



DEPARTMENT OF ECONOMIC SECURITY

Your Partner For A Stronger Arizona

Janice K. Brewer
Governor

Clarence H. Carter
Director

AUG 23 2013

Mr. Nick St. Angelo
Director, Division of Energy Assistance
Office of Community Services
Administration for Children and Families
370 L'Enfant Promenade, S.W.
Washington, D.C. 20447

Dear Mr. St. Angelo:

In accordance with the Low Income Home Energy Assistance Act, as amended (Title XXVI of Public Law 97-35, the Omnibus Budget Reconciliation Act of 1981 as amended), enclosed please find Arizona's Low Income Home Energy Assistance Program detailed State Plan for federal fiscal year 2014.

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

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

Sincerely,

Clarence H. Carter
Director

Enclosure

cc: Melanie K. Starns, Assistant Director, DES Division of Aging and Adult Services



STATE OF ARIZONA

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

State Plan for Federal Fiscal Year (FFY) 2014

**Arizona Department of Economic Security
Division of Aging and Adult Services
P.O. Box 6123, Site Code 950A
Phoenix, AZ 85005**

**Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, D.C. 20447**

**August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01
OMB Approval No. 0970-0075, Expiration Date: 04/30/2014**

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)
DETAILED MODEL PLAN
PUBLIC LAW 97-35, AS AMENDED
FISCAL YEAR (FY) 2014

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

EIN: 1-866014791-A9

ADDRESS: P.O. Box 6123
Site Code 950A, Phoenix, Arizona 85005 OR
1789 West Jefferson 3rd Floor N.W.
Phoenix, Arizona 85007

NAME OF LIHEAP COORDINATOR: Raoul Sada, Community Services Administrator

EMAIL: rsada@azdes.gov

TELEPHONE: (602) 542-6607 **FAX:** (602) 542-6655

PLEASE CHECK ONE: TRIBE _____ **STATE** **INSULAR AREA** _____

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

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

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

Assurances

The STATE OF ARIZONA agrees to:
(Grantee Name)

- (1) use the funds available under this title to--
 - (A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);
 - (B) intervene in energy crisis situations;
 - (C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and
 - (D) plan, develop, and administer the State's program under this title including leveraging programs;

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

- (2) make payments under this title only with respect to --
 - (A) households in which one or more individuals are receiving --
 - (i) assistance under the State program funded under part A of title IV of the Social Security Act;
 - (ii) supplemental security income payments under title XVI of the Social Security Act;
 - (iii) food stamps under the Food Stamp Act of 1977; or
 - (iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or
 - (B) households with incomes which do not exceed the greater of --
 - (i) an amount equal to 150 percent of the poverty level for such State; or
 - (ii) an amount equal to 60 percent of the State median income;

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

- (3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;
- (4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;
- (5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;
- (6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that--
 - (A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and
 - (B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;
- (7) if the State chooses to pay home energy suppliers directly, establish procedures to --
 - (A) notify each participating household of the amount of assistance paid on its behalf;
 - (B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

- (C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and
 - (D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;
- (8) provide assurances that,
- (A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and
 - (B) the State will treat owners and renters equitably under the program assisted under this title;
- (9) provide that --
- (A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and
 - (B) the State will pay from non-Federal sources the remaining costs of planning and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));
- (10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");
- (11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;
- (12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);
- (13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

- (14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.
- (15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low income weatherization or energy crisis intervention programs.
- * This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.
- (16) use up to five percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

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

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

Signature: Sharon E. Sargent for
Clarence H. Carter, Director

Title: Director, Arizona Department of Economic Security

Date: August 23, 2013

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

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

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

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

Statutory references

2605(a)

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

(Use of funds)		<u>Dates of Operation</u>
	<u> X </u> heating assistance	<u>10-1-13 to 9-30-14</u>
	<u> X </u> cooling assistance	<u>10-1-13 to 9-30-14</u>
	<u> X </u> crisis assistance	<u>10-1-13 to 9-30-14</u>
	<u> X </u> weatherization assistance	<u>10-1-13 to 9-30-14</u>

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

(Use of funds)	<u> *22.6% </u>	heating assistance
	<u> *42.0% </u>	cooling assistance
	<u> 5.0% </u>	crisis assistance
2605(k)(1)	<u> 15.0% </u>	weatherization assistance
	<u> 0.0% </u>	carryover to the following fiscal year
2605(b)(9)	<u> 10.0% </u>	administrative and planning costs
2605(b)(16)	<u> 5.0% </u>	services to reduce home energy needs including needs assessment (assurance 16)
	<u> 0.4% </u>	used to develop and implement leveraging activities (limited to the greater of 0.08% or \$35,000 for States, the greater of 2% or \$100 for territories, tribes and tribal organizations).
	<u> 100.0% </u>	TOTAL

*The State of Arizona does not track heating and cooling assistance separately, but runs a combined heating/cooling crisis program year round. According to the U.S. Department of Commerce National Climate Data Center, Arizona uses the majority (65%) of its energy needs for cooling and (35%) for heating.

Statutory references

2605(c)(1)(C) → The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

(Alternate use of crisis assistance funds)

___ heating assistance

___ cooling assistance

___ weatherization assistance

X Other (specify): The State of Arizona runs a year round crisis assistance program that includes heating and cooling.

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

Yes X No ___

2605(b)(2) → What are your maximum eligibility limits?
2605(c)(1)(A) (Please check the components to which they apply.) **Current year guidelines must be used.**

(Eligibility)

X 150% of the poverty guidelines:
heating X cooling X crisis X wx X

___ 125% of the poverty guidelines:
heating ___ cooling ___ crisis ___ wx ___

___ 110% of the poverty guidelines:
heating ___ cooling ___ crisis ___ wx ___

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

___ Other (specify for each component)

** Note: Arizona utilizes both 60 percent of the State Median Income (SMI) and 150 percent of the Federal Poverty Guidelines in order to provide households the maximum level of LIHEAP assistance. Households with one to six members use SMI percentage and Households with seven or more members use FPL. A matrix chart is available on request.

___ Households automatically eligible if one person is receiving

_____ TANF, _____ SSI, _____ Food Stamps, _____ Certain means-tested veterans programs (heating _____ cooling _____ crisis _____ wx _____)

Statutory references

2605(c)(1)(A) → Do you have additional eligibility requirements for: Heating Assistance

(check yes or no) Yes No

_____ X

2605(b)(2) → Do you use:

Yes No

(Eligibility)

Assets test? _____ X

→ Do you give priority in eligibility to:

Yes No

Elderly? X _____

Disabled? X _____

Young children? X _____

Other: X _____

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

Statutory references

2605(c)(1)(A) → Do you have additional eligibility requirements for: Cooling Assistance

(check yes or no)	<u>Yes</u>	<u>No</u>
	_____	<u>X</u>

2605(b)(2) → Do you use:

<u>Yes</u>	<u>No</u>
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(Eligibility)

Assets test?	_____	<u>X</u>
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→ Do you give priority in eligibility to:

<u>Yes</u>	<u>No</u>
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Elderly?	<u>X</u>	_____
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Disabled?	<u>X</u>	_____
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Young children?	<u>X</u>	_____
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Other:	<u>X</u>	_____
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If Yes, please describe: *Elderly, disabled, working poor and households with children age six and under are given additional points for eligibility, which could increase the benefit level.

Statutory references

2604(c) → Do you have additional eligibility requirements for: Crisis Assistance

(check yes or no)	<u>Yes</u>	<u>No</u>
	_____	<u>X</u>

2605(c)(1)(A) → Do you use:
(Eligibility)

Assets test?	_____	<u>X</u>
Must the household have received a shut-off notice or have an empty tank?	<u>X</u>	_____
Must the household have exhausted regular benefit?	<u>X</u>	_____
Must the household have received a rent eviction notice?	<u>X</u>	_____
Must heating/cooling be medically necessary?	_____	<u>X</u>
Other (If Yes, please explain):	<u>X</u>	_____

A shut off or delinquent notice is required. If utilities are included in the rent, an eviction notice is required.

→ What constitutes a crisis? (Please describe)

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

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

Statutory references

2605(c)(1)(A) → Do you have additional eligibility requirements for: Weatherization

(check yes or no) Yes No

 X

(Eligibility) → Do you use:

Yes No

Assets test? X

Priority groups? (Please list) X

In the interest of Department of Energy (DOE) and Low Income Weatherization Assistance Program (LIWAP) compatibility, priority will be given to high energy consuming households headed by elderly or handicapped, or households with children.

→ Are you using DOE LIWAP rules to establish eligibility or to establish priority eligibility for households with certain characteristics? X

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

Replacement of domestic hot water heater tanks (propane, gas or electric) shall be an allowable LIWAP expense.

Existing gas kitchen ranges which because of advanced age and deteriorated condition and which show high unsafe levels of carbon monoxide shall be eligible for replacement. The replacement range shall have electronic intermittent ignition features and shall comply with all applicable codes for gas kitchen ranges. If conversion to electric range is needed, prior approval is required from the Governor's Office of Energy Policy/Low Income Weatherization Assistance Program. Replacement of an electric range may not include rewiring or having to install a 240 volt outlet and must be energy related.

Conversion of electric water heating tanks to natural gas water heating tanks where the natural gas service is available to the property line is an allowable measure only if the household size is two or more occupants. Gas line connections to the location of the tank site, however, must be funded by another source.

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

Statutory references

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

(Outreach)

- provides intake service through home visits or by telephone for the physically infirm (i.e. elderly or disabled).
- place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.
- publishes articles in local newspapers or broadcast media announcements.
- includes inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.
- make mass mailing to past recipients of LIHEAP.
- informs low income applicants of the availability of all types of LIHEAP assistance at application intake for other low income programs.
- executes interagency agreements with other low income program offices to perform outreach to target groups.
- other (Please specify):

Statutory
references

2605(b)(4) → Please describe how you will assure that LIHEAP is coordinated with similar and related programs. The description provided applies to all components unless specifically noted.

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

2605(b)(5) → The statute [2605(b)(2)] requires that there be no difference in the treatment of
2605(b)(2) households eligible because of their income and those eligible because they
2605(b)(8A) receive benefits under TANF, Food Stamps, SSI, or certain means-tested veterans' programs ("categorically eligible"). How do you ensure there is no difference when determining eligibility and benefit amounts? This applies to all components unless specifically noted below.

(Benefit levels) There is no difference in benefit levels based on receipt or non-receipt of public assistance benefits. This applies to all components with the exception of weatherization components, which prioritizes the households on SSI or TANF when determining eligibility.

Statutory references

2605(b)(5) HEATING COMPONENT

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

(Determination of benefits)

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

2605(b)(5) ➔ Describe how you will assure that the highest benefits go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

(Benefit levels) Please describe benefit levels or attach a copy of your payment matrix.

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

Higher points are awarded to those households with the lowest incomes. Energy burden is determined by dividing the utility costs by the household’s income. Higher points are awarded for higher energy burdens. The following criteria are used in determining LIHEAP benefits.

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

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

(Benefit levels
cont.)

2. Energy Burden

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

3. Energy Need

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

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

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

X Yes No If Yes, please describe.

Service Providers provide blankets when available.

Statutory references

2605(b)(5) COOLING COMPONENT

2605(c)(1)(B)

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

(Determination of benefits)

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

2605(b)(5) ➔ Describe how you will assure that the highest benefits will go to households with the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size.

(Benefit levels) Please describe benefit levels or attach a copy of your payment matrix.

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

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

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

2. Energy Burden

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

3. Energy Need

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

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

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

X Yes No If Yes, please describe.

Service Providers provide fans when available.

Statutory references

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

(Determination of benefits) → How do you handle crisis situations?

 separate component X other (please explain)

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

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

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

 X amount to resolve crisis, up to maximum

 other (please describe)

(benefit levels)

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

heating \$ maximum benefit

cooling \$ maximum benefit

year-round \$ 500 maximum benefit

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

 X Yes No If Yes, please describe.

Service Providers provide blankets when available.

Statutory references

2605(b)(5) **WEATHERIZATION & OTHER ENERGY RELATED**
2605(c)(1) **HOME REPAIR AND IMPROVEMENTS**
(B) & (D)

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

(Types of assistance)

- Weatherization needs assessments/audits
- Caulking, insulation, storm windows, etc.
- Furnace/heating system modifications/repairs
- Furnace replacement
- Cooling efficiency mods/repairs/replacement
- Other (Please describe):
Air sealing/envelope sealing, duct sealing, base load measures, replacement of appliances that have high/unsafe CO readings, weather-stripping of doors and windows and other health and safety needs of clients.

(Benefit levels)

➔ Do you have a maximum LIHEAP weatherization benefit/expenditure per household? Yes No

If Yes, what is the maximum amount? The average cost per household for materials and program support expenditures shall not exceed \$6,000.00 using LIHEAP program funds.

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

(Types of rules)

- Entirely under LIHEAP (not DOE) rules
- Entirely under DOE LIWAP rules
- Mostly under LIHEAP rules with the following DOE LIWAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply):
 - Weatherize buildings if at least 66 percent of units (50 percent in 2 & 4-unit buildings) are eligible units or will become eligible within 180 days.
 - Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).
 - Other (Please describe):
 - Mostly under DOE LIWAP rules, with the following LIHEAP rule(s) where LIHEAP and LIWAP rules differ (Check all that apply).
 - Weatherization not subject to DOE LIWAP maximum statewide average cost per dwelling unit.
 - Other (Please describe)

Statutory references

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

- (Agency designation) county welfare offices
- community action agencies (weatherization component only)
- community action agencies (heating, cooling or crisis)
- charitable organizations
- not applicable (i.e. state energy office)
- tribal office
- other, describe:

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

If yes, please describe how you selected them. Not applicable

➔ What components are affected by the change? Not applicable

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

2605(b)(7) ➔ Do you make payments directly to home energy suppliers?

- (Energy suppliers) Heating Yes No
- Cooling Yes No
- Crisis Yes No

If yes, are there exceptions? Yes No

If Yes, please describe.

For those households whose utility costs are included in the rent, payments will be forwarded to the landlord.

For those households who procure their energy source either themselves or from an irregular supplier such as a wood vendor, the benefit payment for energy assistance shall be in the name of the vendor or if a vendor isn't available the payment can go to the client.

Statutory references

2605(b)(7)(A) → If you make payments directly to home energy suppliers, how do you notify the client of the amount of assistance paid? (Please describe)

Clients will be notified by an approval letter of the amount paid on their behalf.

2605(b)(7) (B) & (C) → How do you make sure the home energy supplier performs what is required in this assurance? If vendor agreements are used, they may be attached. Indicate each component for which this description applies.

Energy suppliers will, through their normal billing process, apply the Energy Assistance payments to the approved households' account, just as any other payment would be applied. Vendor agreements will be in place with each home energy supplier and will contain provisions to ensure that no household receiving assistance under this title will be treated adversely for receiving LIHEAP assistance. In addition, the agreement will require the home energy supplier to agree not to discriminate, either in the cost of the goods supplied or the services provided, to the eligible household on whose behalf payments are made.

2605(b)(8)(B) → Is there any difference in the way owners and renters are treated? If Yes, please describe (Owners and renters)

HEATING ASSISTANCE

Yes No

COOLING ASSISTANCE

Yes No

CRISIS ASSISTANCE

Yes No

WEATHERIZATION

Yes No

Statutory references

2605(b)(10) → How do you ensure good fiscal accounting and tracking of LIHEAP funds? (Please describe. Include a description of how you monitor fiscal activities.)

(Program, fiscal monitoring, and audit) The State of Arizona assures that fiscal control and fund accounting procedures are established to assure the proper accounting of their disbursement of federal funds paid to the state under this program, including procedures for monitoring the assistance provided under this title, and that at least every year the state shall prepare an audit of its expenditures of amounts received under this program, in accordance with the Single Audit Act of 1984.

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

Monitoring of contract agencies will occur at least biennially. Any contract agency that has a particular problem will be monitored again and given technical assistance until the problem is resolved. Monitoring focuses on the following areas: program, fiscal, policy and general contract requirements. This monitoring may occur through a desk review of materials or on-site monitoring. Weatherization monitoring encompasses the aforementioned areas plus on-site quality control inspection of weatherized homes. Monitoring visits are also used for contractor training and technical assistance as required.

→ How is your LIHEAP program audited?

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

For States and Territories:

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

Statutory references

2605(b)(12) → How did you get timely and meaningful public participation in the development of the plan? (Please describe.)

(Timely and meaningful public participation) A draft of the State Plan was posted onto the Department of Economic Security’s Website in compliance with Arizona Open Meeting Law. Written comments were accepted from July 17 - August 2, 2013. A Community Action Network meeting was held on July 18, 2013 to review the draft of the State Plan. A public hearing was held on July 24, 2013. Comments received and the Department of Economic Security’s responses are attached in the State Plan exhibit section along with the list of attendees.

2605(a)(2) → Did you conduct public hearings on the proposed use and distribution of your LIHEAP funds? When and where?

X Yes ___ No
(Not required for tribes and tribal organizations)

A public hearing was held to obtain public participation on:

(Public hearings)	Date	Location
	July 24, 2013 1:00 p.m. to 2:00 p.m.	Arizona State Capitol 1700 West Washington Street, Phoenix, Arizona Executive Tower, 3 rd Floor Conference Room

Statutory
references

2605(b)(13) → Describe your fair hearing procedures for households whose applications are denied or not acted on in a timely manner. When are applicants informed of these rights?

(Fair hearings)

→ Denials and Applications Not Acted on in a Timely Manner

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

Step One

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

Step Two

In the event the applicant/recipient wishes to appeal the decision of the CAA, the applicant/recipient may within ten working days of receiving the CAA decision letter appeal in writing to the DES/DAAS Assistant Director. The Assistant Director will assign the appropriate personnel to conduct the hearing. A decision will be provided within ten working days of the appeal letter.

Step Three

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

Step Four

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

Statutory references

2605(b)(15) **For States and Puerto Rico only** (not applicable to Tribes and tribal organizations, or to territories whose annual regular LIHEAP allotments are \$200,000 or less):

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

(Alternate outreach and intake)

HEATING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

The State of Arizona contracts with Service Providers on a statewide basis. Application intake and eligibility determination is conducted by the Service Provider that provides the service year-round.

COOLING ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

The State of Arizona contracts with Service Providers on a statewide basis. Application intake and eligibility determination is conducted by the Service Provider that provides the service year-round.

CRISIS ASSISTANCE

Yes No

If Yes, describe alternate process for outreach and intake:

The State of Arizona contracts with Service Providers on a statewide basis. Application intake and eligibility determination is conducted by the Service Provider that provides the service year-round.

Statutory
references

2605(b)(16) → Do you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance? (This assurance refers to activities such as needs assessments, counseling, and assistance with energy vendors.)

Yes No

If Yes, please describe these activities.

The LIHEAP provider agencies provide energy awareness, education and training to LIHEAP recipients to help reduce the energy usage and reduce the need for energy assistance.

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

The State of Arizona assures that fiscal control and fund accounting procedures are in place to assure no more than the five percent allowable is used for this activity. The fiscal control assigns and tracks expenditures by budget codes on a monthly basis to check and balance the funds for the LIHEAP.

2607A (Leveraging) → Please describe leveraging activities planned for the fiscal year. **(This entry is optional.)*** Complete this entry if you plan to apply for LIHEAP leveraging incentive funds and to include in your leveraging report resources/benefits provided to low income households this fiscal year under criterion (iii) in 45 CFR 96.87(d)(2). Provide the following information for each:

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

The State of Arizona, Department of Economic Security identified the following programs or projects as leveraging efforts for the period of October 1, 2011 through September 30, 2012. The identification of these items does not preclude the identification of additional resources when the final report on leveraging is submitted (2607A).

Resource/Benefit	Source(s) of each resource	Integration/coordination of each resource/ benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii)
Arizona Community Action Association (ACAA) – Utility Repair, Replace and Deposit Program (URRD)	URRD funds are used by community action agencies in coordination with LIHEAP for deposits, and repairs, or replacements of energy related appliances and systems.	E
Arizona Community Action Association (ACAA) – Home Energy Assistance Fund	This resource provides energy assistance to eligible low income households statewide.	A
Arizona Public Service (APS)	Provides a discount to households based on electricity usage for each month.	D
APS/Community Action Partnership	APS provides funding for materials, supplies and repairs to low income homeowners for weatherization. Funds are also used to provide utility assistance payments for gas and electric to LIHEAP eligible households.	A
City of Phoenix Water Fund (Project Assist)	The Project Assist dollars are used in conjunction with LIHEAP funds to assist low income families in addressing their utility and water needs.	N/A
City of Scottsdale Utility Assistance Program	Funds are used to provide emergency utility assistance to low income families.	A
City of Tucson – Low Income Assistance Program	Funds are used to provide a discount to low income households with water bills.	A

Resource/Benefit	Source(s) of each resource	Integration/coordination of each resource/ benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii)
Coconino County General Funds* (*Not State General Funds)	Funds are used to provide low income Coconino County residents with financial assistance with utility bills in conjunction with LIHEAP.	A, C and E
Donations to Agency	The resource provides funds to the Community Action Human Resources Agency (CAHRA), LIHEAP provider, for utility assistance to low income households.	N/A
Neighbors Helping Neighbors	Funds for Home Energy Assistance available statewide. Funds are received through a voluntary State Tax check off.	E
Pima County General Fund - Utility Assistance	Funds are used to provide low income Pima County residents with financial assistance with utility bills in conjunction with LIHEAP.	N/A
Salt River Project (SRP) Bill Assistance Program	This resource provides funds to meet the energy affordability needs of low income customers.	A
SRP - Economy Price Plan	Provides a discount to households based on monthly electricity usage. The LIHEAP Grantee and Arizona Community Action Association met with SRP to discuss the expansion of the utility discount program to all low income households rather than only seniors. All low income households at 150 percent of poverty may apply for the discount. A LIHEAP eligibility criterion was incorporated with this resource.	N/A

Resource/Benefit	Source(s) of each resource	Integration/coordination of each resource/ benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii)
SRP - Weatherization Program	The resource provides material, supplies and repairs to low income households for weatherization.	A
Salvation Army - Project SHARE	Fuel fund providing benefits within the LIHEAP program statewide. Project SHARE provides benefits to households who have already been assisted by LIHEAP but are still in a crisis situation or applicant has gone to a Community Action Agency (CAA) first and the CAA has no funding available, only benefits to LIHEAP eligible households are counted.	A
SemStream Arizona Propane	This resource provides utility bill assistance for low income households with SemStream Arizona propane service territory.	A
Southwest Gas (SWG) Corporation – Low Income Rate Assistance Program (LIRA)	LIRA provides a 30 percent reduction on the per therm rate applied to the first 150 therms of natural gas used each month from November 1 through April 30 and on the service establishment and/or re-establishment charge year round.	N/A
SWG – Low Income Energy Conservation	SWG provides funding to Community Action Agencies (CAA) to meet the energy affordability needs of low income customers through a coordinated partnership. CAAs serving SWG territory will coordinate and deliver the program elements in conjunction with their existing activities for the Weatherization and LIHEAP programs.	A

Resource/Benefit	Source(s) of each resource	Integration/coordination of each resource/ benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii)
SWG – Donated Water Heaters	SWG donated hot water heaters to be installed in low income households. Households are assessed on energy consumption and condition of unit, LIHEAP/WAP criteria is used to determine eligibility.	A
Tucson Electric Power (TEP) – HERO – Help with Emergency Relief Operation	Fuel fund providing benefits within the LIHEAP program in the Tucson area. LIHEAP provider agencies take applications and eligibility criteria are the same.	A
TEP – LIFELINE Discount Program	Provides a discount to low income households at 150 percent based on electricity usage for each month. The CAAs take applications and assist clients through the application process.	D
TEP Weatherization	TEP funds to provide weatherization services, specifically designed to lower energy burden for qualified homeowners.	D
Unisource Energy Services	Provides a discount to households based on electric usage for each month. Households are at 150 percent of poverty.	D
Unisource Energy Services – Customers Assistance Residential Energy Support Program-Gas	Home energy discounts that reduce low income households utility bills.	D
Unisource Energy Services – Weatherization Program	UniSource Energy Services funds cover weatherization strategies specifically designed to lower energy burden for qualified homeowners, and are leveraged/combined with other funding sources for comprehensive home repairs.	G

Resource/Benefit	Source(s) of each resource	Integration/coordination of each resource/ benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii)
Warm Spirit	Unisource Energy Services-Gas and Electric Division’s collect donations from customers and businesses to provide utility assistance to low income households.	D
Arizona Utility Companies: APS; SRP; Unisource Energy Services; TEP; SWG; and City of Mesa Electric, Gas and Water Company	These companies provide a wide variety of resources that may include discounts, donated utility related appliances and funds to assist low income households with utility assistance payments and/or weatherization benefits.	N/A

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

Statutory
references

2605(b) → Please describe performance goals and measures planned for the fiscal year.
(This entry is optional.)

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These three criteria are summarized on the Resource/Benefit Description Pages. They are stated in full below:

- (i) The grantee's LIHEAP program had an active, substantive role in developing and/or acquiring the resource/benefits from home energy vendor(s) through negotiation, regulation, and/or competitive bid. The actions or efforts of one or more staff of the grantee's LIHEAP program--at the central and/or local level--and/or one or more staff of LIHEAP program sub-recipient(s) acting in that capacity, were substantial and significant in obtaining the resource/benefits from the vendor(s).
- (ii) The grantee appropriated or mandated the resource/benefits for distribution to low income households through (that is, within and as a part of) its LIHEAP program. The resource/benefits are provided through the grantee's LIHEAP program to low income households eligible under the grantee's LIHEAP standards, in accordance with the LIHEAP statute and regulations and consistent with the grantee's LIHEAP plan and program policies that were in effect during the base period, as if they were provided from the grantee's Federal LIHEAP allotment.
- (iii) The grantee appropriated or mandated the resource/benefits for distribution to low income households as described in its LIHEAP plan (referred to in section 2605(c)(1)(A) of Public Law 97-35)(42 U.S.C. 8624 (c)(1)(A)). The resource/benefits LIHEAP program, outside (that is, not through, within, or as a part of) the LIHEAP program. The resource/benefits are integrated and coordinated with the grantee's LIHEAP program. Before the end of the base period, the plan identifies and describes the resource/benefits, their source(s), and their integration/coordination with the LIHEAP program. The Department will determine resources/benefits to be integrated and coordinated with the LIHEAP program if they meet at least one of the following eight conditions. If a resource meets at least one of the conditions A through F when the grantee's LIHEAP program is operating (and meets all other applicable requirements), the resource also is countable when the LIHEAP program is not operating.
 - A. For all households served by the resource, the assistance provided by the resource depends on and is determined by the assistance provided to these households by the grantee's LIHEAP program in the base period. The resource supplements LIHEAP assistance that was not sufficient to meet households' home energy needs, and the type and amount of assistance provided by the resource is directly affected by the LIHEAP assistance received by the households.
 - B. Receipt of LIHEAP assistance in the base period is necessary to receive assistance from the resource. The resource serves only households that received LIHEAP assistance in the base period.

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- C. Ineligibility for the grantee's LIHEAP program, or denial of LIHEAP assistance in the base period because of unavailability of LIHEAP funds, is necessary to receive assistance from the resource.
- D. For Discounts and waivers: eligibility for and/or receipt of assistance under the grantee's LIHEAP program in the base period, and/or eligibility under the Federal standards set by section 2605(b)(2) of Public Law 97-35 (42 U.S.C. 8624(b)(2)), is necessary to receive the discount or waiver.
- E. During the period when the grantee's LIHEAP program is operating, staff of the grantee's LIHEAP program and/or staff assigned to the LIHEAP program by a local LIHEAP administering agency or agencies, and staff assigned to the resource communicate orally and/or in writing about how to meet the home energy needs of specific, individual households. For the duration of the LIHEAP program, this communication takes place before assistance is provided to each household to be served by the resource, unless the applicant for assistance from the resource presents documentation of LIHEAP eligibility and/or the amount of LIHEAP assistance received or to be received.
- F. A written agreement between the grantee's LIHEAP program or local LIHEAP administering agency, and the agency administering the resource, specifies the following about the resource: eligibility criteria, benefit levels, period of operation, how the LIHEAP program and the resource are integrated/coordinated; and relationship between LIHEAP eligibility and/or benefit levels, and eligibility and/or benefit levels for the resource. The agreement provides for annual or more frequent reports to be provided to the LIHEAP program by the agency administering the resource.
- G. The resource accepts referrals from the grantee's LIHEAP program, and as long as the resource has benefits available, it provides assistance to all households that are referred by the LIHEAP program and that meet the resource's eligibility requirements. Under this condition, only the benefits provided to households referred by the LIHEAP program are countable.
- H. Before the grantee's LIHEAP heating, cooling, crisis, and/or weatherization assistance component(s) open and/or after the grantee's LIHEAP heating, cooling, crisis, and/or weatherization assistance component(s) close for the season or for the fiscal year, or before the entire LIHEAP program opens and/or after the entire LIHEAP program closes for the season or for the fiscal year, the resource is made available specifically to fill the gap caused by the absence of the LIHEAP component(s) or program. The resource is not available while the LIHEAP component(s) or program is operating.

ADDITIONAL CERTIFICATIONS AND REQUIREMENTS

Attached are additional certifications required as follows:

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

All Tribes and those territories with allotments of less than \$200,000 need only submit data on the number of households served by each component (heating, cooling, weatherization and crisis). The approval for the collection of information contained in the **LIHEAP Household Report** is covered by OMB approval number 0970-0060.

- * Though not a part of this application, the report on funds to be carried over or available for re-allotment as required by section 2607(a) for the preceding year must be submitted by August 1 of each year. A grant award for the current fiscal year may not be made until the carryover/re-allotment report is received. The approval for the collection of information contained in the **LIHEAP Carryover and Re-allotment Report** is covered by OMB approval number 0970-0106.

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

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

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

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

- 1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:
 - a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- 2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

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

Instructions for Certification

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

3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.
8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

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

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

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

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph five).
8. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

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

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

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

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including:

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

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

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

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

(B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

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

1789 West Jefferson Street

Phoenix, Maricopa County, Arizona 85007

Check if there are workplaces on file that are not identified here. Alternate II. (Grantees Who Are Individuals)

- a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;
- b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

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

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

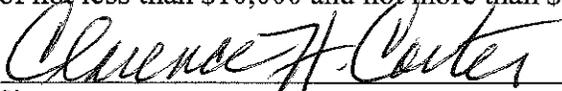
The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

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

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



 Signature

Director

Title

Arizona Department of Economic Security

Organization

Exhibit I - Delegation of Authority Letter



STATE OF ARIZONA

EXECUTIVE OFFICE

JANICE K. BREWER
GOVERNOR

June 9, 2011

Mr. Nick St. Angelo, Director
U.S. Department of Health and Human Services
Administration for Children and Families
Office of Community Services, Division of Energy Assistance
Aerospace Building, 5th Floor West
370 L'Enfant Promenade, S.W.
Washington, DC 20447

Dear Mr. St. Angelo:

As Chief Executive Officer, I hereby delegate to Clarence H. Carter, Director of the Arizona Department of Economic Security, authority to sign the compliance assurances for the following programs: Community Services Block Grant (CSBG) and the Low Income Home Energy Assistance Program (LIHEAP). The Director's address and telephone number are:

Clarence H. Carter, Director
Arizona Department of Economic Security
P.O. Box 6123
Site Code 010A
Phoenix, AZ 85005
Telephone: (602) 542-5757

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

Sincerely,

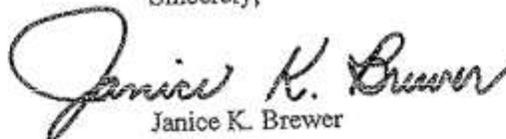

Janice K. Brewer
Governor

Exhibit II - Public Notice

PUBLIC NOTICE

Issue Date: July 16, 2013

**ARIZONA DEPARTMENT OF ECONOMIC SECURITY
PUBLIC COMMENT ON THE STATE OF ARIZONA**

**Low Income Home Energy Assistance Program (LIHEAP)
Federal Fiscal Year (FFY) 2014**

And

**Community Services Block Grant (CSBG) State Plan
Federal Fiscal Year (FFY) 2014**

The Department of Economic Security (DES) requests public comment on the above-referenced plans. The Public Hearing meeting is scheduled for Wednesday, July 24, 2013, at the Arizona State Capital, 1700 W. Washington Street, Phoenix, Executive Tower, 3rd Floor Conference Room from 1:00 p.m. – 2:00 p.m. The agenda for the meeting will include an opening statement, public commentary and a closing statement.

A copy of the proposed plan is available for public inspection on the DES internet web site at the link below:

[Publications from the Division of Aging and Adult Services](#)

The Department will accept written comments on the plan sent to any of the following addresses:

Email: dgravett@azdes.gov

Fax: (602) 542-6655

Mail: Department of Economic Security
ATTN: Diana Gravett
P.O. Box 6123, Site Code 950A
Phoenix, Arizona 85005

Written comments should be sent so that the Department will receive them *before 5:00 PM, August 2, 2013*, and should include contact information for the person providing comments, as well as the name of any organization that person represents. Questions may be directed to Diana Gravett at (602) 542-6594

THIS DOCUMENT IS AVAILABLE IN ALTERNATIVE FORMAT BY CONTACTING Diana Gravett AT (602) 542-6594 OR AT THE ADDRESS SPECIFIED ABOVE. REQUESTS SHOULD BE MADE AS EARLY AS POSSIBLE TO ALLOW TIME TO ARRANGE THE ACCOMMODATION.

Exhibit III - Public Hearing Agenda



Janice K. Brewer
Governor

Clarence H. Carter
Director

AGENDA

PUBLIC HEARING FOR THE:

Low Income Home Energy Assistance Program (LIHEAP) and the Community Services Block Grant (CSBG) for Federal Fiscal Year 2014 State Plan Submissions

The hearing will be held Friday, July 24, 2013, from 1:00 p.m. – 2:00 p.m. at the Arizona Department of Economic Security, 1700 W. Jefferson, Executive Tower, 3rd Floor Conference Room in Phoenix, Arizona

- Opening Statement – Raoul Sada
- Public Commentary
- Closing Statement

Exhibit IV - Public Hearing Attendance List

Arizona Department of Economic Security
 Division of Aging and Adult Services / Community Services Office
 Community Services Block Grant/Low Income Home Energy Assistance Program
 State Plan Public Hearing - Wednesday, July 24, 2010

ATTENDANCE ROSTER

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBG
1. Kelly Mcbowan	2700 N. 3rd Street	602-604-0648		Yes	✓	✓
Gina Whiteington	224 S. 3rd Avenue	602-536-8536				
2. MALLS AD BROWN	5515 S. Apache Blvd	602-437-7437	Y	*	✓	✓
Diana Gravett	1789 W. Jefferson	602-542-6594	N	N		
3. Raoul Sada	1789 W. Jefferson	542-6607	N	N		
Priscilla Cruz	1789 W. Jefferson	542-2255	N	N		
4. Kathleen Cruz	1789 W. Jefferson	542-6620	N	N		
George Robles	" "	542-6632	N	N		
5. YVONNE SEEL	234 N. Central	602-506-4842	N	N	✓	
Lynn LARSON	1789 W. Jefferson	602-542-6	N	N		
6. Melanie STANUS	1789 W. Jefferson	602-542-6	N	N		
JANET REGNER	2025 N. King St.	602-7455	Y	*	Y	✓
7. Tammy Araza	Des Aeras	602-542-2895				
8. Margarita Ruyra	234 N. Central Phx	506-5911	Y	*	N	✓
9.						
10.						

CSBG

Arizona Department of Economic Security
Division of Aging and Adult Services / Community Services Office
Community Services Block Grant/Low Income Home Energy Assistance Program
State Plan Public Hearing - Wednesday, July 24, 2010

ATTENDANCE ROSTER

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBG
1. Kathy Dinolf	1255 W. Seashell	480 833 9800				
2. Moises Gallegos	300 W. Washington	602-267-4522				
3. Wajur Tormak	8004 N. 10th	602-980-0064	Y	X	✓	✓
4. TINA T. Kymeyer	234 N Central, Suite 200	602-500-5911	NO			
5.						
6.						
7.						
8.						
9.						
10.						

Arizona Department of Economic Security
Division of Aging and Adult Services / Community Services Office
Community Services Block Grant/Low Income Home Energy Assistance Program
State Plan Public Hearing - Wednesday, July 24, 2010

ATTENDANCE ROSTER

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBG
1. Frank Scott	26 Rhodes Ave, Phoenix, AZ	(62-397-1977)	Y	N	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	2 W. Rhodes, Riverside					
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBG
24. <i>Yvonne Amek</i>	<i>555W Glenville Ave</i>	<i>623-630-2821</i>	<i>N</i>	<i>N</i>		<input checked="" type="checkbox"/>
25.						
26.						
27.						
28.						
29.						
30.						
31.						
32.						
33.						
34.						
35.						

X

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBO
11. Shirley Wong	5022 W. Mc KELLAN	623 419-3913	YES		✓	✓
12.						
13.						
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23.						

Name/Affiliation	Address	Phone	Providing Testimony? (Y/N)	Providing Written Materials? (Y/N)	✓ LIHEAP	✓ CSBG
11. _____	COG Coleraine CAH		no			
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Exhibit V – Submitted Written Comments



City of Phoenix
HUMAN SERVICES DEPARTMENT
HUMAN SERVICES COMMISSION

July 30, 2013

Department of Economic Security
ATTN: Diana Gravett
P.O. Box 6123, Site Code 950A
Phoenix, Arizona 85005

Winner of the
Carl Bertelsmann
Prize



Dear Ms. Gravett:

The purpose of this letter is to formally submit comments on the CSBG and LIHEAP State Plans. I am the current Chair Elect of the City of Phoenix Human Services Commission. The Commission is the CSBG tri-partite board for the City of Phoenix Human Services Department; an Arizona designated Community Action Agency. I would also like to add that I spent many years working for community action programs and so I know first-hand the importance of CSBG, LIHEAP and all other fund sources critical to community action in Arizona.

First, let me commend the Department of Economic Security (DES) for providing the opportunity for the Community Action Network to offer detailed comments to the plans in a separate session prior to this public hearing. I believe this level of communication is critical to improve the relationship with DES and the outcomes of community action. However, I would like to suggest that in the future, the interaction occur prior to the release of the draft state plan so that the whole community can view a more complete product.

While the issues of the Human Services Commission are reflected in the Community Action Network comments already received by DES, I would like to emphasize a few for the CSBG plan which are of particular interest and or concern to the City of Phoenix.

- First, on page 11, although the Community Action Network has requested the removal of the statement – “A reduction of funds would result in a reduction in the minimum allocation available to all eligible entities”, the COP Human Services Commission highly recommends DES continue to have dialogue with the Community Action Network along these lines. With impending sequestration reductions facing the nation and state, a minimum level of funding becomes more and more questionable as a successful strategy for the state as a whole.

- On page 13, there is a statement which indicates CSBG discretionary funds combined with other state and federal fund sources will be used to launch a pilot project. With no budget for review, the Commission has much concern over what fund sources will be used and what impact that will have, not only on the Community Action Network, but any community based organizations. We encourage the DES to look internally to fund the demonstration pilot and not impact funding to community based organizations.
- On page 25, there is language limiting services to households with specific amounts cited. This level of specificity is not required in a state plan and we encourage DES to remove the language. Furthermore, if DES in fact believes limits are something that should be considered, we encourage open communication with the Community Action Network prior to considering such a policy change.

With regard to the LIHEAP state plan, the Commission endorses the comments already provided to the department by the Community Action Network.

While I provided testimony at the recent public hearing, I wanted to take this opportunity to submit my comments in writing on behalf of the Commission. Probably the most important point I want to leave on the record is that state plans are as productive as the relationships of those at the helm behind the scenes, in this case, DES and the Community Action Network. The more open the communication, the more engaged the community, the more productive our joint efforts.

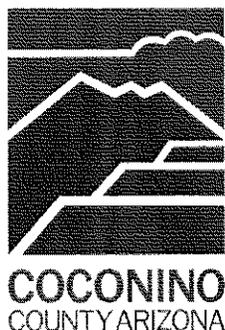
Sincerely,



Wayne Tormala
Human Service Commission
Board Chair Elect
City of Phoenix Human Services Department

c

Melanie Starns, DES
Raoul Sada, DES
Human Services Commission Members
Deanna Jonovich
Moises Gallegos



COCONINO COUNTY ARIZONA

COMMUNITY SERVICES DEPARTMENT

July 24, 2013

Comments to the Honorable Janice Brewer, Governor of Arizona and Clarence Carter, Director of the Arizona Department of Economic Security:

“Governor Brewer and Director Carter, on behalf of the Coconino County Board of Supervisors the Coconino County Community Action Advisory Board, I ask you to accept the following comments on the proposed CSBG FFY2014 State Plan. Coconino County is the second largest county in the United States of America geographically. We have a very diverse population, including five Native American reservations. Sadly, we have nearly a 20% poverty rate. Therefore, we take the mission and work of our local Community Action Agency (Coconino County Community Services) very seriously. It is with that in mind, that I respectfully present to you our comments regarding the above referenced State Plan.

There are a number of deficiencies within the Arizona State Plan. A significant one is that the Plan does not include a comparison of planned versus actual expenditures for the discretionary and administrative funds, as instructed by the OCS model plan. Further:

- P.11 – Minimum Fund Variable - \$150,000. The Plan states that “eligible entities (designated Community Action Agencies) are guaranteed a minimum allocation of \$150,000 depending upon funds availability. A reduction of funds would result in a reduction in the minimum allocation available to all eligible entities”. As one of the CAAs that would be negatively impacted by this statement, Coconino County objects to this language in the State Plan. The “policy” has not been vetted nor agreed to by the CAA Network and DES to date and therefore does not belong in the State Plan.
- P. 12 Coconino County objects to the third paragraph which states that “The State reserves the option to vary the level of funding by area based on the past performance of an eligible entity and the identification of special needs. The proposed distribution of SFY 2013 funds will be based upon availability of funds”. We object due to the fact that the State cannot reduce the proportion of total state CSBG funding received by a CAA

without going through the due process required by the CSBG Act, i.e., a review process, notice of deficiency, an opportunity to correct the deficiency, indicating T/TA available, a hearing, finding of cause, and a review by HHS. Further, the SFY is inaccurate.

- P. 12 Section (5), The third paragraph states, "Eligible entities will submit to the State a spend-down plan for the subsequent year's contract in the event unused funds exceed 20 percent of the entity's total allocation". Coconino County objects to this language in the State Plan on the grounds that it is a policy issue and therefore does not belong in the State Plan.
- P. 12 Section (5) The fourth paragraph states, "The State may transfer funds, but not to exceed five percent of its allotment under 674, for the provision set forth in this subtitle to services under the Older Americans Act of 1965, the Head Start Program under subchapter B of Chapter 8 of subtitle A of this title, the Energy Crisis Intervention Program under Title XXVI of this Act (related to home energy assistance) or Temporary Emergency Food Assistance Act of 1983: (675(c) (5) as amended by Public Law 98-558, Section 203(a)(5). The Department will not transfer funds to another block grant." Coconino County objects to this statement on the grounds that we are not aware of any current authority that permits the State to make such a transfer, particularly without consultation with Community Action Agencies.
- P. 13 Section (6) – Description of Distribution and Use of Discretionary Funds. Coconino County objects to the language in this section on the grounds that:
- Specific description of the use of the funds is absent from this section.
 - A reference to the use of state and federal funding lacks specificity (which funds will actually be used and how much will be used from state and federal funds – funds which have already been appropriated from the governing bodies of each level of government.
 - A budget for the Discretionary Funds is non-existent.
- P.14 Section B. 1. (a) The second paragraph indicates that 11 of 12 eligible entities in Arizona offer services through LIHEAP and Weatherization. In fact, Coconino County, PPEP, City of Phoenix Human Services and Glendale Community Action Agency do NOT provide Weatherization. This section needs to be corrected to reflect that in fact, 7 of 12 eligible entities provide the services described.
- P. 18 The reference to Coconino County's BBE program contains some inaccuracies. A corrected statement is attached.
- P. 20 (c) Community Needs Assessments – The statement in the Plan references "standardized" and a "common process" for community needs assessments. No such commonalities exist, nor is it required by the CSBG legislation. This language should be stricken from the State Plan.

Referencing that community needs assessments include food needs is inaccurate. Although important, food needs alone are not specific to the CSBG law. Further, stating in the State Plan that community needs assessments include descriptions of service delivery systems, how linkages will be developed and how CSBG funds will be coordinated with other public and private resources is also inaccurate. The entire *Community Needs Assessments* statement needs to be rewritten to accurately reflect the CSBG Law.

P. 22 (b) Program Activities

In this section, Coconino County notes that the Program Activity of "Advocacy" has been deleted. *Advocacy* is an essential and fundamental activity of Community Action Agencies and was part of the list of program activities until 2012. Coconino County urges the State to reinstate the program activity of *Advocacy* in the 2014 State Plan.

P. 23 (b) (viii) General Financial Assistance. The wording in this section appears to be new, without consultation with Community Action Agencies. It states: "Special consideration is given to requests for assistance...to cover medical expenses not covered by insurance or to cover fees or fines that present barriers to obtaining/maintaining employment or securing adequate housing". Coconino County objects to this new language on the grounds that no consultation occurred with Community Action Agencies and that the cost of covering these costs far exceeds our CSBG allocation.

P.25 (d) Grant or Voucher Limits – this is a completely new section, once again without consultation with Community Action Agencies. It states in sum that DES is establishing financial policies for Community Action Agencies. Each CAA has its own governing body, established by law. In the case of Coconino County, our governing body is the County Board of Supervisors, elected by the citizens of the County. That body establishes the financial policies for the County. To propose in the CSBG State Plan that each CAA must abide by ADES policies when it relates to the disbursement of vouchers to low-income eligible customers, and further, that any voucher exceeding \$1000 in a 12 month period shall require the approval of the State office is an over-reach of roles, at the minimum. Therefore, Coconino County strongly objects to this language in the State Plan.

P. 27 Coconino County objects to much of what is stated in the following section: 2(d) – "The failure of an eligible entity to comply with the terms of its agreement to provide services...." This section references possible termination of funding by DES. The proposed State Plan does not state the right of the CAA to appeal a state's determination of cause and termination or reduction of funding to HHS. The State Plan says that the state will provide the information to HHS, but does not suggest that the CAA has the right to provide its own documentation and/or argument based on a transcript that is required by the federal Act. There must be a due process associated with such a statement. A hearing must be on the record, i.e., either recorded or a transcript provided. Training and Technical Assistance should be provided to the said agency. Further, if a corrective action plan is accepted, there is no statement from the

State as to what happens if the CAA doesn't comply with the plan to the state's satisfaction. We recommend a rewrite of this section to comply fully with the CSBG Law.

On behalf of the Coconino County Board of Supervisors and the Coconino County Community Action Advisory Board, I ask that you take our comments under serious consideration and that you incorporate them into the CSBG FFY State Plan before submitting the Plan to HHS in the next few weeks. We will be happy to work with you and your staff on any clarifications you may need. Thank you for this opportunity to comment."

Respectfully,
The Honorable Elizabeth Archuleta
Chairwoman
Coconino County Board of Supervisors

Attachment: BBE Program

HSD Mission Statement:

To provide education, employment, shelter, and basic needs services to individuals, families and communities so they can enhance their opportunities for physical, social, and economic well-being.

STATE OF ARIZONA

CSBG and LIHEAP STATE PLAN PUBLIC HEARINGS

JUNE 24, 2013

My name is Frank Scott, Vice Mayor of the City of Avondale. I serve on the CAA tri-partite board of Maricopa County, the Maricopa County Community Services Commission

My comments are in respect to the CSBG State Plan.

We have concerns regarding the date the CSBG State plan was made available for public input and the date of the public hearing. The CSBG Act requires the state to make the plan available for public inspection in sufficient time to provide for public response and comment.

OCS Memo Number 133 notes that public hearings must be held "in conjunction with the development of the State plan."

Clearly, the intent is not that the public hearing be the final step, but that public input be considered in the development of the plan. The brief timeline between the posting of this plan and the date of this public hearing did not allow for consideration of public participation in the development of the Plan as required.

In regards to both the CSBG and LIHEAP state plans, we ask that the State establish a policy in regards to these public hearings, such policy to include the following:

- at least 14 calendar days prior notice of the public hearing
- State plans be available to the public at least 14 calendar days prior to the public hearings.
- Public notice of the hearings be advertised in additional venues.

We also ask that the State consider:

- more than one public hearing as practiced in other states
- the use of public forums to solicit input in the development of plans as practiced by the Arizona Department of Housing.

A final comment regarding the CSBG State plan - We share the same concerns that others have and/or will speak to. And, specifically - that the State assumes a level of authority that it does not have per the legislation.

Thank you,

Frank Scott, Vice-Mayor
City of Avondale, Arizona, and
Member of the Maricopa County Community Services Commission

Exhibit VI – Summary of Public Comments and Department Responses

Department of Economic Security

Division of Aging and Adult Services

Summary of Public Comments, Actions and Responses to the draft Low Income Home Energy Assistance Program (LIHEAP) State Plan 2014

This matrix represents a summary of key actions taken and responses provided to certain comments offered by the Community Action Network and the public. It is not inclusive of all comments. Written comments are attached to this document.				
Pg. #	Reference	Comment	Action Taken	Reason
7	Eligibility: X – Households automatically eligible if one person is receiving: X TANF, X SSI, X Food stamps, X Certain means tested veterans’ programs (heating __, cooling __, crisis __, wx X).	Agreed to income eligibility, not categorically eligible.	Uncheck TANF, SSI, Food Stamps, Certain means tested veterans program.	No one is categorically/ automatically eligible, must be income eligible.
8,9,15, 17	Eligibility: ...children age six and under...	Recommend “children age 5 and under... “DES required change and agencies reprogrammed from 6 to 5 years.	No change.	The reference to “5 and under” is specific for the LIHEAP Annual Household Report. Per the FY 2013 LIHEAP Policy Manual, page 13, “Priority Points will be given to Households... vulnerable population... includes ‘child age 6 and under – 1 point) Pg. 51 LIHEAP Statute 2605(c)(1)(G): (iii) one or more young children.
10	Eligibility: What constitutes a crisis? “a crisis is defined... determination of a Human Service Emergency made by DES... fire or flood which results in evacuation of homes and shelters...	Should be in CSBG State Plan, not LIHEAP State Plan.	No change.	Responding to LIHEAP template; allows DES flexibility in the event that a state of emergency is not declared.
11	Weatherization Eligibility: under “If Yes, are there exceptions? Please list below.”	DOE/LIWAP reference in the third paragraph from the bottom should be the Governor’s Office of Energy Policy Low Income Weatherization Assistance Program.	Sentence revised to read, “If conversion to electric range is needed, prior approval is required from the Governor’s Office of Energy Policy Low Income Weatherization Assistance Program.	Accurately reflect who provides approval.

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12	Outreach Activities: Includes inserts in energy vendor billings... AND make mass mailing to past recipients of LIHEAP.	Agencies don't utilize these means for outreach. Request removal.	Uncheck "inserts in energy vendor billings" AND "make mass mailing to past recipients of LIHEAP".	Accurately reflects what Service Providers utilize for outreach.
14,16	Under "Benefits levels" in the Poverty section.	Should be changed from 8 to 6 and 9 to 7 per new federal poverty income level guidelines.	Revised sentences to read, "Based on 60 percent of State Median Income for household sizes of one through six. For households of seven or more, percentages will be based on 150 percent of Federal Poverty guidelines."	Reflects the correct household size in relation to when to change from SMI to FPL. <i>Block grant regulations at 45 CFR 96.85</i>
15	Heating: In-kind benefits.	Blankets are provided. Recommend change from 'No' to 'Yes'.	Check 'Yes'.	Service providers provide blankets, when available.
17	Cooling: In-kind benefits (e.g. fans).	Recommend change from 'No' to 'Yes'.	Check 'Yes'.	Service providers provide fans, when available.
18	Crisis: In-kind benefits.	Recommend change from 'No' to 'Yes'.	Check 'Yes'.	Service providers provide blankets, when available.
19	Weatherization & Other Energy Related Home Repair & Improvements.	Recommend adding "and other health and safety needs of the client" to the end of the "Other" section.	Revised sentence in "Other" section to read, "Air sealing/envelope sealing, duct sealing, base load measures, replacement of appliances that have high/unsafe CO readings, weather-stripping of doors and windows, and other health and safety needs of clients."	Addresses the health and safety needs and adds flexibility.
19	Weatherization & Other Energy Related Home Repair & Improvements.	Request to increase weatherization benefit/expenditure per household from \$4,500	Increased benefit/expenditure per household from \$4,500 to \$6,000.	Expenditures have increased this year, service providers and GOEP indicate that they would be able to fully exhaust funding

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		expenditures to \$6,000.		if limit is increased. This will allow for complete weatherization for households.
19	Weatherization & Other Energy Related Home Repair & Improvements: Other (description) clarification "The state or tribe administers LIHEAP through local Service Provider Agencies".	Wanted explanation for verbiage supplied under "Other" (fourth checked box from bottom).	Uncheck the fourth item "Other" from bottom. Delete "The state and tribe administer LIHEAP through local Service Provider Agencies.	Information provided on following page.
20	Do you make payments directly to home energy suppliers? ...such as <i>woodcutter</i> ... name of the <i>client</i> ... The payment... No award letter will be necessary.	Recommended changing term 'woodcutter' to 'wood vendor', change term 'client' to 'vendor' and add... or if a vendor isn't available the payment can go to the client. Delete the last paragraph "The payment..."	Revised second paragraph from the bottom to read, "For those households who procure their energy source either themselves or from an irregular supplier such as a wood vendor, the benefit payment for energy assistance shall be made to the vendor, or if the vendor isn't available, the payment can go the client." Delete last paragraph in this section.	Changes would update language to current standards and practices.
23	Public hearings are conducted for any major program changes.	How did DES get timely and meaningful public participation?	Revised this section to include references to the July 18, 2013 Community Action Network meeting to review the draft LIHEAP State Plan and the posting of the draft LIHEAP State Plan on the DES website in compliance with Arizona Open Meeting Law. Comments received from the public hearing comments will	Provide documentation on activities performed.

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			be included as an attachment in the final LIHEAP State Plan.	
25	Cooling Assistance: ...by the contracted CAAs components year-round.	Recommend adding “...by the contracted CAAs who provide the three components year-round”.	Revised sentence under Heating Assistance, Cooling Assistance, and Crisis Assistance sections to read, “The State of Arizona contracts with service providers on a statewide basis. Application intake and eligibility determination is conducted by the service providers that provide the service year-round.”	Consistency and clarification on who provides the service.
26	Home Energy Reduction: ...education and training to <u>all</u> LIHEAP recipients...	Recommend removing ‘all’ from language.	Sentence revised to read, “The LIHEAP service providers provide energy awareness, education and training to LIHEAP recipients to help reduce the energy usage and reduce the need for energy assistance”.	Accuracy
27	ACAA – URRD: ...of energy related appliances including... Appliances are replaced only if it is energy efficient.	Recommend adding ‘and systems’ after appliances -- remove remaining language.	Revised sentences, “URRD funds are used by community action agencies in coordination with LIHEAP for deposits, and repairs, or replacements of energy related appliances and systems”.	Current language was supplied by the agency however, making additional change at agency request.
28	City of Tucson: Tucson Water Utility Assistance Program and Source: Funds are used to provide	Recommend change this to read Tucson Low Income Assistance Program and	Revised under “Resource Benefit” to read, “City of Tucson – Low Income	Reflects correct description.

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	financial assistance...	change 'financial assistance' to 'discount program'.	Assistance Program. Revised under "Source of each resource" the following "Funds are used to provide a discount to low income households with water bills".	
28	Coconino County: 'Local' Funds and Source: Cash payments... and replacement (Not State General Funds).	Recommend changing 'local' to 'General' and replacing 'Cash payments... and replacement' with 'Funds are used to provide low income Coconino County residents with financial assistance with utility bills in conjunction with LIHEAP.	Revised under "Resource Benefit" to read, "Coconino County General Fund. Replace under "Source of each resource" the following "Funds are used to provide low income Coconino County residents with financial assistance with utility bills in conjunction with LIHEAP".	Reflects correct description.
28	Governor's Office of Energy Policy...	Recommend removing this entire section.	Removed as recommended.	This is not applicable for the LIHEAP State Plan.
28	NHN: Cash payments for Home...	Recommend changing "cash payments" to 'funds'.	Revised to read, "Funds for home energy assistance available statewide. Funds are received through the voluntary State Tax check off".	Accuracy
29	Salvation Army Project Share:	Change 'Salvation Army Project Share' to The Salvation Army SHARE'	Changed 'Salvation Army Project Share' to The Salvation Army SHARE'.	Confirmed reference based on Salvation Army website.
31	United Way of Pinal County	Recommend removing this entire resource.	Deleted item	This resource is no longer applicable.
33	Performance Goals and Measures planned for the fiscal year. (optional entry)	Recommend removal of entire section.	Deleted entire section.	This section is optional. OCS may change the performance measures.