICABILITY

The Energy Assistance Program appeals procedure is required and must be communicated to households:

A. whose assistance has been denied; or,
B. whose application has not been processed in a timely manner and who has not received written notification of approval or denial within ten (10) days of the completed application; or,
C. whose benefit has not been received within ninety (90) days of application if direct pay or one hundred twenty days (120) if utility pay.

1202 APPEALS PROCEDURE

The Appeals Procedure begins at the local level with an informal process designed to settle most problems through a review of the facts and resolution of the issues. This process can include assistance from the Indiana Housing and Community Development Authority. If the informal process does not resolve the matter there is a subsequent process whereby the complainant may ultimately have a formal hearing of the matter.

1202.1 Informal Review Process

1. The CAA must provide **written notification** of approval or denial to all households for Energy Assistance within ten (10) working days of the household's completed and processed application. The notification must include the household's right to appeal that determination.

2. If the applicant is not satisfied with any determination by the Program Director of the CAA, he/she may submit a written or oral request to the CAA for a review of the determination. The Executive Director or their designee shall make the determination of the applicants' eligibility on review within ten (10) working days of the applicants' request.

3. If the applicant is still not satisfied with the determination after review by the Executive Director, he/she may request review by the State. This request may be made by submitting the APPLICANT NOTIFICATION FORM to IHCDA. If an applicant needs assistance with this procedure, they may call the IHCDA at 1-800-872-0371.

4. Upon a request for State review, the CAA will forward the household's application, the written notification of the household's denial, and other pertinent documentation to the IHCDA's Energy Assistance Program Manager.

5. The Energy Assistance Program Manager and/or their designee from IHCDA will review the materials submitted and issue a written finding to the applicant and the CAA, based on the documentation submitted.

1202.2 Formal Appeal and Hearing

1. If the applicant disagrees with the determination of the State Energy Assistance Program Manager, the applicant has the right to appeal to the Executive Director of the Indiana Housing and Community Development Authority for an evidentiary hearing. The applicant must request this appeal within thirty (30) days of being notified of the State's decision. IHCDA will alert the CAA of the pending formal appeal. Requests for a formal appeal should be sent to the attention of:

Sherry Seiwert, Executive Director
Indiana Housing and Community Development Authority
30 South Meridian Street
Suite 1000
Indianapolis, Indiana 46204

2. The Executive Director shall designate an impartial Administrative Law Judge who has not participated in any prior decision with regard to the applicant.

3. The hearing will be scheduled promptly and held in a place reasonably convenient to the applicant, at the IHCDA office, or by telephone.

4. The applicant shall be afforded the opportunity to review all documentation submitted to the IHCDA for consideration.

The applicant may:

a. have a representative accompany him/her to the hearing;

b. be allowed to present written and oral evidence in support of his/her claim;

c. have witnesses subpoenaed;

d. cross-examine witnesses; and

e. bring an interpreter, if needed.

5. Testimony will be given under oath.

6. The hearing will be recorded and the decision based on the record.

At the time of the appeal, the benefit in question will be considered as obligated until such time as the appeal is resolved. If the appeal is successful, the CAA will pay the benefit amount to the appropriate household or vendor. If the appeal is unsuccessful the funds will revert to the program.

SECTION 1300

CAA BUDGETS AND REPORTS

As a condition for receiving the LIHEAP block grant, the State of Indiana is required to account for the expenditure of those grant funds. The subcontracting network, the Community Action Agencies, participates in this process by providing fiscal and statistical information.

1301 BUDGETS

The Energy Assistance Program budget should be submitted by each CAA to the Indiana Housing and Community Development Authority at the time of initiation of the annual contract, its renewal, or upon a change of funding notification from IHCDA. The budget is effective October 1st through September 30th, each year. IHCDA will approve all budgets and subsequent modifications.

The Leveraging Incentive Program Budget is also included, but on a separate budget page, if Indiana is awarded these funds.

(See Appendix for the EAP budget forms and specific instructions.)

The beginning Energy Assistance Program budget for the Federal Fiscal Year (FY) 2011, for the CAAs, will be approximately $62.3 million. Because the federal LIHEAP amount has not been finalized as of September 1, 2010, this amount could change. Congress appears close to passage of an appropriation. However, recent history suggests an appropriation may not be forthcoming until January. In addition to funding the Energy Assistance Program, the LIHEAP block grant is also used for Weatherization and Training & Technical Assistance.

The allocation formula for 2011 EAP funds to the Community Action Agencies will be based on the same percentages as the last nine years. If the federal appropriation exceeds the current projected amount, IHCDA will distribute these additional funds on an as needed basis.

The Energy Assistance Program budget categories will not change this year. Changes were initiated in FY 2005 upon advisement of the EAP Advisory Committee, feedback from the Indiana Community Action Association and an internal review of the LIHEAP contracting structure.

Eligibility (Administrative Costs) will again be reimbursed at up to nine percent (9%) of the total agency expenditures. Program Support will be reimbursed at up to three percent (3%) of the total budget. **However, the total expenditures of Eligibility (.1) + Program Support (.2) + Family Development (.9) may not exceed twelve (12%) of the total budget**. A line item will remain for Family Development activities and reimbursed at up to two percent (2%) of the total budget.

CAAs will be reimbursed $25.00 per hour of Energy Education provided to an EAP household member(s) in a classroom or in-home setting. CAAs may budget and draw funds from the Conservation Action Kit line item and the Materials and Supplies line item to supplement the overall energy education curriculum. Subsequent case management (Family Development) provided with an emphasis on energy conservation will also be reimbursed at $25.00 per professional hour. Client benefits will be reimbursed on an actual cost basis.

The line item descriptions will again look like this:

1. Eligibility	Actual Cost
2. Program Support	Actual Cost
3. Energy Education	$25.00/Hour of Service
4. Regular Assistance	Actual Cost
5. Crisis Assistance	Actual Cost
6. Summer Cooling Assistance	Actual Cost
7. Summer Fill	Actual Cost
9. Family Development	$25.00/Hour of Service
10. Conservation Action Kit	Actual Cost
11. Energy Ed. Materials/Supp.	Actual Cost

1301.1 Eligibility (Administrative Costs)

Eligibility costs will cover overall administration of the program. Eligibility costs are defined as the agency costs for intake and eligibility determination and other associated costs

Agencies may budget and use up to nine percent (9%) of its total EAP budget for Eligibility. Any other federal dollars used in the administration of EAP *must be included* against this limit.

<u>Eligibility line items</u>:

.1 Eligibility (Administration) (no more than 9% of total expenses may be claimed)

- EAP administrative functions, including fiscal, executive, and support operations.
- EAP Program intake functions, including eligibility determination and verification, application processing, and transmittal processing.
- Costs such as rent, utilities, and supplies etc. that are directly associated with staff costs in the Administration category.

1301.2 Program Support Costs

Program Support is a non-administrative line item intended to be used for line staff costs, which are not strictly associated with intake and eligibility determination. Agencies may budget and use up to three percent (3%) of total EAP dollars in this line item. Other federal dollars may subsidize this non-administrative category without any affect on this limit.

Program Support line items:

.2 Program Support (no more than 3% of total budget)

- Costs associated with program outreach including dissemination of program information, information on and referral to other programs, and staffing of outreach sites.
- Referrals to other agencies, assistance in budgeting for utilities, short-term case work, coordination of benefits on behalf of a household.
- Case work in response to a household's energy emergency, including all Crises related activities, such as intervention with utility companies, negotiation with township trustees or other agencies on behalf of a household.
- Costs such as rent, utilities, and supplies directly associated with staff costs in the Program Support category.
- This includes all expenses related to maintenance of seasonal outreach sites.

1301.3 Energy Education Costs

Agencies may budget and use up to four percent (4%) of their total EAP dollars among the Energy Education (.3), Conservation Action Kit (.10), and Energy Education/Materials and Supplies (.11) line item categories.

The Department of Energy and the Indiana Weatherization Assistance Program stress client education as a mandatory measure under the audit priority list. Knowledge about energy use and basic home conservation is part of the intake process and continued throughout the weatherization process.

Four percent (4%) of allowable LIHEAP weatherization funds will be "borrowed" back and used for EAP client energy education and associated costs.

The Energy Education line item includes the continuation of the Energy Education Project, which began in FY 2003.

Energy Education - An energy education session will be conducted for EAP clients in a classroom, or in-home setting. Sessions may be conducted in the office or any other appropriate setting such as Senior Centers, Head Start parent groups, Public Housing Authorities, utility offices, schools, etc. You may claim one $25.00 payment per EAP approved eligible household within the *Energy Education Project classroom component.*

Other guidelines include:

- ✓ In order to receive payment, the household must be EAP approved;
- ✓ The client must complete a sign-in sheet to serve as verification of attendance. A copy must be kept in each client's file or in a master file;
- ✓ An energy conservation action kit should be given to all EAP eligible attendees. Agencies may continue to use "first", "second", or "third" year kits already purchased until depletion. Same applies for local agency kits designed for the 2007 program or recent Niagara kits. In the 2009 and 2010 kit, Niagara Conservation provided a kit containing two compact fluorescent light bulbs, an LED night light, a self-adhesive door sweep and an earth massage showerhead (1.5 gpm).
- ✓ The contents of the 2011 kit have not been determined as of the time of the EAP fall trainings. IHCDA plans to continue working

with Niagara Conservation in providing a useable and cost efficient package to distribute to EAP households.

Further notes:

- ✓ The energy curriculum was developed by Quantec LLC, in conjunction with the State and may be used by the CAAs for the classroom training. This curriculum revolves around the original Niagara energy conservation kit. Emphasis should be placed on the discussion points in the Quantec presentation in order to be client interactive.
- ✓ CAAs may also experiment with their own design of an energy conservation class. Agencies that do so should teach off the new kit contents and present on areas of client success from past experience. CAAs that choose to do so may consult with IHCDA on curriculum contents and should have written training lessons available for IHCDA review.
- ✓ Agencies may purchase conservation action kits within that cost line category (.10) as well as necessary materials and supplies (.11).

Energy Education line item:

.3 Energy Education $25.00/Hour of Service

- Cost reimbursement for successfully teaching a one-period energy conservation class with an EAP household member. There is a one-time reimbursement per household per year.

1301.4 Benefit Costs

Funds for benefits are allocated among Regular Heating Assistance, Crisis Heating Assistance, Summer Cooling Assistance, and Summer Fill Assistance. Benefit costs should be budgeted based on the agency's historical expenditures, weather projections, and fuel cost projections. Other federal dollars may subsidize this non-administrative category.

Although agencies may move funds from one benefit line item to another throughout the year, some funding should be maintained in heating and crisis components beyond March 15th and cool and fill components through mid-summer **if possible**.

Benefit line items:

.4 Heating Assistance: Heating benefit costs budgeted for payment to utility vendors on behalf of eligible clients.

.5 Crisis Assistance: Crisis benefit costs budgeted for payment to utility vendors on behalf of eligible clients. Agencies must budget on this line item. The recommended amount is 3%, or the agency may use a historical basis for budgeting. Funds should be maintained in the Crisis line item through March 15th, if possible, when they can be moved to other line items.

.6 Summer Cooling Assistance: Cooling costs budgeted for payment to electric vendors, or for air conditioners to eligible clients.

.7 Summer Fill Assistance: Summer fill costs budgeted for payment to vendors on behalf of eligible clients

1301.5 Family Development

"Assurance 16" refers to the section of the LIHEAP statute in which the state assured the federal government that the program will:

"provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessment, counseling, and assistance with energy vendors…"

Agencies may budget and use up to two percent (2%) of their total EAP dollars in the Family Development category. Other federal dollars may subsidize this non-administrative category without any affect on this limit.

In order to continue to support the Family Development Program, after the client has completed the energy classroom session, they are eligible for further case management services, using the Family Development matrix, **with an emphasis on energy conservation.** Clients currently in Family Development must attend the energy education session for the agency to be able to continue to claim against this line item for case management activities. The agency will be reimbursed $25.00 per hour of service, per household, for continuing the holistic approach under Assurance 16 by a Family Development Specialist. Document in the case file any Family Development activities and related costs. Agencies must be capable of reporting the number of participant families to the State.

Family Development line item:

.9 Family Development $25.00 / Hour of Service

- Costs associated with short-term, intermediate, or long-term case management intervention with an EAP household. Including needs assessment and energy counseling within the Family Development Plan using the matrix score sheet.

1301.6 Conservation Action Kit

Conservation Action Kits may be purchased by the agency from this line item. The FY 2011 kits are developed for use and distribution in the EAP Energy Education Project. Standard kit contents will be provided by Niagara Conservation Corporation.

In addition, the previous Niagara kits and the agency designed kits of 2007 will be usable, until depletion, for initial or returning clients. Agencies that still have an inventory of "first" year and "second" year kits may continue to distribute them to appropriate clients until the supply is exhausted.

Conservation Action Kit line item:

.10 Conservation Action Kit

- Cost reimbursement for purchase of approved Conservation Action Kit(s) from Niagara Conservation Corporation.

1301.7 Energy Education/Materials and Supplies

In order to properly conduct Energy Education classroom sessions, additional materials and supplies may be necessary. Agencies may also want to enhance their presentation with educational material not otherwise provided.

Budgeting reminder:

- ✓ The combined total of .3 (energy education) + .10 (conservation action kit) + .11 (energy education/materials and supplies) cannot exceed four percent (4%) of the total EAP budget.

Energy Education/Materials and Supplies line item

.11 Energy Education/Materials and Supplies

- Costs associated with materials and supplies needed to conduct the EAP Energy Education Project. Costs may include, but are not limited to, paper, pens, client survey forms, conservation materials and pamphlets and brochures, and other items normally associated with a classroom learning experience.

1302 REPORTING

1302.1 Weekly Cumulative Call-In Report

Every week, CAAs are required to report current information on the progress of their Energy Assistance Program. The required reports will begin following the first week of the program in October. Again, all reports should be completed using the Roeing Initial Assistance Application (RIAA). IHCDA has access to these reports in RIAA, therefore, no reports need not be faxed or otherwise electronically submitted to IHCDA.

The template for the weekly report remains as follows:

WEEKLY REPORT

Agency Name	Report Ending
CAA Person Reporting	Date/Time of Report
HCS Person reporting	Projected Ending Date

<u>Heating Assistance</u>

Budgeted amount
Funds obligated to-date
Total number of households served

<u>Crisis Assistance</u>

Budgeted amount
Funds obligated to-date
Total number of households served

Leveraging Incentive Program

Total Leveraging Budget

Funds obligated to-date for **Heating Assistance**
Total number of HHs receiving **Heating Assistance**

Funds obligated to-date for **Crisis Assistance**
Total number of HHs receiving **Crisis Assistance**

Funds obligated to date for **Summer Fill**
Total number of HHs receiving **Summer Fill**

Funds obligated to date for **Summer Cool**
Total number of HHs receiving **Summer Cool**

Number of fans distributed

Summer Fill

Budgeted amount
Funds obligated to date
Total number of HHs served

Summer Cool

Budgeted amount
Funds obligated to date
Total number of HHs served

Number of fans distributed (Channel 6 Fan Club)
Number of air conditioners distributed
Number of households receiving electric benefit

Other Amounts

Energy Education budgeted amount
Energy Education kits purchased
Energy Education kits distributed

Applications

For the week ending:	Year to date:
Approved	Approved
Incomplete	Incomplete
On Appeal	On Appeal
Denied	Denied

All numbers reported should be cumulative. By providing year-to-date data, all adjustments made, i.e., reduction in amount obligated due to a client's ineligibility, will be included in your most recent report.

While we understand that it is difficult to project the ending date of your agency's program, please try to estimate that date beginning in January 2011. This date can be modified, as needed.

The word "obligated" means those funds, which have been committed to approved clients. It should include *every* benefit dollar awarded, not just those benefits which have been paid-to-date. It is very important that the figures reported are inclusive of all applications, even those which are pending the appeals process.

We strongly recommend that more than one person within your agency be able to provide this weekly information. In the event that the person who regularly submits the report is not available (i.e., vacation, sickness, etc.) a substitute is expected to report the figures.

1302.2 Quarterly Reports

The cumulative LIHEAP Quarterly Report should be updated four times a year, again through RIAA. A separate report on the number of TANF clients receiving EAP benefits is no longer requested by the FSSA Data Warehouse. A final EAP budget and the fiscal close out are submitted after the close of the contract but no later than November 30th..

ENERGY ASSISTANCE YEAR 2011 REPORT SCHEDULE			
Due Date	**Quarterly Report**	**TANF Report**	**EAP Fiscal**
10/01/10	No	No	Yes, Year 2010 budget(s) submitted to IHCDA. Beginning of federal fiscal year

			and EAP contract year
11/01/10	No	No	Yes, Leveraging Activities Report submitted to IHCDA
1/01/11	Yes, for the Oct-Dec period.	No	No
4/01/11	Yes, for the Oct-Mar period.	No	No
7/01/11	Yes, for the Oct-Jun period.	No	No
10/01/10	Yes, for the Oct-Sep period.	No	No
11/15/10	No	No	Yes, final budget modification due 45 days after contract ends.
11/30/10	No	No	Yes, fiscal close out report is due 60 days after contract ends.

SECTION 1400

SPECIAL PROJECTS

1401 UNIVERSAL SERVICE PROGRAM (USP)

The USP was renewed in November 2009 through October 31, 2012.

The Universal Service Program (USP) is the result of an agreement among Vectren Energy Delivery of Indiana and Citizens Energy Group in Indianapolis, the Indiana Office of Utility Consumer Counselor, the Citizens Action Coalition of Indiana, the State of Indiana and a group of manufacturing and health providers. On August 18, 2004 the Indiana Utility Regulatory Commission (IURC) approved a two-year pilot program to help low-income natural gas customers by providing reduced bills and promoting energy efficiency and conservation.

Eligible customers who have applied for the Energy Assistance Program (EAP) through their local Community Action Agency will automatically be enrolled in the new USP and will receive monthly utility bill reductions during the months of December through May in addition to their EAP assistance benefit. The amount of the monthly bill reduction will vary among EAP clients. For qualifying Vectren customers, monthly bill reductions will likely range between 15 to 32% of the total bill (not including EAP benefits). For qualifying Citizens customers, monthly bill reductions will range from 10% to 15% of the total bill (not including EAP benefits).

To qualify for USP, a client must meet the following criteria:

- Enroll in and be eligible for assistance from EAP;
- Their account must be designated for residential gas heating;
- They must reside at the service address; and
- There must be only one account in the client's name.

Approximately 56,000 Vectren and Citizens customers are expected to participate in the USP program. After tracking the efficiency of the program, the IURC and parties to the agreement will review to determine whether to make it permanent.

The USP will also provide additional funding to Vectren and Citizens customers in the form of crisis assistance programs, which target

qualified low-income and working poor households that need additional help to get reconnected and/or maintain heat throughout the upcoming winter. The programs will provide assistance to households up to 200% of the poverty level who might not otherwise be available for traditional assistance.

Northern Indiana Public Service Company (NIPSCO) will also continue its Winter Warmth Program in conjunction with revisions made by the Indiana Utility Regulatory Commission.

1402 FAMILY DEVELOPMENT PROGRAM

A new program was implemented on April 1, 2000, entitled the Family Development Program. The premise of the Family Development Program is that the provision of intensive case management services will increase the long-term stability of low-income families. The Family Development Program is a means by which to strengthen the family by providing guidance and support to address issues that impede self-sufficiency. Like in the 1997 REACH Program, Action Plans were developed to effectively address most needs and/or concerns of the familial unit that might impede stability or independence. A Matrix score sheet kept track of the achievements of the family.

Indiana has updated the Family Development Program, including the Action Plan and the Matrix for use in other programs. The goal is to make these evaluation tools less subjective and more users friendly.

The Family Development Plan Matrix, with an emphasis on energy conservation, should be used with EAP clients who continue in case management after attending the energy conservation class.

1403 Hoosier Healthwise

Hoosier Healthwise is a health insurance program for Indiana children, pregnant women, and low-income families. Health care is provided at little or no cost to Indiana families enrolled in the program. The enrolled member chooses a doctor to get regular checkups and health care for illnesses. Other health needs such as prescriptions, dental care, vision care, family planning services, and mental health services are also available as part of the Hoosier Healthwise program. Call **1-800-889-9949** to get information about the Hoosier Healthwise program.

1404 HoosierRx

Indiana's State Pharmaceutical Assistance Program, Hoosier Rx, can help pay the monthly Part D premium, up to $70 per month, for members enrolled in a Medicare Part D Plan working with Hoosier Rx.

To be eligible for the HoosierRx program you must:

- Be 65 years or older;
- Reside in Indiana permanently;
- Have a yearly income of $15,840 or less for a single person; or $21,240 or less for a married couple living together;
- Have applied for the "Medicare Extra Help" through Social Security to pay for your Medicare Part D plan, and received either a "Notice of Award" or "Notice of Denial" from Social Security:
- Your Social Security "Notice of Denial" must be because your **resources are above the limit established by law.**
- Your Social Security "Notice of Award" must state that you are receiving **partial extra help** subsidy to help pay for your Medicare Part D premium.

If you think a client meets these eligibility requirements, they should call a Hoosier Rx representative at 1-866-267-4679 or visit the Hoosier Rx website at www.IN.gov/HoosierRx.

Companies offering Prescription Drug Plans working with Hoosier Rx: AARP/United Healthcare, CIGNA Healthcare, Coventry Advance Rx, First Health, Humana, MemberHealth, Prescription Pathway, SilverScript, and WellCare.

1405 Lifeline/Link-Up

Lifeline provides a monthly discount on basic local telephone service for eligible consumers. The Lifeline program is available for only one phone line per eligible home.

Link-Up provides eligible consumers with discounts on connection charges for new local telephone service and may enable clients to finance a portion of the connection charges interest-free for one year. The discount is available for only one telephone line per eligible home.

A simple application is available from your local telephone company or online from the Indiana Office of Utility Consumer Counselor. When returning the completed application to your phone company, the client must include documentation that they participate in EAP.

A consumer enrolled in EAP may be eligible if:

- The telephone service is listed in the clients name;
- The client is not a dependent on another person's tax return;
- The telephone service must be for the primary residence.

For more information, contact the Indiana Office of Utility Counselor. Their web site is www.in.gov.oucc.