

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

Policy and Procedures Manual

Effective October 1, 2026 – September 30, 2027

Division of Energy & Mineral Resources

Arkansas Energy Office

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DISCLAIMER

This manual is to be used exclusively for the Low Income Home Energy Assistance Program (LIHEAP) during Federal Fiscal Year (FY) 2027.

The purpose of this manual is to provide information, policies, and procedures needed to administer LIHEAP in Arkansas. Although this policy manual provides substantial guidance and insight into LIHEAP, it cannot and does not give guidance for all situations. The policy manual is a guide for uniform processes. However, when new situations develop, Subgrantee (Community Based Organization, or CBO) staff should document their resolution(s). Individual Subgrantee policies may not supersede the policies and procedures in this policy manual.

Arkansas Energy Office (AEO) staff will use administrative rules, federal regulations, the Arkansas State Plan (also known as the Model Plan), and this policy guidance when communicating monitoring visits, findings, and reports. AEO reserves the right to change the policies and guidelines during the program year as needed. Any new AEO policies and guidelines issued after the publishing of this manual will supersede those printed in this policy manual.

Although AEO will provide guidance upon request and yearly training, it is incumbent upon each CBO staff member to read and understand the guidance provided by this manual. General policy-related questions and concerns should be addressed to ee.AEOLIHEAP@arkansas.gov.

LIHEAP IS NOT AN ENTITLEMENT PROGRAM. ALL PROGRAM BENEFITS ARE SUBJECT TO THE AVAILABILITY OF FEDERAL FUNDS.

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CHANGES IN FFY2027 POLICY & PROCEDURES

SECTION	CHANGE
Throughout policy	• Updated hyperlinks • Updated references to 2 CFR 200 and 2 CFR 300 • Updated titles of most charts to tables • Changed the reference from 'Subgrantee Agreement' to 'Subgrant Agreement' • Changed most references from 'household' to 'applicant'
1.3 PEAK Implementation	New section
2.3 Assurance 16	• Retitled to Assurance 16 (A-16), Optional • Participation incentive increased to $700
2.4 Heat or Cold Relief: Air Conditioning (HVAC) Systems	Retitled to Heat or Cold Relief: Air Conditioning and Heating (HVAC) Service
3.1 Non-Financial Criteria	Removed redundant statements
3.3 Additional Applications in the Same Season	Retitled to Additional Applications in the Same Program Season
4.0 Testing Eligibility	Retitled to Determining Eligibility
4.3 Social Security Number (SSN) Verification	Household members without SSN or ITIN excluded from benefit calculation. Their income still counts toward eligibility.
4.3.1 Children Younger Than One Year	Removed the allowance for temporary and all zero Social Security numbers.
4.4.2 Afghan Humanitarian Parolees	Updated to current federal rule
4.8.1 Utility Bill	• Added 'service address' to the information required on the utility bill. • Added documentation of the service address in the case record (moved from § 5.11 Application Denial)
5.0 Application Intake and Methods	• Added language regarding geographic availability • Updated form usage from prior program seasons – removed references to fiscal years
5.1.2 Subgrantee Office Closures	Subgrantees must notify AEO before benefit funds are depleted

SECTION	CHANGE
5.3 Application Priority and Time Limits	• Retitled to Application Processing and Benefits Payment • Moved paragraph requiring date and time documentation from Section 5.7 Treatment of Incomplete or Applications with Errors • Added that Subgrantees must indicate whether the crisis is life-threatening or non-life-threatening
5.7 Treatment of Incomplete or Erroneous Applications	• Retitled to Treatment of Incomplete or Applications with Errors • Moved paragraph requiring date and time documentation to Section 5.3 Application Processing and Benefits Payment
5.9 Applications Received Outside of the Application Season	Removed the ten-day post NOA documentation window at season end.
5.10 Notice of Action	Appeals and hearing information is included with each NOA sent.
5.11 Application Denial	Deleted the paragraph beginning "Benefit payments will be disallowed…"
5.12.1 Regular or Crisis Case Record and 5.12.2 A-16 Case Record	The order of documents is specified.
7.2 Household Payments Figure 17: Exceptions to Paying Home Energy Suppliers Directly	Added to the table the requirement for applicants to complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY)
7.3 Assistance Payment Checks	The 90-day life on printed checks replaced with "a specified time period consistent with the Subgrantee's fiscal policy."
8.1 Outreach and Coordination	The requirement to evaluate CSBG eligibility when a LIHEAP benefit does not resolve the crisis was deleted; the coordination list was restructured.
8.4 Outreach Through Priority Enrollment Listing	Retitled to Outreach Through Priority Enrollment (PE) Listing
9.1 Funds Allocation	• Retitled to Funds Obligation • Salaries of all staff must be included in the Budget Summary
9.2 Administrative and Program Support Costs	If a Subgrantee declines A-16, none of the A-16 funds may go to Program Support and must be used for benefits only.

SECTION	CHANGE
9.5 Subgrantee Bank Accounts	Clarifies the amount of interest that must be returned to AEO for transmittal to DHHS Payment Management System
9.6 Requesting Funds	• Clarifies AEO payment review • Requires funds requests for Administrative, Program Support, and, if applicable, Assurance 16 be submitted at least once each month • Requires a reconciled bank statement • Funds will be disbursed based on the LIHEAP Funds Request. Previously funds could be disbursed based on Weekly Data Reports. • Deleted the statement that funds requests made after COB Wednesday would not be processed until the following week.
9.6.1 Reimbursement Funds Request	Deleted the word 'additional' in the first sentence of the second paragraph for clarity.
9.6.2 Advance Funds Requests	Replaced the sentence regarding retroactive expenditures, allowing funds to be used beginning October 1.
9.6.3 Budget Revisions, Allocation Increase, or Transfer Request	Removed the requirement for budget revisions or transfer requests to have an amendment to the Subgrant Agreement.
9.7.1 Closeout Reports	Date change from January 15 to December 1
9.8.3 Returning Funds	Date change from January 15 to December 1
10.0 Fraud-Related Activity	• Added Purpose and Authority section, 10.1 • Added Definition of Fraud, section 10.2 • Added Examples of Fraud, section 10.3 • Added Credible Evidence, section 10.4 • Added What Does Not by Itself Constitute Credible Evidence, section 10.5 • Added Notification to AEO (Grantee) & Preliminary Review, section 10.6
10.1 Fraud-Related Definitions	Now Purpose and Authority
10.1.1 Overpayment	Renumbered to 10.7
10.1.2 Fraud	Subsection deleted. Definition now in 10.2

SECTION	CHANGE
10.2 Subgrantee	• Renamed and moved to 10.8 Subgrantee Reporting Overpayments • Mandatory Disclosures updated
10.2.1 Subgrantee Reporting Overpayments	Now section 10.8
10.2.2 Subgrantee: Reporting Fraud	Deleted subsection. Information now found in section 10.6 Notification to AEO (Grantee) & Preliminary Review
10.2.3 Subgrantee: Prevention of Fraud	Now section 10.9
10.2.4 Recovery: Subgrantee	Now section 10.9.1
10.2.5 Applicant Household Protection: Subgrantee	Now section 10.9.2
10.3 Supplier	Now section 10.10
10.3.1 Reporting Supplier Fraud	Now section 10.10.1
10.3.2 Recovery: Supplier Fraud	Now section 10.10.2
10.4 Household	• Now section 10.11
10.4.1 Reporting Household/Applicant Fraud	• Now section 10.11.1 • Increased timeframe within which the Suspected Fraud Report Form should be sent from 18 hours to 24. • If the applicant purposely commits fraud three times, they will (instead of may) be disqualified for up to five years.
10.4.2 Recovery: Household Fraud	• Now section 10.11.2 • Retitled to Recovery: Applicant Fraud
10.5 Costs and Responsibilities	Now section 10.12
11.4 Subgrantee Agreements	Retitled to Subgrant Agreements
12.0 Records Retention	• Retention rewritten to 2 CFR 200.334 • Added HIPAA six-year rule • Added three years after disposition rule for property and equipment
13.0 Energy Suppliers	Adjusted language in first paragraph for clarity
15.1 Monitoring Subgrantees	• Changed timeline for AEO to provide monitoring report from thirty (30) days to sixty (60) days. • Extended the timeframe for Subgrantee's response to the Corrective Action Plan (CAP) from 15 to 30 calendar days.

SECTION	CHANGE
15.1.2 AEO's Response to Subgrantee's CAP	Extended response time from 10 to 15 calendar days.
15.1.3 Subgrantee Non-Compliance	New section
15.2 Monitoring Energy Suppliers	All client complaints about utilities must be investigated.
15.2.1 Energy Supplier Noncompliance	Subgrantees must document supplier corrective actions and email a copy to AEO
16.2 Notification of Right to Appeal	Appeals and hearing information is included with each NOA sent.
16.4 Request for a Fair Administrative Hearing	AEO will send the decision by certified mail with return receipt requested to show the delivery date.
16.5 Appeal Review by AEO – Fair Administrative Hearing	Retitled to Appeal – Fair Administrative Hearing
16.6 Fair Administrative Hearing	Discovery is defined

17.0 Acronyms and Definitions	• Replaced the General Service Rule numbers with the Code of Arkansas Rules (CAR) listings for:
	  ○ Hot weather rule, previously Rule 6.18 of the General Service Rules. Now 23 CAR § 455-618(f).
	  ○ Cold weather rule, previously Rule 6.15 of the General Service Rules. Now 23 CAR § 455-615.
	  ○ Rules for medical need, previously Rule 6.17 of the General Service Rules. Now 23 CAR § 455-617.
	• Added a definition for unobligated

SECTION	CHANGE
Appendix F: Income Inclusion and Exclusion Chart, part 1	• Retitled to Income Inclusion and Exclusion Table • Revised descriptions for succinctness; added federally mandated income exclusion table. **Exclusions not previously listed:** • Agent Orange Settlement Payments • Career and Technical Education Assistance • Child Care and Development Block Grant (CCDBG) Assistance • Civil Liberties Act and Aleutian and Pribilof Islands restitution • Crime Victim Compensation Victims of Crime Act of 1984 • Emergency Rental Assistance Program (ERAP) • Energy Employees Occupational Illness Compensation Program Act of 2000 • Federal Tax Refunds (Refundable Credits) • Flood-mitigation assistance • Individual Development Accounts (IDAs) • Radiation Exposure Compensation • Spina Bifida and Birth Defect Allowances • Additional tribal settlement and judgement payments • Vietnam-era prisoners of war • Victims of Nazi persecution • Workforce Innovation and Opportunity Act (WIOA) **Deleted from policy:** • National Direct Student Loans (NDSL) – renamed Federal Perkins Loans. Now closed: no new loans after September 30, 2017. Outstanding balances remain in repayment. • State Student Incentive Grants (SSIG) – Federally renamed the Leveraging Educational Assistance Partnership (LEAD). Currently inactive for new federal appropriations. Last funded in 2011. Exclusions moved to new federally mandated income exclusion list are shown on the following page.

Appendix F: Income Inclusion and Exclusion Chart, part 2	**Exclusions moved to new federally mandated income exclusion list:**
	• AmeriCorps Participant Payments
	• Child Tax Credit
	• College Work Study
	  o Listed with Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance
	• Disaster Assistance
	  o Now Disaster Relief Assistance (Stafford Act)
	• Displacement/Relocation Assistance
	  o Now Uniform Relocation Assistance and Real Property Acquisition Policy Act
	• Energy Grant
	  o Now LIHEAP (Low-Income Home Energy Assistance Program
	• Food (SNAP, WIC, donated food)
	  o Now Child Nutrition and School Lunch Programs (Including WIC)
	  o Now Food Stamp / SNAP allotments
	• Foster Grandparents Program
	  o Now Domestic Volunteer Service Act Payments
	• VISTA volunteers
	  o Now Domestic Volunteer Service Act Payments
	• Guaranteed Student Loans (GSL) – federally renamed Federal Stafford Loans. Part B closed to new loans after June 30, 2010, but Stafford lending continues under Part D.
	  o Now listed under Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance (Federal Direct Loans)
	• Payment received under the Alaska Native Claims Settlement Act
	  o Now Tribal Settlement & Judgement Payments
	• Payments received under the Sac and Fox Indian …
	  o Now Tribal Settlement & Judgement Payments
	• Pell Grants
	  o Now listed under Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance
	• PLUS loans
	  o Now listed under Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance (Federal Direct Loans)
	• Supplemental Educational Opportunity Grant (SEOG)
	  o Now listed under Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance
	• Uniform Relocation Assistance and Real Property Acquisition Policy Act

SECTION	CHANGE
Appendix G: FFY2026 Arkansas LIHEAP Eligibility Chart	Updated to FFY2027
Appendix H: Regular Assistance Fuel Benefit Matrices	Updated fuel benefit matrices from FFY2026
Appendix I: Crisis Benefit Table	Updated maximum benefit amounts
Appendix J: LIHEAP Reporting Schedule	Closeout deadline changed from 45 days to 30.
Appendix K: Subgrantee Agency Map & Contact Information	• Retitled to LIHEAP Subgrantee Map & Contact Information • Updated map, contact information, and county service areas
Appendix L: Forms	Provided an example checklist used for website updates

1.0 GENERAL LIHEAP OVERVIEW

LIHEAP is a block grant that provides funding to assist low-income households, particularly those with the lowest income that pay a high proportion of household income for home energy. Priority households are those that have at least one member who is aged 60 or older, aged five or younger, or disabled. LIHEAP is available to households with income at or below 150 percent (150%) of the Federal Poverty Guidelines (FPG) or 60 percent (60%) of the **STATE MEDIAN INCOME** (SMI).

The Arkansas Energy Office (AEO) submits a yearly Model Plan to the U.S. Department of Health and Human Services (DHHS). Upon approval, AEO is eligible to receive funding.

AUTHORITY TO ADMINISTER LIHEAP

Title XXVI of the Omnibus Budget Reconciliation Act of 1981 (OBRA), Public Law 97-35, as amended (the Low Income Home Energy Assistance Act), codified at 42 U.S.C. § 8621-8630, authorizes the Secretary of Health and Human Services to make LIHEAP grants to States. Within HHS, the program is administered by the Office of Community Services in the Administration for Children and Families (ACF). The Low-Income Home Energy Assistance Act of 1981 (hereinafter **LIHEAP STATUTE**) as amended lays out pertinent information about the LIHEAP program and provides the requirements (16 assurances) for each state administering LIHEAP. Find additional information and guidance for LIHEAP administration by following the links below.

42 USC §8621-8630	Low-Income Home Energy Assistance Act of 1981 (LIHEAP Statute)
45 CFR 96	Block Grants, subparts A-F, H
2 CFR 200	Uniform Administrative Requirements, Cost Principles, And Audit Requirements For Federal Awards
2 CFR 300	Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (specific to the U.S. Department of Health and Human Services)
LIHEAP-IM-2026-01	Federal Poverty Guidelines (FPG) and State Median Income (SMI) Estimates for LIHEAP Income Eligibility Optional Use in Federal Fiscal Year 2026 (FY26) LIHEAP and Mandatory Use in FY27 LIHEAP
LIHEAP-IM-2014-07	HHS Guidance on the Use of Social Security Numbers (SSNs) and Citizenship Status Verification
2027 Model Plan	Detailed Model Plan for Arkansas

1.1 POLICY PURPOSE

As stated in the Disclaimer, this policy manual provides guidance and insight into LIHEAP but does not give exact guidance for all situations that may arise. **SUBGRANTEE** staff should document resolutions for issues not specifically addressed in this manual.

This manual is not intended to relieve the Subgrantees of the responsibility to maintain their own internal policies and procedures regarding the administration of LIHEAP. Each Subgrantee must have written policies and procedures that ensure accurate client eligibility determination; benefit approval; protection of the funds from fraud, waste, and abuse; and employee protections. These policies and procedures are to be collected into a document that is provided to AEO upon request. Individual Subgrantee policies shall not conflict with the policies and procedures in this policy manual.

1.2 PROGRAM ADMINISTRATION

The governor delegated the Arkansas Department of Energy and Environment (E&E), Arkansas Energy Office (AEO) as the LIHEAP Grantee for Arkansas. Grantee responsibilities are recorded in the LIHEAP Statute.

1.3 PEAK IMPLEMENTATION

Upon the launch of the PEAK system, AEO will utilize PEAK as a statewide LIHEAP platform. LIHEAP Subgrantees will be required to use the PEAK system for all LIHEAP-related functions, including but not limited to:

- Application intake and data entry,
- Eligibility determination and verification,
- Benefit calculation and authorization,
- Creation of purchase orders,
- Case documentation and record retention, and
- Reporting, monitoring, and quality assurance activities

With the implementation of PEAK, certain LIHEAP processes described in the LIHEAP Policy & Procedures Manual will be modified to align with system functionality. Where differences exist between previously documented procedures and PEAK system workflows, the PEAK system shall govern upon its implementation.

The policy and procedures manual will be revised as needed; however, PEAK system requirements for operational workflow remain authoritative even when manual updates are pending. No PEAK configuration may override the LIHEAP statute and regulations, the approved Arkansas Model Plan, or the applicant protections in this manual; where such a conflict appears, the legal requirement controls and AEO is to be notified.

In the event of a system outage or disruption, Subgrantees should continue processing applications received by means other than PEAK. Once the outage or disruption ends, Subgrantees must enter all required data into PEAK. Subgrantees must maintain documentation to support any actions taken during the outage or disruption, to be entered in PEAK after the outage or disruption is resolved.

2.0 BENEFITS

LIHEAP assists eligible low-income households with cooling and heating utilities. Applicant households must meet eligibility criteria to qualify for each benefit. Program funds must be available before any LIHEAP benefits are issued.

Four main types of benefits fall under the umbrella of LIHEAP:

- Rate Reduction (**REGULAR ASSISTANCE**) Program
- Crisis Program
- Assurance 16 (A-16) Program
- Energy efficiency: Weatherization

Additional program benefits may be established if additional funding becomes available or in the event of unforeseen circumstances such as public health emergencies and weather-related events. These may be referenced as **SUPPLEMENTAL** funds: Additional Funding or Disaster Relief.

Unless otherwise specified, each applicant household may be approved for only one **CRISIS ASSISTANCE** and one Regular Assistance benefit each application period (i.e., program season). The payment of more than one Regular Assistance and one Crisis Assistance benefit to an eligible household during the same LIHEAP season is considered a **DUPLICATE PAYMENT** and must be corrected as described in Section 10.11 HOUSEHOLD through Section 10.12 COSTS AND RESPONSIBILITY.

Regular Assistance benefit applications must be processed, and Crisis Assistance benefit applications resolved as described in Section 5.3 APPLICATION .

Case files must be kept as described in Section 5.12 APPLICANT CASE FILE/RECORD.

2.1 RATE REDUCTION (REGULAR ASSISTANCE) PROGRAM

The **Rate Reduction (Regular) Program** offers a one-time payment per eligible household per application period and is available during both winter and summer application periods. The benefit is designed to assist households with their **ENERGY BURDEN**, not to cover total costs.

Payments are made directly to the energy supplier, except in special circumstances defined in Section 7.2 HOUSEHOLD PAYMENTS. The benefit amount is determined using the benefit matrices provided by AEO.

The primary fuel matrix must be used to determine benefit amounts except when the applicant requests the benefit be applied to the secondary energy source, as indicated below. Only electric benefits are available during the Summer Program.

At an applicant's request, the household's regular winter benefit may be split between two energy utilities.

At an applicant's request, the benefit may be applied totally to the household's secondary energy source. In this case, the Subgrantee will use the benefit matrix for the secondary energy source to determine the benefit amount.

Case files must be kept as described in Section 5.12 APPLICANT CASE FILE/RECORD.

Benefit payments must be disbursed as described in Section 7.0 PAYING LIHEAP BENEFITS.

2.2 CRISIS ASSISTANCE PROGRAM

The Crisis Assistance Program offers a one-time payment per eligible household per application period and is available during both winter and summer application periods. The Crisis Assistance benefit is designed to restore or prevent the disconnection of an energy utility.

LIHEAP federal statute (42 U.S.C. §8623(c)) requires that a reasonable amount of funds (based on data from prior years) be reserved until March 15 of each program year for energy crisis intervention. Subgrantees must ensure that energy crises are responded to through March 15. Response to crises may be provided through a combination of advocacy, information, referral, counseling, and/or benefits paid.

The crisis assistance benefit will be the minimum amount needed, up to the maximum crisis benefit per household, per program season to alleviate the crisis. A crisis assistance benefit must not be used to pay a current balance (except as allowed in item 2.2 b., below) or leave a credit on an account. The Subgrantee must determine whether the crisis benefit alone, or in combination with a Regular benefit or other contribution, is sufficient to resolve the crisis. **A benefit cannot be issued if the crisis will not be alleviated (i.e., the household will not have energy).**

The Subgrantee must evaluate each application for crisis assistance individually, using the general and crisis eligibility requirements, and determine the appropriate crisis resolution and the amount of assistance, up to the maximum benefit allowed.

The household must have an energy-related crisis on the date of the crisis assistance application and meet both general eligibility (Section 3.0 ELIGIBILITY) and crisis definition requirements (provided below). To ensure timely response to crises, the Subgrantee must verify the crisis, including the amount required to alleviate the crisis, with the energy supplier as the first step of processing crisis assistance applications. Both the verification and the underlying issue (see items a-i, below) for the crisis must be documented in the case record. Applicants found not to be in crisis will be moved to the end of that day's Regular Assistance applications for processing and the applicant counseled about purposefully providing erroneous information on the application, if that is the case.

A household is considered in crisis when the applicant or household member:

a. Has a health-related **LIFE-THREATENING SITUATION** where a clear and present danger to life exists if power or utility is disconnected. See Section 2.2.1 Life-Threatening Crisis below.

b. Has a current bill due within seven (7) days.
c. Has a past due amount or arrearage on the utility bill.
d. Has been disconnected from service or received a disconnect notice from the vendor that provides the main source of heat or electricity.
    i. During the Summer Program, only electricity can cause a household to be in crisis.
    ii. The Subgrantee must verify the current dollar amount required to continue or reestablish energy services.
    iii. **VERIFICATION** may be by telephone or a signed and dated statement from the energy supplier, including an email or copy from the utility portal.
e. Has twenty percent (20%) or less of propane or fuel tank capacity and the supplier has refused delivery without payment or is using a temporary heating (such as space heaters) or cooling source due to the supplier's refusal to deliver. See also Figure 15: Determining Crisis Assistance Benefit for situations involving minimum delivery fees.
f. Is enrolled in a delayed payment arrangement (DPA) and meets one of the following conditions:
    i. The household has a past-due amount in the DPA that would result in a shutoff or disconnection if the customer defaulted.
    ii. The balance of the DPA is more than the available Crisis Assistance benefit.
        1. The full amount of crisis benefits available may be applied to the amount covered by the DPA if the Subgrantee verifies with the utility that service will not be disconnected after this partial payment.
        2. If the entire Crisis Assistance benefit will not prevent disconnection or another DPA cannot be set up for the remainder of the balance, the benefit can be applied by the utility in another way that will prevent disconnection.
        3. If service will be disconnected even with LIHEAP assistance, a benefit may not be issued.
g. Has a pre-paid electric service that has or will soon exhaust and one of the following conditions applies:
    i. The household is disconnected,
    ii. The household has an outstanding balance/arrearage on the account,
    iii. The household has received an alert of a low balance, or
    iv. The household has been determined by the Subgrantee, in communication with the energy provider, to have a low balance.
h. Received an eviction notice due to non-payment of the household's energy source.

i. The household must have a designated or undesignated clause in the current lease or renter's agreement to pay heating and/or electricity costs to its landlord.
ii. The household must present a current eviction notice that indicates the ensuing eviction is due to non-payment of heating and/or electricity costs.

i. Has three (3) weeks or less of wood supply remaining or seven (7) days or less of bottled gas/propane.
i. Wood burned in a fireplace is not considered a primary energy source.
ii. The Subgrantee must verify the household's service address as one that is an acceptable location for using wood as a primary energy source. The application will be denied if the Subgrantee determines that the use of wood is prohibited at the reported address (e.g., city street address, apartment complexes, and residences sponsored by the housing authority).
iii. Applicant must be referred to Weatherization as a "no heat" (i.e., no heating equipment) situation. See Additional Crisis: Inoperable Heating or Cooling.

Crisis benefits must be paid directly to the energy supplier except as outlined in Section 7.2 HOUSEHOLD PAYMENTS.

Applicants who use **SOLAR POWER** or another **RENEWABLE ENERGY** source are not eligible for Crisis Assistance benefits.

Additional Crisis: Inoperable Heating or Cooling

A household that has inoperable primary heating or cooling equipment or has no heating or cooling source is considered to be in crisis. The Subgrantee must discuss the situation with the client and, with their approval, submit an emergency referral to weatherization.

2.2.1 Life-Threatening Crisis

A life-threatening crisis exists when interruption of a household's heating or cooling energy services threatens the health or well-being of at least one household member's health or welfare. The Subgrantee must use the **PRUDENT WORKER CONCEPT** when reviewing the applicant's claim that its situation is life-threatening and meets crisis eligibility requirements. To qualify for a life-threatening crisis, the following stipulations are required:

a) The household must meet at least one of the conditions defined as crisis in Section 2.2 CRISIS ASSISTANCE PROGRAM and
b) The household must meet one of the following conditions:
- Extreme Weather Conditions – As defined by the **ARKANSAS PUBLIC SERVICE COMMISSION** (APSC), codified into the Code of Arkansas Rules, 23 CAR § 455-615 and 23 CAR § 455-618, extreme weather is when the National Weather Service forecasts that a temperature of 32 degrees Fahrenheit or lower (cold weather rule) or 95 degrees Fahrenheit or higher (hot weather rule) will occur at any time during the following 24-hour period. A summary of the rules

may be found online at https://apsc.arkansas.gov/consumer-services/suspension-of-service/.

- Medical Conditions – The applicant submits a statement by any method that one or more household members have a health or medical condition that makes them susceptible to harm if the household loses heating or cooling capability.
    - The Subgrantee should advise the applicant of the protection for life-threatening medical situations by the Arkansas Public Service Commission (APSC) (23 CAR § 455-617) and instruct the applicant to ask their medical provider to send a letter to the utility verifying medical need.
        - The completion of a certificate of medical need will postpone suspension for up to thirty (30) days, according to APSC.

2.2.2 State of Emergency

When the state or federal government declares a moratorium on utility disconnection during a **PUBLIC HEALTH EMERGENCY** or disaster, the definition of crisis will include:

- Having a past-due balance on a utility bill that indicates an implied or actual threat of shutoff/disconnection, if the utility does not have a moratorium on shutoffs/disconnections during a public health emergency or disaster.
- A past-due balance that has been verified with the utility in one of three ways:
    - Through a portal,
    - By a statement from the utility obtained by the applicant and dated more recently than the utility bill, or
    - By Subgrantee contact with the utility.

During a moratorium when energy will not be disconnected, the Subgrantee may pay the maximum Crisis or coordinated benefit available toward the outstanding balance, even if the balance exceeds the total benefit.

Section 2.5.1 Disaster Relief requires Subgrantees to notify AEO when an area is declared a disaster zone. AEO will notify Subgrantees when the State of Emergency policy is in effect, whether supplemental funds are available, or if the State of Emergency is to be funded from the regular LIHEAP allocation.

2.2.3 48- or 18-Hour Resolution of Crisis Situations

LIHEAP federal statute (42 U.S.C. §8623(c)) require that crises be evaluated and resolved (i.e., pledge or issue Crisis Assistance benefit to prevent shutoff) after receiving all required application supporting documents as follows:

- Non-life-threatening Crisis Assistance must be **PLEDGED** or otherwise resolved within forty-eight (48) hours.
- Life-threatening Crisis Assistance situations must be pledged or otherwise resolved within eighteen (18) hours.

AEO may waive the resolution time frames during a state of emergency upon request from the Subgrantee.

The Subgrantee will:

- Determine eligibility as required by policy and procedure.
- Provide the household a **NOTICE OF ACTION** (NOA) requesting missing information, if needed. The NOA must show the proper return and email addresses where the applicant must send the requested information.
    - For non-life-threatening crises, an NOA must be issued no later than the day following the **DATE OF APPLICATION**.
    - For life-threatening crises, the Subgrantee must contact the applicant via phone, text, or email.
- Determine eligibility and provide assistance within 48/18 hours from the time the Subgrantee receives the requested information.
- Document in the crisis case record the date and time the Subgrantee received the information.
- Attempt contact with the crisis applicant a minimum of three (3) times (by phone, text, email, or mail, including a postcard) before denying the application. Contact can be on the same day but must use different methods such as phone and email or mail and text, etc. Allow applicants for Regular Assistance at least ten (10) days from the date of the NOA to send requested information. The initial NOA does count as one of the three (3) notifications, and the additional notices do not extend the original ten (10) days to return information. The Subgrantee must document in the case file all attempts to contact the applicant, including method(s) and date(s) of attempts.
- Deny the household's application if the household does not provide the requested information within thirty (30) calendar days and three (3) attempts to contact have been documented. The Subgrantee will inform the household that it may reapply at any time during the current application period. **The denied application may be reactivated if missing information is provided during the same program season.** See Section 5.7 TREATMENT OF INCOMPLETE APPLICATIONS OR APPLICATIONS WITH ERRORS.

The Subgrantee will meet the minimum requirement of alleviating a crisis if, within 48 or 18 hours of receiving a complete application, the Subgrantee performs one of the following two actions:

1) Issues a payment to the vendor, supplier, or household; or
2) Obtains verification, by fax, email, documented phone conversation (utility employee's name, title, phone number, agreement discussed, signed and dated by LIHEAP staff member), or through the portal, from the energy supplier that the household's services will be continued, restored, or delivered in return for the pledge of a payment of a specific benefit amount by a

specific date. Dated documentation of verification from the utility must be kept in the client file.

2.2.4 Adequate to Alleviate Crisis

When a Crisis benefit is insufficient to ensure the household has energy, any Regular benefit available to the applicant may be used with the Crisis benefit. If the total LIHEAP benefit (Crisis and Regular Assistance) is not adequate to alleviate the crisis (i.e., ensure the household has energy), the Subgrantee should inform the applicant of other programs available to assist them and also ask if the applicant can make a payment of the additional amount needed.

A payment or action can be considered adequate to alleviate the crisis if the following conditions occur:

- The combined benefit is equal to the amount required by the supplier, or
- The combined benefit is less than the amount required, but the energy supplier agreed to accept the benefit for which the household is eligible as enough for reconnection or to prevent disconnection.

All of these circumstances must be documented in the client file.

A crisis benefit cannot be paid if the LIHEAP benefit does not alleviate the crisis/prevent disconnection.

2.3 ASSURANCE 16 (A-16), OPTIONAL

Under A-16 of the LIHEAP Statute and pending the availability of funds, AEO may, at its discretion, use up to five percent (5%) of LIHEAP funds to provide services that encourage and enable households to reduce **HOME ENERGY** use and thereby reduce the need for energy assistance. AEO will notify Subgrantees if A-16 funding is available after receiving the fiscal year allocation from DHHS, usually at the end of October. The notification will include a deadline for Subgrantees to respond if interested in offering an A-16 program. Those who choose to offer A-16 will receive an A-16 allocation as part of the total allocation when grant agreements are sent.

A-16 is intended to develop information and energy education materials as well as classroom instruction for participating LIHEAP clients. Energy education can include but is not limited to providing resources to clients to aid them in communicating more effectively with energy vendors to maintain service, providing information on reducing energy usage, obtaining energy efficiency services, and working with clients to improve financial management skills that help clients proactively manage energy bills. This program should ultimately reduce a household's dependence on energy assistance and promote a higher degree of self-sufficiency. An effective A-16 program will be transformative and impactful for each participating **HOUSEHOLD**.

Subgrantee staff who work in the A-16 program should be trained to recognize and be responsive to the legitimate needs of clients. This includes building a network of resources to be able to refer clients.

2.3.1 Subgrantee A-16 Plan

Subgrantees who elect to participate must submit a written participation plan to AEO when the annual Subgrant Agreement is submitted. Participating Subgrantees are required to make information about A-16 services available and easily accessible to vulnerable populations. Activities should move applicants from dependency toward self-sufficiency. Participating Subgrantees must also conduct referral and advocacy.

Subgrantees may operate their A-16 program only after their plan is approved by AEO and until the end of the program year. AEO will review each Subgrantee's plan for approval within thirty (30) business days after receipt. Any changes or additional activities requested by AEO must be incorporated and made a part of the Subgrantee's A-16 activities. Minimum requirements of A-16 must be met before AEO will approve the plan.

Subgrantees should be innovative and purposefully proactive in meeting needs when developing their plan. A-16 funds may not be used to increase Subgrantee staff salaries fully funded by LIHEAP or other agency funds or pay staff bonuses. The plan should include a statement acknowledging that A-16 funds will not be used to increase staff salaries or to pay bonuses.

The plan must identify issues and how participation in the program will address these issues. Subgrantees must design their program to be convenient, if possible, and not cause a hardship on the household.

When submitting their Subgrant Agreement, Subgrantees that participated in A-16 the prior year must provide in the plan the following information from that year:

1. A description of the impact of A-16 activities on the number of households served,
2. A description of the level of direct benefits provided to those households, and
3. The number of households that received A-16 services.

The A-16 plan should provide sections with detailed descriptions as follows:

1. PLAN OVERVIEW	2. GOALS & OBJECTIVES
• Overall goal of the program from the agency perspective • Types of activities and services to be included	• Procedures to accomplish the intended goals • Number of households targeted
3. OPERATING PERIOD & SCOPE	
• Timeframe of the A-16 program • How the agency will respond to energy emergencies • Training activity format (in-person or virtual) • Location of training activities	
4. OUTREACH	**5. INCENTIVES & PLAN PHASES**
• What referrals will be available • How households will be targeted	• What incentives will be given, if any • Timeline of activities, including a two-month follow-up
6. BUDGET	**7. IMPACT MEASURES**
• Itemization of funds to be expended for specific services	• Impact assessment of the program • How activities will be tracked • Impact measures from the previous FFY, if A-16 services were offered
8. TOOLS	
• A-16 policies included in the agency's plan for the current year • Tools to be used to implement the program • Copies of forms to be used	

Figure 1: The A-16 Plan

The A-16 plan must include methods to ensure the following services are performed:

1. Needs Assessment to identify and understand the household situation, thereby enabling the Subgrantee to take appropriate actions and make needed referrals.
2. Training households to access services.
3. Stabilizing the household situation by equipping the household to manage crisis events before they get worse.

Subgrantees may also provide services including, but not limited to:

- Budget counseling to provide education programs on household budgeting.
- Energy and Conservation Education, including presenting education programs on ways to save energy by assessing home energy use.
- Low-cost do-it-yourself energy efficiency measures.

- Referrals to other programs and other coordinated services.
- Risk assessments to identify household needs and deficiencies.
- Developing energy vendor relationships to provide negotiations and assistance such as establishing deferred payment arrangements and setting up online accounts.

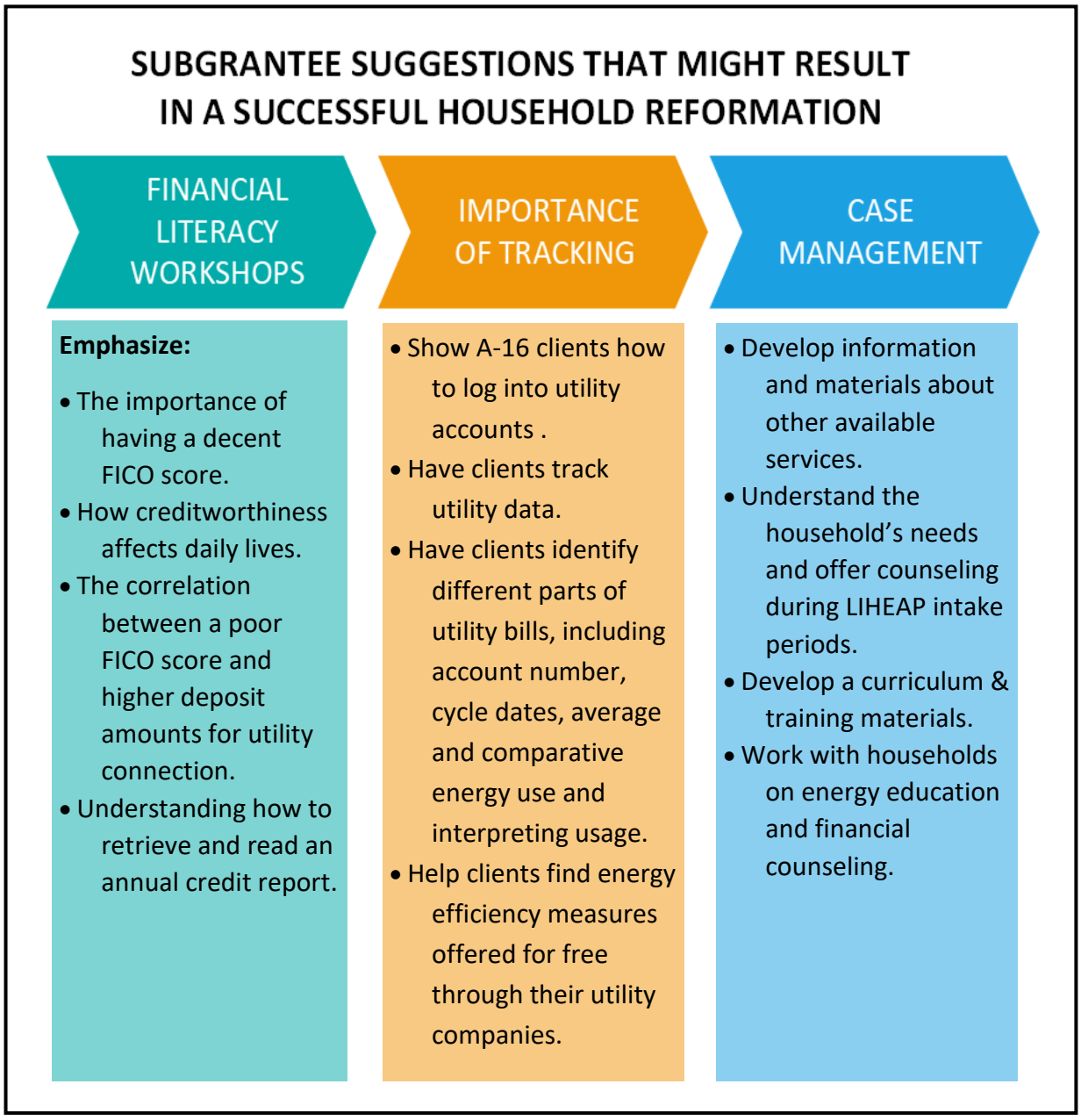


Figure 2: Subgrantee Suggestions for Household Reformation

Subgrantees that offer A-16 must collect and document information required by the U.S. Department of Health and Human Services, including, but not limited to:

- The impact of A-16 activities on the number of households served,
- The direct benefits provided to those households, and
- The number of households that remain unserved.

2.3.2 A-16 Incentives

Subgrantees may offer clients a participation incentive up to a maximum of $700.00 payable to a utility company designated by the client. The incentive may not be paid directly to the household.

When an A-16 participating household receives a disconnect notice for a utility bill, the Subgrantee also may provide assistance to prevent service disruption. The payment to prevent disconnection in this instance may not exceed $350.00 for the duration of A-16 activities.

If the Subgrantee chooses to offer incentives, the Subgrantee should plan for such assistance in its A-16 budget.

2.3.3 Target A-16 Participant Household

Only LIHEAP-eligible households may receive A-16 services. Unless the Subgrantee submits a two-year curriculum plan, A-16 participants should not be anyone who participated within the last twenty-four (24) months. Subgrantees should recruit participants from the current year's LIHEAP Crisis applicant pool.

Subgrantees must target applicants who have a high energy burden, such as applicants for Crisis benefits. When the Subgrantee is unable to recruit a sufficient number of Crisis applicants, Regular Assistance program applicants who have returned for assistance during multiple program seasons may be solicited.

Involvement in A-16 is voluntary. Applicants who choose to participate may be required to complete a needs assessment, family survey, etc., as part of the selection process for A-16.

2.3.4 A-16 Record Keeping

Households that were approved for and are actively participating in A-16 activities are considered A-16 households on the Chronological Register (LIHEAP 2004).

Households that sign an agreement to participate in the A-16 program at the time of application but fail to follow through should be listed on the Chronological Register (LIHEAP 2004). Files for households that miss an appointment and/or do not respond or could not be reached after two attempts to contact them should be closed and contain **DOCUMENTATION** of the Subgrantee's actions, including notes about attempts to contact the household, records of phone calls, copies of emails, etc.

2.3.5 A-16 Case Files

The A-16 applicant file must be kept separate and/or in a manner that clearly distinguishes those activities for the purpose of review by AEO LIHEAP staff. A-16 case files and related materials must be maintained as required by sections 5.12 APPLICANT CASE FILE/RECORD, 5.12.2 A-16 Case Record, and 12.0 RECORDS RETENTION.

The list of A-16 attendees and/or applicant files must be made available upon request by AEO.

2.4 HEAT OR COLD RELIEF: AIR CONDITIONING AND HEATING (HVAC) SERVICE

Federal priorities include providing extreme weather stress relief. Therefore, the Weatherization Assistance Program (WAP) with LIHEAP offers a heating and air conditioning (HVAC) repair and replacement program that allows for the repair or replacement of existing equipment or the installation of new equipment when equipment does not function properly or is non-functioning. This program is for eligible households who cannot be fully weatherized due to the house having been weatherized in the last fifteen (15) years.

The State of Arkansas is required to allocate fifteen percent (15%) of its regular allocation of LIHEAP funds to weatherization.

PROCEDURE 2.4.1 HOW WEATHERIZATION SUBGRANTEES ADDRESS CLIENT HOMES

Arkansas weatherization Subgrantees will address client homes as follows:

Prioritize as an emergency any household eligible for weatherization services coming to the attention of Subgrantees (through any means, such as referral from LIHEAP or self-referral) as being without air conditioning (A/C) service in the home or without heating. The Subgrantee is authorized to bypass the waiting list to provide weatherization services on an emergency basis. The Subgrantee will:

- Complete full weatherization services, including HVAC evaluation and provision of A/C and heat repair/replacement, according to established guidelines. LIHEAP funds may be used for HVAC without qualifying criteria requirements (e.g., age, medical condition).
- Use LIHEAP funds to address only the HVAC equipment, or lack thereof, of a home that received weatherization services during the past fifteen (15) years. The household must be income-eligible for weatherization.
- Address both cooling and heating equipment to prevent the home from being without A/C or heat.
- Provide A/C window units temporarily in any home that lacks A/C and is being evaluated for HVAC needs. Window A/C units may be purchased with LIHEAP funds for this purpose and should be kept for use in future summers. Weatherization Subgrantees choosing to purchase these units should have the capacity to store them for future use and to maintain them in inventory. LIHEAP will reimburse the cost of units.
- Repair or replace HVAC units affected by a natural disaster after insurance benefits, if available, have been exhausted. The household must meet all other eligibility requirements.

2.5 SUPPLEMENTAL FUNDS

2.5.1 Disaster Relief

Federal rules allow AEO to adjust and redirect LIHEAP funding during uncontrollable events, such as natural disasters or a public health emergency. AEO will issue a policy clarification or addendum if a supplemental disaster relief benefit becomes necessary and funds are available.

The AEO LIHEAP Disaster Relief policy makes provisions to assist low-income households after federal- or state-declared natural disaster(s) when LIHEAP funds are available. The disaster relief procedures will take effect when the Governor of Arkansas declares a state of emergency, or the President of the United States declares an area a disaster (see 42 U.S.C. §§ 5121-5207 (The Stafford Act) §401).

Subgrantees must notify AEO of an area being declared a disaster zone if there is interest in a disaster relief program. A Subgrantee may recommend to AEO (see Section 2.5.1.1) the type of benefit to offer based on the need in the service area. Disaster-related actions must be formulated in a plan within two (2) weeks of applicant's eligibility determination.

The Subgrantee must maintain a case record for anyone who requests disaster-related aid. Subgrantees must maintain all supporting documentation to validate all expenses and obligations requested for reimbursement on an invoice. See Section 5.12 APPLICANT CASE FILE/RECORD for case record requirements.

2.5.1.1 Subgrantee Disaster Plan

The Subgrantee must establish a strategy to operate and provide LIHEAP services during disasters or emergencies. The plan must be approved by AEO and should be sent via email, to ee.aeoliheap@arkansas.gov.

2.5.1.2 Disaster Relief Eligibility & Application Requirements

Standard LIHEAP rules still apply when an applicant household seeks disaster relief. However, a household that has received a Regular and a Crisis benefit may still qualify for a disaster relief benefit.

If the applicant has not been approved during the current program year, he or she must complete a LIHEAP application for services.

Applicants approved during the current program year are not required to submit a new application. They must, however, provide:

- Post-disaster address where currently residing.
- Pre-disaster address where damage occurred.
- If the applicant household has insurance coverage, he or she must show proof of claim or make a claim through their insurance before receiving LIHEAP disaster benefits. Subgrantees must advise client households that the client may need to continue making utility bill payments to avoid service disruption.
    - The Subgrantee must ask the applicant what insurance has paid or may pay for. This information impacts the Subgrantee's development of the applicant's disaster assistance plan with LIHEAP funds.

If the household is having difficulty recovering or is unable to recover supporting documents after the disaster, the Subgrantee may request a document waiver from AEO.

The Subgrantee may use the following to prove income if the household has difficulty showing proof of income after the disaster:

- Previous LIHEAP application within the same program year (if applicable),
- Income verification from another state or federal program, such as Workforce Services or SNAP, or
- A self-declaration statement using an AEO-approved form.

AEO may waive LIHEAP requirements and procedures up to and including allowing for a larger or additional household benefit to alleviate potential hardship or suffering at the declaration of a disaster or emergency.

2.5.1.3 Disaster Benefit

Assistance levels for qualifying disaster-related needs will be established based on the availability of funds when the disaster program is initiated. The benefit may be split amongst multiple vendors or suppliers. Assistance is available only as long as designated emergency LIHEAP funds are available.

Disaster benefit payments must be issued directly to the vendor. The Subgrantee may issue a direct payment to the applicant where it would be difficult to monitor whether an applicant has received the services or merchandise (e.g., propane in a portable tank purchased from a retail vendor). Direct payments must be issued as directed in Section 7.2 HOUSEHOLD PAYMENTS.

Normally, a household is limited to one (1) disaster relief benefit per declared disaster. The benefit each household is approved to receive should be contained in a plan for that household that identifies all the services to be paid up to the maximum amount of the full disaster benefit. However, if an applicant discovers an unresolved need and has not used the full disaster benefit, the applicant may apply for a second time and receive up to the remainder of the full disaster benefit.

2.5.1.4 Allowable Uses of LIHEAP Funds for Disaster Relief

Federal guidance allows LIHEAP funds to be used to meet the energy needs of eligible households, including:

- Power to temporary shelter (utility deposits or other costs) that is occupied by or planned for an approved LIHEAP Disaster Relief applicant household.
- Utility infrastructure repairs that are the applicant's responsibility (e.g., meters, poles, and lines).
- Purchase and installation of generators installed to code through a licensed vendor who has verified, before purchase of a generator, that the home's existing electrical system will support a generator. The benefit does not include system upgrades.

- Repair or replacement of HVAC, if it allows the household to reoccupy or remain in the home. Referral to the Arkansas Weatherization Emergency HVAC Only Program is also an option.
- Utility payments, reconnection fees, and deposits (electricity, natural gas, propane).
- Payment of final utility bills for damaged homes when it allows the applicant to start service at another location.
- Temporary shelter or housing, such as in hotels or apartments, when the permanent home has been destroyed or damaged, with AEO approval and a signed agreement that (1) specifies the length of time LIHEAP benefits cover and that (2) LIHEAP is not responsible for damage to the property or any incidental expenses while occupied by a LIHEAP disaster relief client.

Vendors that provide materials, labor, or other services paid with LIHEAP disaster relief funds must provide an itemized invoice identifying an amount for each agreed-upon service.

Costs are only allowable for approved LIHEAP households impacted by the natural disaster. State and federal LIHEAP policies and regulations must be followed.

2.5.1.5 Tracking Disaster Relief Funds and Benefits

Subgrantees must establish a strategy to track and report the number of households that received Disaster Relief benefits.

The funding source used for the Disaster Relief program must be tracked separately from all other LIHEAP funds, as outlined in the Subgrant Agreement. Separate tracking is required even if LIHEAP funds from the regular allocation are used for Disaster Relief. See fiscal requirements in Section 9.0 FISCAL MANAGEMENT for further details about managing and tracking funds.

2.5.1.6 Other Resources

Subgrantees may use the following list to assist households affected by a natural disaster in finding additional help:

- Arkansas Department of Human Services: SNAP, https://humanservices.arkansas.gov/divisions-shared-services/county-operations/supplemental-nutrition-assistance-snap/
- Arkansas Division of Emergency Management: https://www.dps.arkansas.gov/emergency-management/adem/
- Arkansas Insurance Department: https://www.insurance.arkansas.gov/
- Arkansas Legal Aid: https://arlegalaid.org/
- American Red Cross of Arkansas: https://www.redcross.org/local/arkansas.html
- Disaster Assistance Improvement Program: https://www.disasterassistance.gov/
- Disaster Unemployment Assistance (DUA) through the Arkansas Department of Workforce Services: https://dws.arkansas.gov/workforce-services/unemployment-2/disaster-ui-assistance/

- Domestic Shelters: Shelters | Arkansas Coalition Against Domestic Violence (ACADV): https://domesticpeace.com/shelters/
- FEMA: https://www.fema.gov/assistance
- LSC - Legal Services Corporation: America's Partner for Equal Justice: https://www.lsc.gov/

2.5.2 Additional Funding

If AEO determines that additional funds are available, extra allocations may be issued to Subgrantees and may be used as follows:

- for already-served households,
- to increase the amount of Regular and Crisis benefits, and/or
- to sponsor an additional program.

AEO will notify Subgrantees when additional funding is available. AEO will instruct Subgrantees about the information and documents required to receive the extra allocation.

3.0 ELIGIBILITY

Eligibility is based on both financial and non-financial criteria. The Subgrantee must test criteria and determine the household's eligibility before issuing benefits to an applicant household. The applicant must meet all requirements to be eligible for energy assistance. Eligibility criteria are assessed based on household composition and circumstances on the date of application for energy assistance. Tested requirements include the non-financial and financial criteria listed below. Case files must contain proof of meeting all eligibility criteria.

3.1 NON-FINANCIAL CRITERIA

A LIHEAP applicant must:

- Live in Arkansas.
- Provide proof of identity.
- Provide valid contact information, including a mailing address, and at least one working method of contact (telephone number or email) where messages may be received.
- Verify Social Security numbers (SSNs) for all household members aged 18 or older as outlined in Section 4.3 SOCIAL SECURITY NUMBER (SSN) VERIFICATION.
- Provide proof of legal residency if they are a noncitizen.
- Provide information about the household composition, including the names and ages of each household member.
- Indicate the type of **DWELLING**, as outlined in Section 4.6 TYPE OF DWELLING and APPENDIX D: ELIGIBLE DWELLING TYPES.
- Apply for services through the Subgrantee serving the household's county of residence.

3.2 FINANCIAL CRITERIA

1. The household must meet the income eligibility requirement, which means that total household income must fall at or below the maximum income amount for the household size, as shown in APPENDIX G: FFY2027 ARKANSAS LIHEAP ELIGIBILITY CHART.
2. A LIHEAP household must have an energy burden (see 17.0 ACRONYMS AND DEFINITIONS) on the date of application.
3. The applicant and all household members aged 18 or older must show proof of income.
4. The applicant must provide valid current utility bills in a household member's name as described in Section 4.8.1 Utility Bill or a current lease agreement which includes utility(ies) in a household member's name.

3.3 ADDITIONAL APPLICATIONS IN THE SAME PROGRAM SEASON

An approved household's eligibility will continue for the entire program season (winter or summer). Unless otherwise specified, only one Crisis and one Regular benefit can be approved for

each household for each LIHEAP program season. Special programs such as Disaster Relief might require additional information for a household to be eligible.

To receive an additional benefit within the same program season, the household must have an unused Crisis or Regular benefit available and must do the following:

- Be able to prove a Crisis, if applicable,
- Contact the appropriate Subgrantee to identify the need,
- Provide a new utility bill, and
- Update contact information, if necessary.

If an applicant previously received a Crisis Assistance benefit of less than the maximum amount available, the household is not eligible to receive an additional Crisis Assistance benefit. See Section 2.0 BENEFITS.

When reviewing a request from a household for additional benefits in the same program season, the Subgrantee will:

- Verify that an approved application is on file,
- Use information from the initial approved application to complete a new application worksheet to signify that the household submitted a request for additional benefit, and
- Attach a copy of the previous application to the new application worksheet or vice versa. The agency can use one file for both applications within the same program season if it is a part of the Subgrantee's standard procedures.

4.0 DETERMINING ELIGIBILITY

Subgrantees must use the Arkansas LIHEAP requirements to determine whether a household is eligible for LIHEAP services. Standard eligibility requirements are named in Section 3.0 ELIGIBILITY. The following criteria also must be assessed to determine eligibility.

Proof of all eligibility criteria must be included in every case file.

4.1 ARKANSAS RESIDENCY VERIFICATION

A LIHEAP applicant must live in Arkansas and apply for services with the Subgrantee that serves the household's county of residence.

For applicants who indicate that they recently relocated into the Subgrantee's service area from elsewhere in Arkansas, the Subgrantee must contact the Subgrantee serving the previous residence location to determine whether benefits have already been granted during the current program season. If so, the household is ineligible to receive benefits for any person who lived in the previous residence and received benefits there. See Figure 5: Household Change Scenarios for examples.

When residency is questionable, applicants will be required to provide proof of residency by presenting documents such as one of the following:

- Current state-issued identification,
- Current lease or rent agreement,
- Landlord's statement,
- Property tax bill or receipt, or
- Mortgage statement

Persons maintaining a permanent residence elsewhere are considered as visiting and are not eligible for benefits.

For applicants who apply through an office other than the Subgrantee office serving the applicant's county of residence, the Subgrantee:

- Will not deny the application,
- Will send the application to the correct Subgrantee, and
- Will notify the applicant by Notice of Action (LIHEAP 2001) and explain the correct procedure.

4.1.1 Exceptions to Arkansas Residency Rule

- Migrant workers who are U.S. citizens or legal residents **can** receive benefits in the county where they are staying while working, even though they maintain a permanent residence elsewhere.

- A household can receive benefits even if a member resides in an institution. The Subgrantee must determine eligibility for the non-institutionalized household members.

4.2 IDENTITY VERIFICATION

The applicant or head of household must provide the Subgrantee with valid proof of identity before an application can be approved for payment. Subgrantees must keep copies of identification documents in the case record.

Acceptable proof includes a READABLE COPY of any VALID document that establishes identity, such as:
• A current driver's license or ID card issued by a state or outlying possession of the United States if it contains: photograph, name, date of birth, sex, height, eye color, and address • ID card issued by a federal, state, or local government agency or entity • Birth certificate • School identification card with photograph • Identification card for health benefits or other assistance • Voter registration card • U.S. military card or draft card • Military dependent's ID card • Any type of paycheck stub containing the name, address, and last four of SSN of the person • Naturalization papers/certifications of citizenship (INS Form I-179, INS Form I-197).

Figure 3: Acceptable Forms for Proof of Identity

4.3 SOCIAL SECURITY NUMBER (SSN) VERIFICATION

Section 205(c)(2)(C)(i) of the Social Security Act authorizes states to require Social Security numbers (SSN) as a condition of eligibility for use in verifying the identity of individual applicants and their household members.

Applicants must provide the SSN or Individual Tax Identification Number (ITIN) for each household member. Applicants must verify the SSN information for each adult (aged 18 or older) in the household. When calculating the LIHEAP benefit, exclude any household member without a SSN, ITIN, or outlined in sections 4.3.1 Children Younger Than One Year and 4.3.2 Identification for Legal or Resident Noncitizens or Qualified Aliens. However, their income will be included when determining eligibility.

The Subgrantee may use the Social Security card or any other government or school document that includes the Social Security number to verify the SSN. A copy of the document used to verify the SSN must be kept in the applicant's file. If a household member's name does not change, the Subgrantee may use copies of the document verifying SSNs in future program seasons. A copy of the verification document(s) must be placed in the applicant's case file.

Applicants may get Social Security verification by visiting https://www.ssa.gov/myaccount/.

The Subgrantee should tell any applicant who is eligible for an SSN but does not have one to apply for an SSN at https://www.ssa.gov/forms/.

4.3.1 Children Younger Than One Year

The applicant must provide another form of identification for children under one year of age who do not have a Social Security card. Alternative identification for these household members may be documents such as:

- Birth certificate,
- Baptismal record that shows place and date of birth,
- Clinic, doctor, or hospital records, or
- Day-care or nursery school record

4.3.2 Identification for Legal or Resident Noncitizens or Qualified Aliens

If the applicant does not have a valid SSN, the applicant must provide one of the following items:

- Individual Tax Identification Number (ITIN). This is a number that the Internal Revenue Service (IRS) uses for tax purposes. The ITIN is a nine-digit number that is formatted like an SSN but always begins with the number nine (9). An ITIN is accepted in lieu of an SSN.
- Permanent visa.
- Refugee registration card.
- U.S. Citizenship and Immigration Services (USCIS) ID card.
- Registration card/re-entry permit.
- USCIS Form I-551 (Permanent Resident Card).
- USCIS Form I-94 if annotated with either: (a) Sections 203(a)(7), 207, 208, 212(d)(5), 243(h), or 241(b)(3) of the Immigration and Nationality Act or (b) one or a combination of the following terms: Refugee, Parolee, or Asylee.
- Documentation that the noncitizen is classified pursuant to Sections 101(a)(2), 203(a), 204(a)(1)(a), 207, 208, 212(d)(5), 241(b)(3), 243(h), or 244(a)(3) of the Immigration and Nationality Act.
- Court order stating that deportation has been withheld pursuant to Section 241(b)(3) or 243(h) of the Immigration and Nationality Act.
- USCIS Form I-687.

PROCEDURE 4.3.3 IDENTIFYING A VALID SSN

verifiable Social Security Number (SSN) must:

- Have 9 digits.
- Appear to be a plausible SSN (not 000-00-0000 for example).
- Be divided as follows:
  - Area Number = the first three digits
  - Group Number = the next two digits
  - Serial Number = the final four digits

Some special numbers are never allocated. The U.S. Social Security Administration (SSA) provides this guidance to determine if an SSN is invalid or impossible:

- No SSNs with a 000 area number have been assigned.
- No SSNs with an area number of 666 have been or will be assigned.
- No SSNs with an area number between 900 and 999 have been assigned.
- No SSNs with a 00 group number have been assigned.
- No SSNs with a 0000 serial number have been assigned.

INVALID OR IMPOSSIBLE SOCIAL SECURITY NUMBERS		
Area number (first three digits)	**Group number (middle two digits)**	**Serial number (final four digits)**
000	00	0000
666		
900 to 999		

Figure 4: Invalid or Impossible SSNs

4.4 CITIZENSHIP VERIFICATION

At least one member of the household must be an eligible household member (a U.S. citizen, naturalized citizen, or legal resident noncitizen/qualified alien) to be eligible for LIHEAP benefits. Any household member who is not a U.S. citizen, legal resident, or qualified alien will not be counted when determining household size for the purpose of calculating benefits. However, this member's income will be included when determining the household income.

4.4.1 Identifying Legal Resident Noncitizens

8 U.S.C. §1641(b) and (c) identify a "Qualified Alien" as an individual who at the time of application for a federal public benefit is one of the following:

(1) an alien who is lawfully admitted for permanent residence under the Immigration and Nationality Act [8 U.S.C. 1101 et seq.],
(2) an alien who is granted asylum under section 208 of such Act [8 U.S.C. 1158],
(3) a refugee who is admitted to the United States under section 207 of such Act [8 U.S.C. 1157],
(4) an alien who is paroled into the United States under section 212(d)(5) of such Act [8 U.S.C. 1182(d)(5)] for a period of at least 1 year,
(5) an alien whose deportation is being withheld under section 243(h) of such Act [8 U.S.C. 1253] (as in effect immediately before the effective date of section 307 of division C of Public Law 104–208) or section 241(b)(3) of such Act [8 U.S.C. 1231(b)(3)] (as amended by section 305(a) of division C of Public Law 104–208),
(6) an alien who is granted conditional entry pursuant to section 203(a)(7) of such Act [8 U.S.C. 1153(a)(7)] as in effect prior to April 1, 1980,
(7) an alien who is a Cuban and Haitian entrant (as defined in section 501(e) of the Refugee Education Assistance Act of 1980),
(8) an individual who lawfully resides in the United States in accordance with a **COMPACTS OF FREE ASSOCIATION** referred to in section 1612(b)(2)(G) of this title, or
(9) a noncitizen who is battered or subjected to extreme cruelty in the United States by a family member residing in the same household as the noncitizen or otherwise satisfies the requirements of 8 U.S.C. § 1641(c).

These individuals can be approved for benefits once the Subgrantee determines the household eligible.

4.4.2 Afghan Humanitarian Parolees

Afghan humanitarian parolees are eligible to receive federal benefits to the same extent as refugees under the Afghanistan Supplemental Appropriations Act, 2022 (Public Law 117-43), as extended by the Consolidated Appropriations Act, 2023 (Public Law 117-328). Eligible individuals (eligible until March 31, 2023, or the term of parole, whichever is later) include:

- Afghan citizens and nationals paroled into the United States between July 31, 2021, and September 30, 2023,
- Afghan citizens' spouses or children paroled after September 30, 2022, and
- Their parents or guardians paroled after September 30, 2022, if the Afghan citizen or national is an unaccompanied child.

Additional information on resources for Afghan Humanitarian Parolee populations is available online at https://acf.gov/archive/orr/programs/refugees/afghan-assistance-resources.

4.5 HOUSEHOLD COMPOSITION AND DWELLINGS

Any individual or group of individuals who share common living quarters, common living costs, **and** the purchase of energy is considered a household, as defined by Section 2603 (5) of the LIHEAP Statute [42 U.S.C. § 8622].

Closely related individuals (e.g. parent, child, sibling, foster children, etc.) living together and purchasing their home energy in common are considered as one LIHEAP household, even when functioning as separate **ECONOMIC UNITS**.

Review APPENDIX C: HOUSEHOLD MEMBERS TABLE to determine if an individual can be counted as part of a household. Review Section 17.0 ACRONYMS AND DEFINITIONS for the definition of **RELATIVE.**

4.5.1 Household Changes

The Subgrantee must re-evaluate eligibility if the household composition changes before completion of application processing. Household composition changes that occur after the completion of application processing and payment will not impact the processed application.

If an applicant moves outside the primary supplier's service area or dies, but a portion of the household remains at the service address, the remaining household is eligible for a LIHEAP payment corresponding to the number remaining in the household.

Review the following table for various scenarios one might encounter when addressing household composition changes.

EXAMPLE SCENARIOS OF HOUSEHOLD CHANGES			
COMPOSITION	**BENEFIT**	**CHANGE**	**LIHEAP IMPACT**
Two household members, Jane and Paul	The household received a Regular benefit	Jane moves to a new address during the same program season that the Regular benefit was paid. Paul remains at the original address.	The original benefit is NOT recalculated. Each HH is individually eligible for Crisis Assistance, up to the limit, if they meet other eligibility requirements. Jane's household is treated as a new household for Crisis Assistance but is not eligible for Regular Assistance in the same program season.
Two household members, Jane and Paul	The household received both a Regular and a Crisis benefit	Jane moves to a new address during the same program season that the Regular and Crisis Assistance benefits were paid. Paul remains at the original address.	Neither household is eligible for a LIHEAP Crisis Assistance or Regular Assistance benefit for the duration of the program season.
Two household members, Jane and Paul	The household received a Crisis Assistance benefit	Jane moves to a new address during the program season that the Crisis benefit was paid. Paul remains at the original address.	Both households are eligible for Regular Assistance benefits, if they meet other eligibility requirements. Neither is eligible for Crisis Assistance during the same program season.
			Continued on the following page

EXAMPLE SCENARIOS OF HOUSEHOLD CHANGES			
COMPOSITION	**BENEFIT**	**CHANGE**	**LIHEAP IMPACT**
Any household composition	The household received a Regular benefit	Any member of the household moves to a new location served by a different Subgrantee.	No member of the original household that received the Regular benefit is eligible for a Regular benefit during the same program season. Household members are eligible for Crisis Assistance, if they meet other eligibility requirements. The Subgrantee must verify with the previous Subgrantee before a Crisis benefit may be issued.
Any household composition	The household received a Crisis Assistance benefit	Any member of the household moves to a new location served by a different Subgrantee.	No member of the original household that received the Crisis Assistance benefit in the same program season is eligible (may not receive a Crisis Assistance benefit). Household members are eligible for a Regular benefit, if they meet other eligibility requirements. The Subgrantee must verify with the previous Subgrantee before a Regular benefit may be issued.

Figure 5: Household Change Scenarios

4.6 TYPE OF DWELLING

Applicants must live in the structure (dwelling) at the physical address provided on the application and must have an energy burden (See Section 4.8 ENERGY BURDEN) at the time of application to be eligible for LIHEAP benefits. The dwelling must be the applicant's primary residence. When an applicant or household member has more than one residence, that applicant must apply based on their primary residence.

Short-term leave from the primary residence (such as for vacation or a hospital stay) does not disqualify a household member from LIHEAP eligibility.

Dwellings that share a meter and do not have distinguishable charges on the bill are considered one household and must submit one application. All persons and income from each household must be counted when determining eligibility. However, if a household shares a meter, has distinguishable meter charges on the bill, and is otherwise eligible, the Subgrantee may process and issue LIHEAP benefits using the persons and income from only that portion of the household.

Review APPENDIX D: ELIGIBLE DWELLING TYPES to determine whether a specific dwelling is eligible.

DWELLINGS

When determining eligibility based on the type of home (dwelling) and the household composition (make-up), all the following criteria must be met:

- The dwelling is occupied by the owner or renter.
- The dwelling is the applicant's primary residence at the time of application.
- The applicant has an energy burden.

Variables to consider:

A. A LIHEAP applicant or household member who has more than one residence must apply based on their primary residence. The applicant must live in the primary residence at the time of application.
    a. An exception occurs when the applicant household is moving to a new residence. If the household has a valid current lease that requires proof that utilities are connected, the Subgrantee should document both the current and new addresses in the case record and verify the move with a signed lease agreement or communication with the landlord. In the instance of communication with the landlord, the case record must include the name of the person responding, the date of response, and all other relevant information relative to the case.
B. A household member(s) on extended short-term leave from their primary dwelling, such as on vacation or in a hospital or other facility, is eligible to apply since they plan to return to that dwelling.
C. All dwellings that share a meter are considered one household and must submit one application.
    a. Where separate households share a meter, meter charges are distinguishable on the bill, and the applicant household is otherwise eligible for assistance, the Subgrantee may process and issue LIHEAP benefits.
    b. If one application per meter is submitted, all persons and income from each household must be counted to determine eligibility.

Review APPENDIX D: ELIGIBLE DWELLING TYPES to determine the eligibility of specific dwellings.

4.7 INCOME VERIFICATION

Proof of income is required to be present in every file for each source of income in the household. When completing an application, applicants must provide proof of income for all individuals aged 18 or older. The Subgrantee may assist elderly and disabled LIHEAP applicants, if necessary, in obtaining their proof of income.

Income verification may be made through documentary evidence in the possession of the LIHEAP applicant household (e.g., SNAP income verification from the Arkansas Department of Human Services, SSI income verification from the Social Security Administration, etc.). If documentary evidence is not available from the household, verification shall be obtained from the source of income and not from a third party. The Subgrantee may discuss with AEO LIHEAP staff if problems arise obtaining income verification.

The income earned by household members who are aged 18 and enrolled in an institution of secondary education (high school) is not countable unless they are working full time or the individual is emancipated and applying as the head of household.

Subgrantees must collect income documentation over the 30 days (four weeks) prior to the date of application. Documentation may cross calendar months if it fully captures this 30-day period. Refer to APPENDIX E: STANDARD INCOME FREQUENCY TABLE. Income includes:

- All countable earned income (gross earned income minus the twenty percent (20%) allowable deduction) received during the 30 days prior to the month of application

PLUS

- All countable **UNEARNED INCOME** received in the same 30-day period, regardless of whether the household continues to have income.

Note: Bi-weekly paychecks sometimes will result in an extra pay period.

When this occurs, use the most recent two pay periods.

APPENDIX F: INCOME INCLUSION AND EXCLUSION TABLE lists types of income. Items marked with "No" must be treated as **EXEMPT**.

When an adult household member has not worked in more than two (2) months, the Subgrantee must ask for the last date of employment and then check with the Division of Workforce Services using available portals to verify whether the unemployed member is receiving unemployment benefits unless the unemployment benefits were included in submitted documentation.

When earned income from self-employment is verified from the Federal income tax return, divide the annual gross income by twelve (12) to arrive at the monthly amount to be used as earnings available. A self-employed household member's income must be verified by IRS Form 1040 or IRS transcripts for the most recent, complete calendar year. (Most recent is defined as taxes that were filed by April 15 of the current program year.). If a tax return is not available, use an IRS transcript that shows the most recent tax year available.

Note: The only time income will be prorated over twelve months is when income is verified from a tax return.

PROCEDURE 4.7.1 DETERMINING INCOME

Determining income may vary depending on circumstances. To ensure equal treatment of applicants, Subgrantees must use the following procedures for documenting and determining household income:

- Keep all income documentation in the household's case record.
- Maintain a central file (paper or electronic) that contains individual household applications and proof of eligibility for LIHEAP, as indicated in Section 5.12 APPLICANT CASE FILE/RECORD.
- Make ample notes in the case record and employ the "prudent worker" concept, as indicated in sections 5.12 APPLICANT CASE FILE/RECORD and 11.3 THE "PRUDENT WORKER" CONCEPT
- Collect and verify income data related to all income received in the 30 days prior to the month of application. During uncontrollable events, such as natural disasters or a health crisis/public health emergency, collect and verify income data as required by disaster relief eligibility and application requirements outlined in Section 2.5.1.2 Disaster Relief Eligibility & Application Requirements.
- Show all income calculations on the LIHEAP worksheet.
- Include identification of the payee, date of payment, gross amount of payment, and source of payment for income verification proof.
- Use eighty percent (80%) of the gross amount on paystubs, if the household receives paystubs. Use actual/reported income only when pay frequency is not available.
- Use one hundred percent (100%) of income reported on benefit award letters for unearned income, such as Social Security Administration benefits (see Section 4.7.3 Medical Deductions for Elderly and Disabled for exception).
- Round **MONTHLY COUNTABLE INCOME** (MCI) to the nearest whole dollar amount.

- Offer alternate methods of verifying income to LIHEAP applicants, such as an earning statement from an employer instead of paystubs and screenshots of payments for gig workers. Bank statements may be used to verify some types of income, such as SSI benefits and retirement/veterans' benefits (see APPENDIX F: ARKANSAS LIHEAP INCOME INCLUSION AND EXCLUSION).

Review APPENDIX E: STANDARD INCOME FREQUENCY TABLE to identify how income periods are counted.

4.7.2 Child Support

Child support is considered as countable unearned income. Subgrantees must ask about all of the following:

- The frequency of child support
- Source of child support (directly from a parent, court clerk, or agency collecting the child support payments)
- Amount of child support

When getting payment verification from the paying parent places the applicant's safety in danger, then verification of child support is waived.

Divorce decrees and court orders may be accepted as verification. If the amount received is less than the amount ordered, the Subgrantee may accept other documentation, such as bank statements. (See APPENDIX F: INCOME INCLUSION AND EXCLUSION TABLE for other examples.)

4.7.3 Medical Deductions for Elderly and Disabled

The Subgrantee must not count medical deductions, such as Medicare premium, as income when a household member is receiving SSA (retirement or disability) or Railroad Retirement.

4.7.4 Zero Income

Applicant households with zero income or with expenses that exceed their income (i.e., inadequate income) must provide additional information that adequately explains how basic living expenses (shelter, utilities, and basic living needs) are being met on a continued basis. An application for a **ZERO-INCOME HOUSEHOLD** must be assessed to verify no adult household members earn countable income. If the household cannot provide a reasonable explanation for how expenses are being met, the Subgrantee shall deny the application.

Zero-income households must complete and submit a Zero Income Form (LIHEAP 2070-1) that shows the household's means of support. The applicant must sign and submit an affidavit (found on the Zero Income Form) which includes authorization on behalf of the household to allow the

state, through the Subgrantees, to verify all income and the financial status of the household and an acknowledgment that providing false information will be treated as fraud.

The Zero Income Form must be completed in its entirety to be accepted as verification of how the household is meeting basic living expenses on a continued basis. The Subgrantee must closely examine the application and Zero Income Form to rule out possible **FRAUD** and explore how the household has been meeting its basic needs. This is not meant to disqualify a household with no income, but rather to understand how the household survives and if case management services would be appropriate.

If the household declares that someone else assists with the bills, the applicant shall provide a completed Contribution Statement (LIHEAP 2070-2) from the contributor that, when combined with the Zero Income Form, a prudent worker can reasonably determine how household expenses are being met.

The Subgrantee should make every effort, including follow-up communication with the applicant, to ask the client claiming zero income to leave a meaningful comment in every field, unless the Subgrantee determines that it is truly not applicable. The follow-up communication should be documented in the case record.

For households who declare zero income for more than one year, the applicant must provide proof that the household has applied for or receives public assistance such as SNAP, disability benefits, TANF, etc.

A household is not zero income when:

- The household has countable income to report. See APPENDIX F: INCOME INCLUSION AND EXCLUSION TABLE.
- The only countable income in the household is self-generated income and the business operated at a loss.

How to identify that a household falls under zero income requirements

- Engage the "prudent worker" concept.
- The household likely will be in the process of applying for Supplemental Nutrition Assistance Program (SNAP) benefits.
- Overdue heating bills and some indication from the landlord that the client is behind in rent.
- Other overdue bills (phone, medical, credit card, etc.)
- Bank statements showing a low or zero account balance.
- A self-employed household that has inadequate or no reported income on their tax return.

PROCEDURE 4.7.4.1 VERIFYING DECLARATIONS OF ZERO INCOME

The following table provides the procedure that must be followed to verify declarations of zero income and the acceptable sources to verify.

PROCEDURE	SOURCE
Screen all adult household members (age 18 or older) for income	• Division of Workforce Services (available portals, such as iWage, UI, or another portal through the DWS interface)
Verify employment status for all adult household members	• Division of Workforce Services, • Letter from an employer, pay stubs or • Bank statement(s)
Verify eligibility for unemployment benefits or Workers Compensation	• Division of Workforce Services
Verify the length of time adult household members have been without income	• Applicant communication, DWS portals, such as iWage
Verify that bills are not being paid, if applicant declares such on the Zero Income form (LIHEAP 2070-1)	• Copies of utility bills, or • Statement(s) from landlord or mortgage company

Figure 6: Verifying Declarations of Zero Income

4.7.4.2 Zero Income Form

The applicant or Subgrantee must complete a Zero Income Form (LIHEAP 2070-1) when the applicant says the household income is zero. The applicant must sign the Statement of Attestation portion of the Zero Income Form. If the interview is conducted remotely (e.g. by phone or email), the Subgrantee staff must sign, date, and note that the applicant agreed to the statement as provided. The Subgrantee must also request additional documentation, such as the applicant's latest tax return, to verify the household's income status.

The applicant must provide information for the entire household if claiming zero income. If the household fails to complete or return the requested Zero Income Form, then the Subgrantee will deny the application.

The Zero Income Form can be used to document the following circumstances:

- An adult household member has no income
- An adult household member whose irregular income is the result of seasonal or occasional work (mowing lawns, donating blood, collecting and selling cans or bottles, etc.)
- Receipt of cash gifts (can be considered income if given directly to the household)

At a minimum, the Zero Income Form must document:

- Applicant's name,
- All adult household members claiming zero or irregular income,
- Source of income, if applicable,
- The time period for which the Subgrantee is collecting the information,
- A description of how basic needs (shelter, utilities, food) are being met,
- An affidavit or attestation certifying the accuracy of the information,
- Applicant's signature, and
- Date signed.

The applicant may sign the Zero Income Form on behalf of all adult household members represented on the form.

Subgrantees may require applicants or households claiming zero income to submit additional information. The Subgrantee will provide the applicant with a list of required documents. The applicant will have ten (10) days from the date the list is provided to return the needed verifications. The application will be denied if the applicant fails to provide the required documents within that period.

4.7.4.3 Contribution Statement

If the applicant declares that the household received financial assistance from someone outside of the household, the applicant must provide contact information for the person who provided support. The Contribution Statement (LIHEAP 2070-2) must be completed by the person who contributed funds to or on behalf of the client. The contributor must sign and date the Attestation Statement. Contributor may be contacted by Subgrantee to verify contributions.

4.7.5 Self-Employed Applicants

Income for self-employed applicants should be based on the adjusted gross income remaining after the cost of doing business. Business expenses include all costs needed to maintain the business. Previous year's losses or expenses are not allowed to be carried forward or used to reduce current income.

The Internal Revenue Service (IRS) considers a person to be self-employed if he or she:

- Carries on a trade or business as a sole proprietor or an independent contractor.
- Is a member of a partnership or corporation that carries on a trade or business.

- Is otherwise in business for herself/himself (including a part-time business or as a **GIG WORKER**).

A person can also be self-employed if he or she has a part-time business in addition to other employment. One household may own several businesses. Income from each business must be counted.

If a self-employed household has inadequate or no reported income on their tax return, the tax return is sufficient to document zero income. Negative self-employment income will not be subtracted from other household income but will be counted as zero.

4.8 ENERGY BURDEN

Each applicant must provide proof of having an energy burden. The applicant has an energy burden if he or she pays utilities directly (receives a utility bill) or indirectly (utilities are included in rent). Households that receive utility subsidies (such as through reimbursement, allowance, or stipend) are not eligible for LIHEAP benefits unless the household can demonstrate an energy burden.

4.8.1 Utility Bill

A household that has the responsibility to pay its home energy bill by receiving a utility bill has an energy burden.

Applicants may demonstrate an energy burden by presenting a current utility bill with an account number and service address for each energy source listed on the application. The name on the bill should match the applicant's name or the name of someone listed in the household on the application. If the name on the utility account is not in a household member's name, the applicant or the Subgrantee must document on the application what the relationship is to the utility's accountholder. The Subgrantee must document the household's service address in the **CASE RECORD**.

> **Exception:** A household that receives utility subsidies (reimbursement, allowance, or stipend) is not eligible for LIHEAP benefits unless the household can demonstrate an energy burden. See Figure 7: Determining Energy Burden - household with utility bill.

Utility bills should be no older than two (2) months. Fuel vendor bills should be no more than twelve (12) months old. No matter the age of the utility bill, the Subgrantee will verify with the utility:

- Account is active,
- Amount currently due
- Service address,
- Account number,
- Due date.

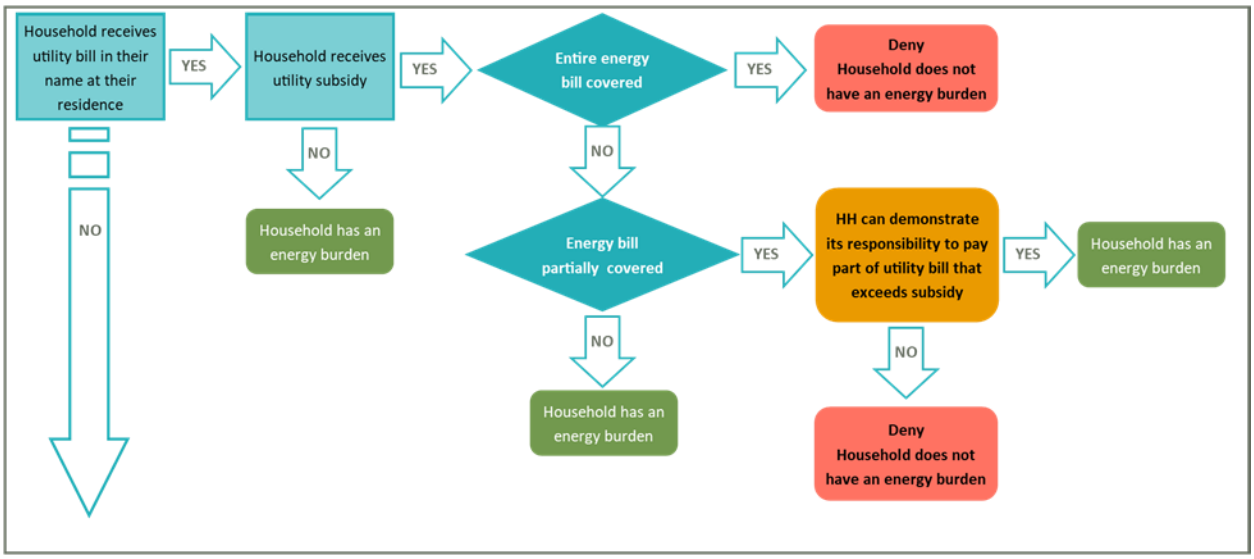


Figure 7: Determining Energy Burden - household with utility bill

4.8.2 Subsidized Housing and Utility Stipends

If a household in **SUBSIDIZED HOUSING** receives a utility bill and is not reimbursed in any manner, then that household may be eligible for LIHEAP benefits if they meet other criteria.

In cases where a household in subsidized housing receives a utility bill that is partially or fully reimbursed through a utility stipend or other means, that household is not eligible for LIHEAP assistance, unless that household can demonstrate an energy burden.

A household in subsidized housing that receives a utility bill can demonstrate an energy burden by showing the subsidy does not cover the entire utility bill or cannot be applied toward the utility expense eligible for a LIHEAP benefit.

4.8.3 Utilities Included in Rent

A household that pays its home energy bill through rent is indirectly responsible for that energy bill and has an energy burden, unless that household already receives utility subsidies (reimbursement, allowance, or stipend).

4.8.3.1 Subsidized Housing

If a household in subsidized housing has utilities included in their rent and does not receive a utility bill, that household is not eligible for LIHEAP assistance, unless the household can demonstrate an energy burden.

To be eligible for a LIHEAP benefit, a household in subsidized housing with utilities included in rent can demonstrate an energy burden by submitting a lease agreement or statement from the landlord reflecting utilities are included in the rent and also providing proof that the household is responsible for a utility surcharge or other extra cost for energy that exceeds the amount covered in the household's rent.

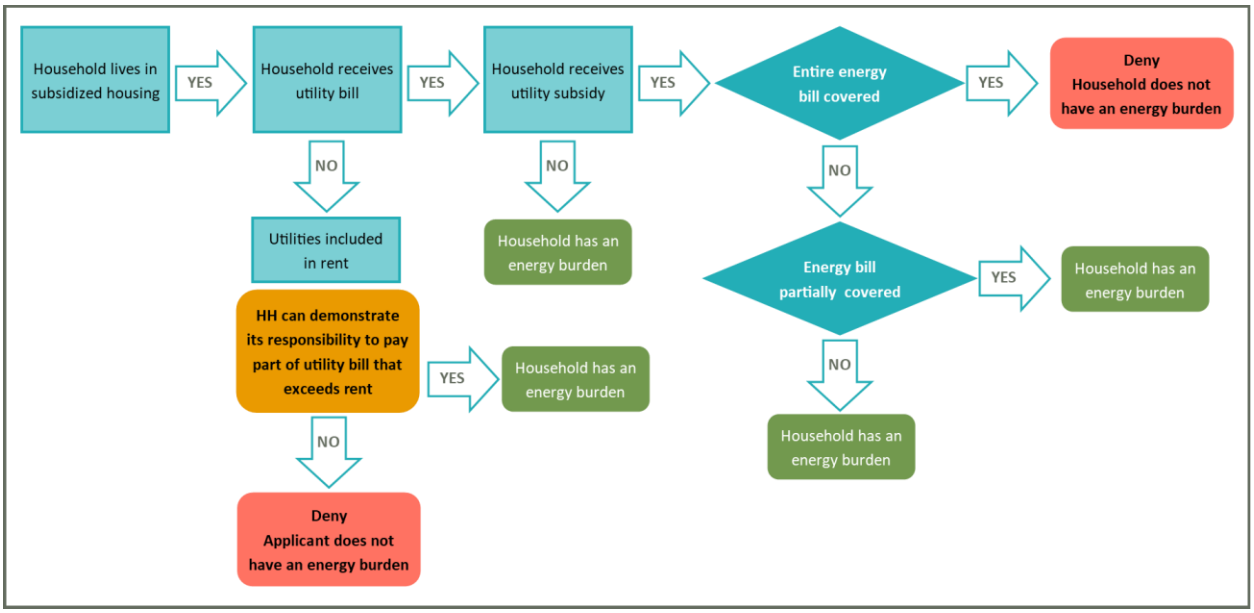


Figure 8: Determining Energy Burden: household lives in subsidized housing

4.8.3.2 Unsubsidized Housing

Unsubsidized households are those households that do not receive assistance as indicated above.

Unsubsidized households with utilities included in their rent may be eligible for LIHEAP assistance if they meet other criteria. A member of the household must submit a lease agreement or statement from the landlord reflecting that utilities are included in the rent. A household can also demonstrate an energy burden by showing the household is responsible for a utility bill that exceeds the amount covered in the household's rent.

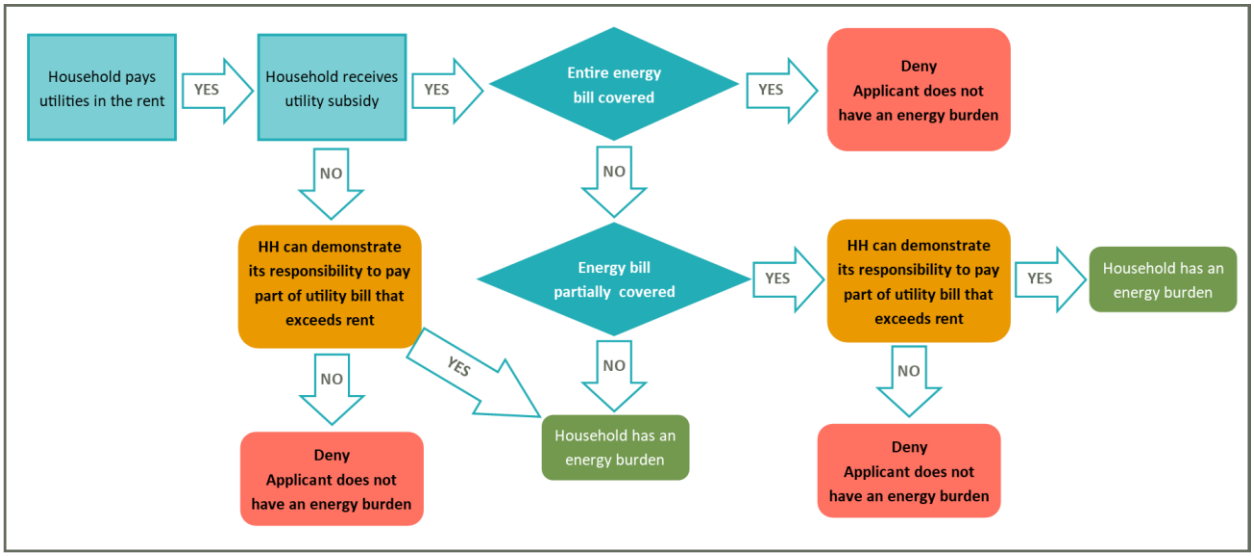


Figure 9: Determining Energy Burden - Utilities in rent

4.8.4 Utility Bills for Residential Accounts Only

LIHEAP payments may only be made for a residential account. LIHEAP prohibits payments to commercial and business accounts.

- **Exception**: Applicants who live in an assisted living facility where the applicant pays the utilities may receive LIHEAP benefits. These applicants may need assistance to complete the application.

4.8.5 Unconventional Heating Sources

An unconventional heating source is any heating method that is not a standard, permanently installed, and safely operable residential heating system, such as electric central heat, natural gas heat, propane furnace systems, fuel-oil furnaces, or properly installed wood-burning stoves. Unconventional heat sources rely on temporary, portable, improvised, or unsafe equipment and do not provide consistent, regulated, or utility-supported home heating. Examples may include portable electric space heaters used as the primary heat source, gas ovens or cooktops used for home heating, or generator-powered heaters or extension-cord heating setups.

When verifying and documenting an unconventional heating source, the Subgrantee must obtain at a minimum two (2) sources to verify and record the household's name and service address in the case record. Acceptable sources include:

- A utility bill with the household's name and service address.
- A receipt for rent or mortgage payment.
    - Handwritten receipts must provide the landlord's or source's complete name, address, and telephone number.
    - The Subgrantee must verify that the information listed on the receipt is correct and documented in the case record.
- Correspondence from a credible source such as a school, doctor, hospital, or bank that reflects the postmark or commercial service delivery date. The Subgrantee must contact the source and verify the intended recipient's address if the correspondence lacks the postmark or delivery date.

4.9 PRIORITY ENROLLMENT

Priority Enrollment (PE) is the process associated with an approved **OUTREACH** method, now outlined in Section 8.0 Outreach and Collaboration.

Beginning with FFY 2024, the Arkansas LIHEAP no longer considers eligibility using other means-tested programs (categorical eligibility).

5.0 APPLICATION INTAKE & METHODS

As required by LIHEAP Statute, Section 2604(c), Subgrantees must ensure that LIHEAP applications, notices, communications, and service delivery are geographically accessible to all households in the area to be served. Subgrantees must provide low-income individuals who are physically infirm the means to submit applications for LIHEAP benefits without leaving their residences. An outreach office in each county is required unless otherwise approved by AEO. The outreach office must be open a minimum of sixteen (16) hours over two (2) days each week during the heating and cooling program seasons. Waiver requests for this requirement must be submitted in the Scope of Work within their Subgrant Agreement. The waiver request must include the plan to meet the LIHEAP Statute requirement for accessibility.

Subgrantees may consider non-traditional office hours during the LIHEAP season to accommodate applicants who have obstacles to applying. Extended office hours, using adjusted work schedules for the Subgrantee staff, may be considered to maximize access to services.

LIHEAP applications shall be accepted using methods that best meet client needs. Multiple methods to submit an in-person or remote application should be employed to offer accessibility for all households. When offices are not open to the public or have very limited public access, Subgrantees must make applications available to the Arkansas public and accept applications by some alternative means. Methods must be documented in the Subgrantee's Scope of Work and the Subgrantee's website and may include:

- Email
- Fax
- In-person
- Mail
- Secured drop box
- Telephone
- Text
- Web (online)

NOTE: Subgrantees must not require that an application be made only in person.

Although AEO prefers that current Arkansas LIHEAP forms be used, forms from one program season prior may be used if no changes have been made to the documents. Forms dated more than one program season prior to the current program season will not be accepted.

Subgrantees must clearly post the days and hours for accepting applications for the public to see. Each outreach office must be identifiable using signage from the outside. When circumstances necessitate, Subgrantees must post signage that is translated into languages other than English.

Agency voice messaging service should identify office hours.

Subgrantees are responsible for final review of applications for completeness and accuracy. Subgrantees are responsible for repayment and/or recovery of benefits if an applicant household receives assistance because of a Subgrantee error.

Subgrantees must have a proper separation of duties within their agencies when processing and verifying applications. For example, the staff member who takes an application must not review the same application, and the staff member who reviews the application must not process any complaints or requests for an appeal filed by the applicant.

All Subgrantee staff involved in LIHEAP processes must practice decision-making based on good judgment, common sense, ethics, diligence, and program knowledge, also known as the "Prudent Worker" concept as detailed in Section 11.3 THE "PRUDENT WORKER" CONCEPT.

Proper intake of a LIHEAP application requires the following:

- Date and time stamp when the application is received.
- Verify applicant identity (exceptions apply – applicant's **AUTHORIZED REPRESENTATIVE**, for example).
- Verify income eligibility.
- Verify Arkansas residence.
- Effectively communicate with the applicant household about provided or needed information.
- Determine the correct benefit amount.
- Provide clients with the right and means to appeal.
- Work to process applications and make pledges and payments promptly; and
- Maintain a case record as required.

5.1 PROGRAM APPLICATION INTAKE PERIODS

The standard schedule for LIHEAP application periods may be altered by AEO as needed.

The typical application intake periods are shown in the following table:

PROGRAM	OPEN DATE	CLOSE DATE	ADDITIONAL INSTRUCTIONS
Winter Heating (Regular)	First Monday after the New Year holiday	Last business day of March	Begin sending and processing applications to Priority Enrollment (PE) applicants as soon as systematically possible, but no more than thirty (30) days before opening unless authorized by AEO.
Summer Cooling (Regular)	First Monday after July 4 holiday	Last business day of August	Begin sending and processing applications to PE applicants as soon as systematically possible, but no more than thirty (30) days before opening unless authorized by AEO.
A-16	Upon AEO's approval of Subgrantee's annual A-16 plan	Last business day of September. May close earlier, depending on the approved plan.	A-16 plan must be submitted to AEO at the same time as the yearly Subgrant Agreement.
Crisis Assistance	Concurrent with Winter & Summer openings	Last business day of April (Winter) & last business day of September (Summer).	Begin sending and processing applications to PE applicants as soon as systematically possible, but no more than thirty (30) days before opening unless authorized by AEO.

Figure 10: Program Dates

Application intake for **PRIORITY ENROLLMENT (PE) APPLICANTS** who are seeking a Regular, Crisis, or both benefits will begin no more than thirty (30) calendar days before the program opens its doors to the general public, unless otherwise authorized. Priority Enrollment applicants are applicants who are disabled, elderly (sixty years of age or older), or households with children under six (6) years old.

During the Priority Enrollment (PE) period, only those applicants who meet the PE vulnerability standards listed above may apply. Applicants who do not meet the PE vulnerability standards may not apply before the regular program opening, except as specified in Section 5.9 Applications Received Outside of the Application Period, GRANTING EXCEPTIONS.

Subgrantees must be open and able to receive applications every day during the last full week of the application period (Regular Assistance, Crisis Assistance, or any other LIHEAP program).

Subgrantees must complete closeout processes no later than thirty (30) days after each program closes (i.e., the last business days of May and October).

5.1.1 State Office Closures

AEO follows the holiday schedule established by the Arkansas Secretary of State. State-observed holidays are on the Arkansas Secretary of State's website.

The Governor may proclaim additional days as holidays. During inclement weather, the Governor may close state office buildings except for critical operations. When possible, state employees who can telework will do so. Local news outlets will issue notice of state office closures due to inclement weather.

5.1.2 Subgrantee Office Closure

AEO will confirm statewide program opening and closing dates, Figure 10: Program Dates. At least **ten (10) business days** prior to scheduled opening, Subgrantees must advertise the dates on their websites and in local media.

All expected weekday closures (e.g., holidays or other days of closure to the public) should be listed within the Scope of Work section of the annual Subgrant Agreement.

No less than two weeks, or ten (10) business days, before a Subgrantee closes the program early for any reason – including depletion of funds, holidays not previously approved in the Subgrant Agreement, or widespread illness – the Subgrantee must request and obtain a waiver from AEO. When the Subgrantee plans to close for whatever reason, the Subgrantee must also provide a plan to continue taking and processing Crisis Assistance applications. As soon as the new closure dates are approved, the Subgrantee must update their websites, social media, and other media outlets.

A Subgrantee that suspects benefits funds will be depleted before the end of the application period must communicate to AEO LIHEAP prior to the depletion of funds. This allows AEO LIHEAP to determine whether additional funds are available.

Subgrantees must notify AEO as soon as the decision is made if office hours change due to inclement weather or emergencies. The notice must include an explanation for the change, how long the change will be in effect, and an emergency contact. When possible, signage should be posted for the public. The signage must be clearly visible and readable from the outside. Information also should be posted on the agency website, local media, or social media.

5.2 APPLICATION SIGNATURE

An applicant must be eighteen (18) years or older to sign application-related documents. All applications require the applicant's wet or electronic signature and date.

When an 18-year-old or older applicant is not available, the following persons can provide a signature on behalf of the household:

- A person who holds power of attorney or proxy for the client
- A legally emancipated minor
- An ineligible adult household member
- A conservator
- An adult representative who is assisting the household with the LIHEAP application.

When a signature is not attainable, such as when taking an application by phone, the Subgrantee staff member must:

- Convey (e.g., read to the applicant or send via email) to the applicant the "Applicant's Rights and Responsibilities" and the "Certification Statement" found at the end of the application.
- Obtain the applicant's affirmation that the information submitted is true.
- Document in the case record why the signature cannot be obtained and that the applicant agreed with the certification statement. The staff member must sign and date the application below the applicant's signature line.

The Subgrantee agency must make a good faith, reasonable effort to obtain the applicant's original signature.

5.3 APPLICATION PROCESSING AND BENEFITS PAYMENT

Crisis applications must be resolved (approved, denied, or withdrawn) within forty-eight (48) hours, or eighteen (18) hours for life-threatening situations, of being submitted to the Subgrantee as complete.

- All Crisis Assistance benefits must be pledged.
- The Subgrantee must send payment within twenty (20) calendar days of the application approval.

Regular applications must be processed (approved, denied, or withdrawn) within thirty (30) calendar days of being submitted to the Subgrantee as complete. The Subgrantee must send payment within thirty-five (35) calendar days of the application approval or within the time the utility allows for pledges (when Regular Assistance is used to alleviate a crisis). See Section 5.9 APPLICATIONS RECEIVED OUTSIDE OF THE APPLICATION PERIOD for applications received between program seasons.

No applications may be taken prior to the PE period and any received should be denied, as indicated in Section 5.9 APPLICATIONS RECEIVED OUTSIDE OF THE APPLICATION PERIOD.

Applicants who are denied because their applications were received before the PE period should be notified of the denial and encouraged to apply when the program is open.

Once the standard LIHEAP season opens to all, applications will be processed on a first-come, first-served basis while adhering to required timeframes for providing Crisis Assistance benefits.

Subgrantees must document the date that applications and information are received. Crisis applications and information must include **both date and time**. Subgrantees must note on the application whether a Crisis application is **life-threatening or non-life-threatening**. The date and time of receipt should also be noted on any documents provided after the application is submitted.

Subgrantees should make an immediate referral to WAP during periods of extreme temperature (hot or cold) for applicants who need heating or cooling equipment repair/replacement.

5.4 APPLICATION INTERVIEW

Subgrantees must conduct interviews with the applicant and/or household when the household submits questionable or conflicting information that cannot be resolved otherwise. An in-person or telephone interview also may be needed to assist the applicant with completing their application.

5.5 APPLICANT'S RIGHTS

Title VI of the Civil Rights Act prohibits discrimination by anyone administering federal funds directly or indirectly toward a beneficiary of any federally funded program. Subgrantee staff must be mindful to treat all clients with dignity, courtesy, and respect. The Subgrantee must make each applicant aware of the rights and responsibilities associated with applying for and receiving LIHEAP benefits, which are found on the application (LIHEAP 9495).

Additionally, the Subgrantee must recognize that a client has the right to request information and expect a response. The Subgrantee must not ignore inquiries related to services, eligibility, payments, and rights and responsibilities.

5.6 ACCESSIBILITY

The Subgrantee must have procedures that allow those with communication or physical barriers to access and understand features of LIHEAP that the Subgrantee provides. This includes providing:

- Locations that are safe and convenient for applicants,
- Sites that are accessible to disabled applicants,
- Services for persons with visual impairment,
- Interpreters for non-English speakers, deaf, or hard-of-hearing clients,
- Alternate (language or larger print) versions of forms and documents, and
- Additional methods to complete and receive applications, including home visits, if available.

5.7 TREATMENT OF INCOMPLETE APPLICATIONS OR APPLICATIONS WITH ERRORS

The Subgrantee must be able to determine eligibility status to consider an application as complete. If the applicant provides at least the following information, do not return the application as incomplete:

- Applicant's name
- Applicant's Social Security Number
- Applicant's date of birth
- Applicant's phone number
- Physical and mailing addresses
- Household members names, SSNs (as required by policy), and dates of birth
- Utility vendor name(s) and account number(s) for each type of energy
- Wet or electronic signature

When returning an incomplete application, the Subgrantee must include a Notice of Action that explains what is needed to complete the application and a deadline (thirty (30) days) for returning the required information. Applicants may submit information in person, by mail, or by electronic means.

Subgrantees must not accept applications that have been marked with correction fluid. Any crossed-out information that the Subgrantee initiates must be initialed by the Subgrantee. The Subgrantee must discuss with the applicant the crossed out and new information on the application and record the date and time of that discussion.

Applications that remain incomplete for more than thirty (30) calendar days after the close of the current program season must be marked as denied by the Subgrantee since the Subgrantee was unable to get enough information to process in the required timeframe.

Applications denied because of incomplete or missing information may be reactivated under the following conditions:

IF	AND	THEN
The application is denied because of incomplete or missing information.	The applicant provides information after the deadline and before the application period closes.	The application may be reactivated. The application date will be the date all information needed to complete the application is submitted.

Figure 11: Reactivating Applications

PROCEDURE 5.7.1: REACTIVATING AN APPLICATION

To reinstate the application, the Subgrantee will:

1. Verify with the client that the address, household members, and income information remain the same.
2. Ensure all required supporting documents are received.
3. Create a new application by copying the previous application and adding the date all information needed to complete the application was received.
4. Move original verification documents to the new file.
5. Include the copied application and newly submitted additional information in the case file.
6. List the reactivated application and its date on the Chronological Register (LIHEAP 2004).
7. Continue processing the application per policy.

5.8 TREATMENT OF SUBGRANTEE EMPLOYEES, BOARD MEMBERS, AND FAMILY APPLICATIONS

Applications for assistance made by Subgrantee employees or board members or individuals who are **RELATIVES** of a Subgrantee employee or board member will not be approved without prior review and approval by the Subgrantee **EXECUTIVE DIRECTOR** (ED). The ED will review, sign, and date the case record (specifically, the LIHEAP Worksheet) to indicate his or her approval. This approval will not be delegated except in the absence of the ED. The ED will review and sign any such approvals made in his or her absence. Case files and records, whether electronic or hard copy, of a Subgrantee employee or board member or relatives of a Subgrantee employee or board member will be maintained separately from other records and produced for review during the next monitoring visit.

5.9 APPLICATIONS RECEIVED OUTSIDE OF THE APPLICATION PERIOD

Subgrantees must complete processing of an application within thirty (30) days even if the application was received on the last day of the program season.

Any LIHEAP application received outside of an open application period (before a program opens or after it closes) cannot be processed for benefits. The Subgrantee must deny the application. See 5.1 PROGRAM APPLICATION INTAKE PERIODS.

An applicant who inquires about an application submitted during the time LIHEAP is open and has proof that an application was submitted must have his or her application processed according to the timeframes in this section.

GRANTING EXCEPTIONS

AEO may consider application intake policy exception requests from subgrantees on a case-by-case basis. These off-season exceptions will only be considered under the following circumstances:

1. The home to be weatherized is experiencing an energy shut-off;
2. A household is experiencing an energy shut-off and a member has a documented medical need for energy; or
3. A household has a crisis need for assistance during LIHEAP opening, but benefits are not available for the type of energy needed (i.e., gas in the summer).

Each exception request must include:

- The Subgrantee's statement of support
- The policy number for which the exception is requested
- A description of the crisis nature of the situation
- Any additional justification supporting the request
- A summary of other resources that have been pursued, including their status or outcomes
- Documentation or information provided by a community partner corroborating the need
- Confirmation that LIHEAP funding is available to support the request
- Verification that the requested action complies with LIHEAP requirements (e.g., the client has not exhausted benefits from the most recent LIHEAP season)

All requests must be verified by an external (community) partner. Requests submitted directly by a client to the subgrantee without external verification will not be considered.

5.10 NOTICE OF ACTION

Assurance 7 of the LIHEAP Statute requires grantees that pay home energy suppliers directly to establish procedures to communicate with the applicant, whether the application is approved, denied, pending, or withdrawn.

If the application is ***pending*** due to incomplete or missing information, the Subgrantee will notify the applicant in writing with an NOA that includes:

- A request for missing information,
- The date missing information is due (in 30 days),
- The action that the Subgrantee will take if missing information is not received by the due date.

If the ***application is complete***, the Subgrantee must notify the client household of the application status in writing with an NOA at the time of **DISPOSITION**. The Subgrantee must keep a copy of the notification in the applicant's case record. All NOAs must include application status (approved, denied, or withdrawn) and how to appeal a decision. If the application is denied, the NOA should also include the reason for denial.

If the application is approved, the NOA should also include:

- Amount of benefit,
- Entity receiving benefit payment (vendor or client), and
- Date of expected payment.

The Subgrantee must issue a new NOA if there is a change in decision or benefit amount from the original NOA.

If the household indicated an interest in weatherization services, the Subgrantee must notify WAP and the household to which weatherization provider their information was sent and the date. The NOA should include a caveat that homes are prioritized for weatherization with higher priority for the disabled and elderly, households with children, a high energy burden or high energy usage. The household must also be informed that if their house was weatherized in the last fifteen (15) years that they may not be eligible for weatherization services.

NOTE: An applicant household can receive only one approval per benefit type per program season. A denied applicant can apply multiple times during the same program season and will be approved if eligibility circumstances change so that eligibility is established.

NOTE: If an application for Regular and Crisis Assistance benefits is submitted at the same time, when applicable, only one Notice of Action (LIHEAP 2001) is required.

5.11 APPLICATION DENIAL

Each application must include sufficient information to enable processing. The Subgrantee agency must ensure each application is complete unless the applicant withdraws the application or does not provide the requested information within thirty (30) days of the application date.

Subgrantees must use denial codes as a brief description to explain why a household's application is pending or has been denied. The text of each code that is used must be printed on the notice of action to assist the client's understanding. Multiple codes may be used to explain a denial. Subgrantees may expand the text occasionally as the need arises to ensure the applicant understands the denial.

Applicant Cooperation

When an applicant refuses to answer questions or acts in a threatening or violent manner, then he or she may be considered non-cooperative and their application denied. The Subgrantee must provide the applicant with notification of his or her right to appeal, as specified in Section 16.2 NOTIFICATION OF RIGHT TO APPEAL.

A new application may be accepted and processed after denial if the applicant provides information necessary to determine eligibility.

5.12 APPLICANT CASE FILE/RECORD

The Subgrantee's inability to provide client files, including documentation of payment of benefits, upon request, will be considered a breach of contract. If the client file lacks documentation of eligibility and benefits calculation and payment, the Subgrantee must reimburse the assistance payments to AEO from non-federal funds.

Records may be kept as paper or electronic files. Applicant files and related materials must be maintained as Section 12.0 RECORDS RETENTION, requires.

The table below provides an overview of case record requirements. Full details are in the subsections that follow.

CASE RECORD REQUIREMENTS		
Regular & Crisis	**Assurance 16 (A-16)**	
LIHEAP application	**LIHEAP application**	*Attendance sheets*
Utility bills & verification	*Applicant participation agreement/Intake form*	*Counseling activities*
Income verification	*Needs assessment*	*Type of assistance provided*
Identity verification	*Family profile, family assessment profile*	*Incentive receipt form*
SSN verification	*Household budget*	*Energy vendor assistance*
Notice(s) of Action	*Utility bills*	*A-16 monies expended*
Proof of pledge	*Opening narrative*	*Impact statement/measures*
Application worksheet	*Referral services/ follow-up*	*A-16 exit survey*
Notations & other forms	*Case/contact notes*	

Figure 12: Case Record Requirements

R-09/2026

5.12.1 Regular or Crisis Case Record

Each case record for Regular Assistance and Crisis Assistance benefits will include any relevant notations (i.e., case notes) and items in the following order:

1. All Notices of Action (LIHEAP 2001) relative to the application
2. LIHEAP application, signed and dated by the applicant, per Section 5.2 APPLICATION SIGNATURE.
3. Utility bills and verification, as indicated in Section 4.8.1 Utility Bill.
    - Proof of address (residency), if not on the utility bill.
4. Income verification, as indicated in Section 4.7 INCOME VERIFICATION.
    - Any other requested forms, such as the Zero Income Form, Contribution Form, Requests for Appeals.
5. Proof of identity.
6. Social Security card or verification of SSN for adult household members, per Section 4.3 SOCIAL SECURITY NUMBER (SSN) VERIFICATION.
7. Proof of pledge such as FINA portal (Entergy's Financial Assistance Portal) pledge confirmation or documentation from utility, including date.
8. Application worksheet, payment confirmation, and date.

Whether a household applies for assistance benefits on the same application or at different times within the same program season (i.e., the household applies for Regular Assistance and later requests Crisis Assistance, or vice versa), the records must be kept chronologically according to the benefit type. These files may be kept in the same file folder. Each year's LIHEAP case record should be separate from the previous year's case record.

5.12.2 A-16 Case Record

An A-16 case file must be maintained on each household selected for A-16 activities. The case file will include at a minimum the following items in the order specified:

REQUIRED	DESCRIPTION
LIHEAP application (copy)	A copy of the current program season's LIHEAP application for the household.
Signed, dated agreement by the applicant to participate in A-16	May be a Participation Agreement, Intake Form, or other document that the applicant signs indicating their agreement to participate in A-16. If the applicant fails to participate in the program as per the agreement, the household will not be considered an A-16 applicant and therefore not listed in the final report.
Needs Assessment	May be a family profile survey or other document

REQUIRED	DESCRIPTION
Family profile and family assessment profile	Document to help determine the household's needs. Subgrantees create forms for their use.
Household budget	A budgeting worksheet completed by the applicant to show household income and expenses. For some, this may be a weekly and monthly household budget for a specific amount of time. Subgrantees create forms for their use.
Utility bills, beginning and ending	Used to support the impact or the need.
Opening NARRATIVE	An entry in the case record to explain any circumstances that need clarification or further documentation.
Referral services and follow-up information	Referrals to other programs or agencies and the outcome.
Case and contact notes	Outlines any contact or supporting information that is relevant to the case, including home visits made to assess the household's progress.
Class attendance	Copy of sign-in sheet for each class attended.
Counseling activities documentation	This may include notes that chronicle visits, observations, questions, concerns, or any action related to the A-16 case.
Type of assistance/activity provided	A detailed description of the assistance or activity provided. For instance, the specific activities should be outlined if Energy Conservation is provided. If Budget Counseling is provided, details of the plan and provisions for the household to make regular payments toward its energy bills must be included. NOTE: The mailing of Energy Conservation tips or materials to households will not, by itself, meet requirements of this activity.
Receipt of Incentive form	A document the applicant/household signs acknowledging receipt of an incentive. Incentives are outlined in the Subgrantee's A-16 plan.
Assistance with energy vendor	A written description of how the Subgrantee helped the applicant communicate effectively with the vendor by phone or online portal to maintain service. NOTE: Vendor assistance as a part of A-16 does not include LIHEAP payments to

REQUIRED	DESCRIPTION
	energy suppliers or the actions or activities taken by the Subgrantee to resolve the household's crisis situation through the Crisis Assistance program, but rather is educational instruction to the client on how to communicate with the vendor and understand his or her bill, payment status and options.
A-16 monies expended on applicants' energy bills	Copies of utility bills, vouchers, receipts, and/or checks
Impact statements and measures	Indication of how A-16 has helped this household and measures of improvement.
Exit interview document	A formal follow-up with the household to determine the outcome or effect of the specific actions taken, relative to the initial goals of the A-16 intervention. The household, not the Subgrantee staff, should complete and sign the exit document. A two- (2) month follow-up is required. The follow-up should include a summary of the impact that A-16 made in each household that completed the program. May also be called the A-16 survey.

Figure 13: Assurance 16 (A-16) Case Record

6.0 DETERMINING BENEFITS

6.1 REGULAR ASSISTANCE

In addition to all other eligibility criteria, the Subgrantee must use the income eligibility chart, APPENDIX G: FFY2027 ARKANSAS LIHEAP ELIGIBILITY, to determine if an applicant household is eligible for a regular benefit. The Subgrantee will use the appropriate benefit matrix to determine the household benefit.

The amount of Regular Assistance a household receives is determined by specific factors:

- The household's Monthly Countable Income (MCI),
- Household size, and
- Type of fuel.

If an applicant requests that the household's regular benefit be split between two energy utilities, the Subgrantee must do so.

The primary fuel matrix must be used to determine split benefit amounts unless the applicant requests their benefit be applied totally to their secondary energy source. When the benefit is to be applied totally to the secondary energy source, the Subgrantee will use the benefit matrix for the secondary energy source to determine the benefit amount.

The energy benefit tables found in APPENDIX H: REGULAR ASSISTANCE FUEL BENEFIT MATRICES are:

- Electricity Matrix: used for both Winter and Summer Regular Assistance.
- Natural Gas Matrix: Winter Regular Assistance only.
- Fuel Oil Matrix: Winter Regular Assistance only.
- Propane Matrix: Winter Regular Assistance only.
- Wood, Pellets, and Other Matrix: Winter Regular Assistance only.

PROCEDURE 6.1.1 USING THE BENEFIT MATRICES

The benefit matrices incorporate payment factors including the monthly countable income (MCI), household size, and fuel type. To determine the LIHEAP benefit amount:

- Locate the primary energy source benefit matrix (APPENDIX H: REGULAR ASSISTANCE FUEL BENEFIT MATRICES).
- Locate the MCI row that coincides with the household's income.
- Read across to the proper household size column to find the benefit amount.

6.2 CRISIS ASSISTANCE

The Subgrantee must use the income eligibility chart, APPENDIX G: FFY2027 ARKANSAS LIHEAP ELIGIBILITY, to determine if an applicant's household is eligible for a crisis benefit. Other eligibility criteria must be tested as well.

PROCEDURE 6.2.1 DETERMINING CRISIS ASSISTANCE

To determine Crisis Assistance, the Subgrantee must:

- Evaluate each crisis individually, using the general and crisis eligibility requirements.
- Determine the amount needed for the household to maintain energy (i.e., the minimum amount that is needed to alleviate the household's crisis).
- Determine the amount of the household's Regular Assistance benefit, if not already received.
- Determine the amount of assistance (Regular alone, Crisis alone, or a combination of benefits), up to the maximum benefit allowed. See Figure 14: Determining Crisis Assistance and Figure 15: Determining Crisis Assistance Benefit on the following pages for examples.

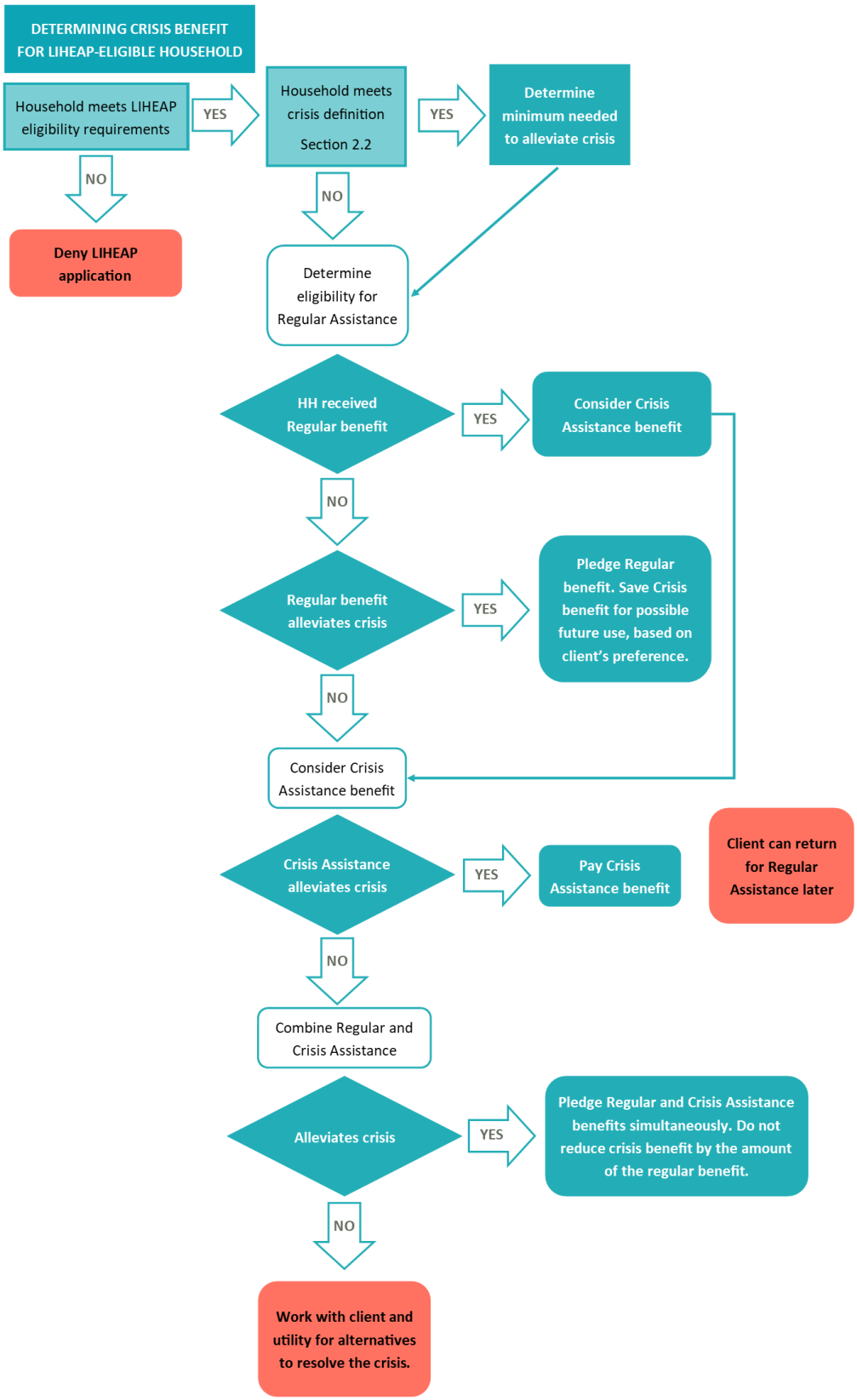


Figure 14: Determining Crisis Assistance

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IF	THEN
The Regular Assistance benefit is not enough to alleviate the crisis.	The Subgrantee may apply only the Crisis Assistance benefit up to the maximum benefit amount (See **APPENDIX I: CRISIS BENEFIT TABLE**). The Regular benefit will still be available for use later in the program season.
The Regular Assistance benefit is enough to alleviate the crisis.	The Regular benefit may be used in lieu of the Crisis Assistance benefit. The applicant can return later to use the Crisis Assistance benefit. OR After explanation from the Subgrantee, the household may use the Crisis Assistance and return later for the Regular Assistance benefit.
The household has a crisis and is ineligible for Regular Assistance because it has already received a Regular benefit.	The amount of the Crisis Assistance will be the minimum amount needed by the household to alleviate the crisis, up to the maximum benefit amount (see **APPENDIX I: CRISIS BENEFIT TABLE**)
The crisis involves a depleted supply of heating fuel, and the supplier has no minimum delivery policy, or the minimum delivery amount, plus fees, is less than the maximum shown in **APPENDIX I: CRISIS BENEFIT TABLE**.	The Crisis benefit will be the amount shown in **APPENDIX I: CRISIS BENEFIT TABLE**
The crisis involves a depleted supply of heating fuel, and the supplier has a minimum delivery fee of more than the maximum shown in **APPENDIX I: CRISIS BENEFIT TABLE**.	The payment for the minimum delivery plus fees will be allowed up to the maximum crisis benefit unless otherwise noted below. This benefit applies to the following fuels: • Wood • Fuel that the household transports, such as bottled propane, fuel oil, or kerosene. • Prepaid electricity. If the prepaid account is disconnected, the applicant has been notified that their account balance is low, or the prepaid account has an overdue balance, the Crisis benefit may be applied. LIHEAP must also consider additional

IF	THEN
	charges, such as a reconnection fee, that must be paid. A household may be eligible for the maximum crisis benefit if it restores power or prevents disconnection. • Propane delivered by an energy supplier when the tank capacity is at or below twenty percent (20%).
The crisis is based on an eviction notice due to non-payment of heating or electricity costs included with the rent.	The Crisis Assistance benefit will be limited to the amount due for heating and/or electricity costs (not including any rent), or the applicable maximum benefit amount, whichever is less. Payment may be made to the household as specified in Section 7.2 Household Payments. If accepting the LIHEAP payment, the landlord must agree not to evict the applicant for nonpayment of rent.
The crisis is based on an eviction notice due to non-payment of heating or electricity costs included with the rent and the heating and/or electricity costs are a designated portion of the rent payment.	The Crisis Assistance benefit is that portion due for heating or electricity costs, or the applicable maximum benefit amount, whichever is less. If accepting the LIHEAP payment, the landlord must agree not to evict the applicant.
The crisis is based on an eviction notice due to non-payment of heating or electricity costs included with the rent and heating and/or electricity costs are an undesignated portion of the rent payment.	The Crisis Assistance benefit is twenty-eight percent (28%) of the rent, or the applicable maximum benefit amount, whichever is less. If accepting the LIHEAP payment, the landlord must agree not to evict the applicant.

Figure 15: Determining Crisis Assistance Benefit

6.3 COORDINATION OF BENEFITS

The Subgrantee must coordinate benefits so that the applicant household receives the most advantageous benefit. This may mean that a household could receive a Crisis Assistance benefit before a Regular Assistance benefit, or vice versa.

Only one application for Regular Assistance and one application for Crisis Assistance will be approved per program season.

When an applicant applies for assistance, whether it is for Regular or Crisis Assistance first, the register number for BOTH applications must be documented on the second application.

If the application is submitted in person or by phone, the Subgrantee must explain to the applicant, if approved, which benefit, if any, is still available during the program season. If the application is received in another manner approved by the Subgrantee, the Notice of Action must clearly state which benefits were applied.

When an application is approved, the Subgrantee should apply the benefits in the manner requested by the applicant. The benefits should be applied in the manner that best serves the applicant if no instructions are received from the applicant. The Regular Assistance benefit does not have to be applied before the Crisis Assistance benefit.

When providing a Crisis Assistance benefit at the same time as a Regular Assistance benefit, **do not reduce the amount of eligible crisis benefit by the regular benefit**. If the household is eligible for both benefits, both may be pledged simultaneously without reducing the benefit amount. The Crisis Assistance benefit may not leave a credit on the account (Section 2.2 CRISIS ASSISTANCE PROGRAM); however, the Regular Assistance benefit may.

All Crisis Assistance case records that are not included in the same folder with the household's application for Regular Assistance must include documentation of the household's receipt of, or ineligibility for, Regular Assistance. The Subgrantee must document in the Crisis Assistance file if the household is ineligible for Regular Assistance. Details for applicant case files are specified in Section 5.12 APPLICANT CASE FILE/RECORD.

PROCEDURE 6.3.1 WORKING WITH BUNDLED BILLS

To determine benefit amounts for energy vendors that charge for services in addition to approved energy utilities, the Subgrantee should:

6.3.2 CURRENT BILL IS ITEMIZED, BUT THE ARREARAGE IS NOT

- Add the approved energy charges from the current bill.
- Calculate the percentage of the total current bill attributable to the energy charges.
- Determine the benefit amount by applying the energy percentage of the current bill to the total arrearage.

6.3.3 NO PART OF THE BILL IS ITEMIZED

- Contact the energy supplier to obtain the percentage of the bill that is attributable to the cost of providing energy services.
- Use the percentage provided by the energy supplier to calculate the outstanding balance that is eligible for LIHEAP payment.



7.0 PAYING LIHEAP BENEFITS

Benefit payments are contingent upon the availability of federal funds. Applicant households are not entitled to a certain amount or form of assistance from LIHEAP. The amount of assistance a household receives depends upon available funding, total household income, household size, dwelling type, and fuel type. LIHEAP payments may only be made for a residential account. All Regular Assistance and Crisis Assistance payments will be paid directly to the home energy supplier unless otherwise allowed. Unless otherwise specified, only one Crisis Assistance and one Regular Assistance benefit can be approved for each household for each program season.

LIHEAP prohibits payments to commercial and business accounts. Exceptions to this are for applicants who live in certain assisted living facilities. See APPENDIX D: ELIGIBLE DWELLING TYPES.

Payments will be made on a first-come, first-served basis, based on application date and type. To avoid life-threatening emergencies, Crisis Assistance applications from an applicant who is in threat of disconnection or who has already been disconnected should be given priority over regular applications. The LIHEAP benefit payments may be issued to the:

- Primary Energy Supplier
- Secondary Energy Supplier
- Household, when allowed by policy (see Section 7.2 HOUSEHOLD PAYMENTS)

Subgrantees will make direct payments to energy suppliers and to households whose utilities are included in the rent or other provisions outlined under Section 7.2 HOUSEHOLD PAYMENTS. No payments will be issued to an account for an unoccupied dwelling unless the applicant needs proof that utilities are connected to move into housing, in which case the Subgrantee must verify this arrangement with the housing manager. NOTE: In cases where the applicant needs proof that utilities are connected before they may move into housing, the Subgrantee must verify the new address via a lease agreement or a phone call to the landlord. The Subgrantee must document in the case record how and with whom the verification was made.

All Subgrantees must have a signed Supplier Agreement (LIHEAP 2050) with energy suppliers detailing the conditions under which payment will be made. See also Section 13.0 ENERGY SUPPLIERS.

NOTE: The Subgrantee must not issue benefits using LIHEAP funds to pay for tampering or other fees accrued because the applicant's household fraudulently received service by bypassing company equipment.

7.1 ENERGY SUPPLIER PAYMENTS

All Regular and Crisis payments must be applied by the Energy Supplier to charges for home energy, as specified in the Supplier Agreement form (LIHEAP 2050).

NOTE: The Subgrantee may use Regular Assistance for any charges that would normally be covered by Crisis Assistance if the benefit is used to alleviate a crisis. This excludes fees or fines that are not applied to all applicants or are charged by the utility as a result of wrongdoing, a violation of the law, or supplier's policies. Examples of allowable charges include required deposits, fees or other charges required to prevent the loss of or to restore energy. During the winter program, allowable charges include tank rental and charges for leaks or repairs. When a Regular Assistance benefit is used to alleviate a crisis, the benefit must be pledged.

The following determines how payments will be made to energy suppliers:

7.1.1 Regular Assistance Payment: Winter Program

- Benefit paid to the primary heat energy supplier.
- Primary heat benefit split between the primary and secondary heat suppliers, if requested by the applicant and the applicant is informed that the single payment allowable for the primary heating fuel supplier will be split between the two (2) suppliers. Payment may be split in a manner most advantageous to the applicant household
- Benefit paid to the secondary heat energy supplier, if requested by the applicant.
- Benefit paid to the energy supplier with the largest unpaid balance, if requested by the applicant.

To support processing multiple payments using the Regular benefit:

- The applicant must provide all energy bills for the household and indicate the household's need for home heating fuel types on the LIHEAP application (AEO-2096).
- The Subgrantee must validate the need on a case-by-case basis.
- The Subgrantee will establish the maximum Regular benefit amount using the primary heating fuel matrix. This amount may be split between two (2) energy sources, but the total of payments must not exceed the maximum Regular benefit amount for the primary heating fuel.

7.1.2 Regular Assistance Payment: Summer Program

The Regular benefit may not be used to pay multiple energy suppliers during the Summer Program.

7.1.3 Usage of Regular and Crisis Assistance Benefits

Benefit amounts may be added together and distributed or used separately, as follows:

IF	THEN
A crisis is involved and the Regular Assistance benefit, if available, is adequate to alleviate the crisis without a Supplemental Crisis benefit payment	Use Regular Assistance to pay the supplier(s) to alleviate the crisis. The crisis benefit may be saved for later use, if needed. When a Regular benefit is used to cover a crisis, the benefit must be pledged.
A crisis is involved, both the Regular Assistance and the Crisis Assistance benefits are available, but the regular benefit is inadequate to alleviate the crisis	Use the Crisis Assistance benefit to alleviate the crisis, up to the maximum benefit. The regular benefit may saved for later, if needed, or it may be pledged or paid simultaneously without decreasing the crisis benefit.
A crisis is involved, and the Regular Assistance benefit is no longer available	The crisis benefit will be applied to the balance to alleviate the crisis, up to the maximum benefit.
A crisis situation involves only one supplier	Pay the supplier the amount required to alleviate the crisis, up to the maximum benefit.
Combined Regular and Crisis Assistance benefits are less than the amount required to resolve the crisis as shown on the applicant's bill or the most recent information from the supplier	The Subgrantee must contact the energy supplier and document the contact as required by Section 2.2.3 48- or 18-Hour Resolution of Crisis Situations.

Figure 16: Combining Regular & Crisis Assistance Benefits

7.1.4 Winter Program Only

When the crisis involves more than one supplier, pay suppliers so that each of the situations on which the Crisis Assistance eligibility was based is resolved.

> **Example:** The household has received a shut-off notice from both its gas (primary heat source) and electricity (secondary heat source) suppliers. Both suppliers may be paid to alleviate the crisis. Payment may be split in a manner most advantageous to the applicant household.

When the supplier requires the payment of a past-due balance before delivery, the past-due balance must be verified and documented in the case record.

PROCEDURE 7.1.5 WOOD SUPPLIER PAYMENTS

If a Subgrantee decides to implement the option of making direct payments to wood suppliers who have an Arkansas LIHEAP Supplier Agreement in effect, the following procedures will be followed:

- The Supplier Agreement with wood suppliers will specify whether wood will be delivered in cords, a fraction of a cord, or cubic meter; and the price per specification. The price charged per cord, fraction of a cord, or cubic meter will be comparable with the going market rate in the area served. These specifications will not change during the subgrant period.
- Applicants will be advised in writing on the Notice of Action form (LIHEAP 2001) that wood will be delivered instead of a cash benefit and of the quantity to be delivered.
- Receipts verifying delivery, the amount of wood per cord, fraction of a cord, or cubic meter, and the dollar value will be signed by an adult household member, preferably the applicant, at delivery. A copy of the signed receipt(s) should be kept in the case record.
- The eligible household should not sign a receipt until all the wood has been delivered.
- Subgrantees who choose to contract with wood suppliers for direct payment must monitor wood delivery periodically and investigate all complaints.

In instances where no Supplier Agreement is in place, the household should provide receipts from the supplier. Receipts may be up to the allowable benefit amount and must be dated within the current federal fiscal year (October 1-September 30). The household may be paid directly as indicated in sections 2.2 CRISIS ASSISTANCE PROGRAM and 7.2 HOUSEHOLD PAYMENTS.

PROCEDURE 7.1.6 PAYMENT FOR WOOD PELLETS

Households that use wood pellets for their heat source may be eligible for direct benefit payment. As with other direct household payments:

- The household should provide receipts from the supplier.
- Receipts must be dated within the current federal fiscal year (October 1-September 30).
- Receipts should specify the quantity purchased and total cost.
- Receipts should indicate that the applicant purchased pellets and has been charged for, or has paid for, the product.
- When verbal confirmation is given from the supplier, the confirmation should be recorded in the case file and include:

- Date of purchase,
- Charge,
- Supplier name,
- Buyer's name,
- Buyer's household address,
- Quantity of pellets purchased, and
- Amount paid or due.

See sections 2.2 CRISIS ASSISTANCE PROGRAM and 7.2 HOUSEHOLD PAYMENTS.

In instances where direct payments can be made to the supplier, as specified in Section 7.1 Energy Supplier Payments, and are not a reimbursement, payment can be made directly to the supplier electronically or by paper check.

PROCEDURE 7.1.7 BOTTLED PROPANE PAYMENTS

- The Subgrantee may use receipts from an authorized propane dealer or retailer to determine benefit amount.
- Receipts may be up to the allowable benefit amount, based on benefits matrices in APPENDIX H: REGULAR ASSISTANCE FUEL BENEFIT MATRICES and **APPENDIX** I: CRISIS BENEFIT TABLE.
- Receipts must be dated within the current federal fiscal year (October 1-September 30).
- The household may be paid directly. See sections 2.2 CRISIS ASSISTANCE PROGRAM and 7.2 HOUSEHOLD PAYMENTS.

7.2 HOUSEHOLD PAYMENTS

The Crisis and Regular Assistance benefit payments will be made directly to home energy suppliers with only the exceptions outlined below.

After a payment amount has been determined from the payment table, the household must be advised via NOA (LIHEAP 2001) of the amount of assistance it is eligible to receive. Before receiving payment, the applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase Form (LIHEAP DPAY). The Subgrantee may issue payment to applicant using a sequentially pre-numbered printed check, as outlined in Section 7.3 ASSISTANCE PAYMENT CHECKS.

Exceptions to paying home energy suppliers directly can be made in the following situations:

SITUATION	REQUIREMENT	ADDITIONAL INFORMATION
Energy costs are included in the rent	• The household must provide a copy of the current lease or a signed letter on letterhead from the landlord showing that utilities are included in the rent. • In place of a lease agreement or a signed letter as described above, the household may provide applicable recertification documents from Housing and Urban Development (HUD) or USDA Rural Development. • The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	
Energy and housing are provided by an employer or third party	• The household must provide a letter or document from the third party or employer showing that the household is responsible for energy costs and how energy costs are billed to the applicant. • The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	A third party or employer provides energy and housing, and the applicant is responsible for energy costs.
		Continued on the following page

SITUATION	REQUIREMENT	ADDITIONAL INFORMATION
Wood or non-refillable propane tanks are used as the heating source	• The applicant must complete the housing and energy information section of the application form. • The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY). • The applicant must indicate the household's service address. • The applicant and Subgrantee must follow Section **2.2 CRISIS ASSISTANCE PROGRAM** to determine whether the house is acceptable to use wood as a primary heating source.	
The Energy Supplier does not have a signed Supplier Agreement	The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	The applicant receives home energy from an Energy Supplier that did not or will not sign a Supplier Agreement with the Subgrantee.
The Energy Supplier violated the Supplier Agreement	The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	The applicant receives home energy from an Energy Supplier that has violated its Supplier Agreement and is non-compliant.
		Continued on the following page

SITUATION	REQUIREMENT	ADDITIONAL INFORMATION
Energy Supplier does not maintain ongoing accounts	The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	The applicant receives home energy from a supplier that does not maintain ongoing accounts. This excludes using the benefit as credits toward an applicant's account.
Energy Supplier refuses service	If the refusal is due to an unsafe heating system, refer the case to Weatherization as an emergency.	The household's primary energy supplier refuses service to the household and no alternative supplier is available (e.g., due to bad credit or an unsafe heating system, suppliers refuse service).
Late Corrective Payment		A corrective payment is made for the household after the date by which the supplier must begin removing remaining unexpended LIHEAP benefits from its accounts (See Supplier Agreement (LIHEAP 2050) and Section 10.9.2 Applicant Household Protection: Subgrantee.
		Continued on the following page

SITUATION	REQUIREMENT	ADDITIONAL INFORMATION
Solar Energy Users	To be eligible for Regular LIHEAP benefits, households that use solar energy to generate all or part of their energy needs must: • Prove the household is responsible for the maintenance cost of the solar panels. Proof can be a receipt dated within the current federal fiscal year (October 1-September 30) for the purchase of solar panels or a lease agreement that designates responsibility for maintenance. • Use electric heat to be eligible for winter assistance, or split payment with another heating supplier. • The applicant must complete the Agreement to Utilize LIHEAP Benefits for Energy Purchase (LIHEAP DPAY).	Households that use solar energy are not eligible for Crisis Assistance benefits.

Figure 17: Exceptions to Paying Home Energy Suppliers Directly

7.3 ASSISTANCE PAYMENT CHECKS

Subgrantees are encouraged to issue electronic payments, such as EFT or ACH. The Subgrantee may issue payments to an applicant using a sequentially pre-numbered printed check when necessary, as specified in Section 7.2 HOUSEHOLD PAYMENTS. The printed payment should indicate a limited life of a specified time period consistent with the Subgrantee's fiscal policy.

LIHEAP benefit payments to Energy Suppliers will include, at a minimum:

- Payment recipient name
- Account holder's name, if different than recipient
- Payment recipient address
- Benefit amount
- Correct account number

- Register number
- Billing cycle
- Fiscal year
- Program Season (winter or summer)
- Grant program (LIHEAP)

7.4 UNUSED PAYMENTS

Changes in households, such as an applicant passing away, the applicant's household moving, or a member moving may cause an approved benefit to be held in suspense by the Subgrantee or the Energy Supplier.

7.4.1 Unused Payments: Subgrantee Responsibilities

If an applicant passes away before the Subgrantee issues payment, the benefit can be applied to the utility account. If the household moves before payment is issued and the household composition remains unchanged, the benefit may be used to pay the remaining balance on the existing account. If the benefit amount exceeds the balance owed on the existing account, the remaining benefit may be transferred to the new account, provided the utility provider has a signed Supplier Agreement with the new Subgrantee (if applicable).

If a benefit payment is returned by the post office or the energy supplier, Subgrantees may use up to thirty (30) days to locate the applicant and must document attempts to locate the applicant. The Subgrantee must:

- Apply the payment to the new vendor, if applicable.
- Issue payment to the applicant if utilities are included in rent.
- Reclaim payment to issue to other households, if the applicant is no longer eligible (e.g., incarcerated, institutionalized, or moved out of state); or
- Return the payment to AEO as indicated in Section 9.8 VENDOR REFUNDS.

If the benefit cannot be applied as indicated, a revised Weekly Data Report form (AEO-2065) must be submitted to reflect the adjustment in expenditures and applications paid.

7.4.2 Unused Payments: Energy Supplier Responsibilities

Suppliers will return all **UNUSED BENEFITS** to the Subgrantee as outlined in the Arkansas Supplier Agreement.

7.4.3 Unused Payments: Lost or Stolen Checks

A lost check is defined as one that the applicant or supplier has not received within ten (10) business days from the date that the check was mailed.

A stolen check is one that the applicant or supplier has received but was subsequently misappropriated (i.e., not used as intended) before being cashed by the applicant or supplier.

PROCEDURE 7.4.3.1 LOST OR STOLEN CHECKS – NOT CLEARED

When the household reports that a check issued by the Subgrantee is lost or stolen and the check has not cleared the bank, the Subgrantee must:

- Create a detailed narrative for the case file that describes the circumstances surrounding the lost or stolen check and all subsequent related actions of the payee.
- Verify with the Subgrantee bank and use other applicable financial records to determine if the check has cleared.
- Issue a "stop payment" order.
- Notify law enforcement officials if the check can be proven to be stolen.
- Issue a replacement check.

PROCEDURE 7.4.3.2 LOST OR STOLEN CHECKS – CLEARED

If the applicant reports a benefit payment as lost or stolen but the check has cleared the bank, the Subgrantee must:

- Create a detailed narrative for the case file that describes the circumstances surrounding the lost or stolen check and all subsequent related actions of the payee.
- Verify with the Subgrantee bank and use other applicable financial records to document that the check has cleared.
- Obtain either the original check or a copy of the original check, including the endorsement signature.
- Determine where the check was cashed, if possible.
- Contact the entity who cashed the check to determine:
    - Who cashed the check (e.g., applicant, spouse, household member, or other),
    - The identification required prior to cashing the check, and
    - Any other information relating to the cashing of the check.

- After the Subgrantee determines who cashed the check, the agency should:
    - Obtain a statement from the payee that attests to whether the endorsement belongs to the payee or a household member;
    - Notify law enforcement officials and issue a replacement check if the signature was forged by someone outside the household;
        - NOTE: Do NOT issue a replacement check if the original check was signed by the applicant or another household member.
    - Close out the file/investigation if the applicant or a household member signed the check or if a replacement check was issued.

8.0 OUTREACH & COLLABORATION

The LIHEAP Statute, specifically Section 2605(B)(3) and Section 2605(B)(15), requires Grantees to "conduct outreach activities designed to assure that target households are made aware of the assistance available" under this Act and other energy-related assistance available under other programs and provisions of law.

Section 2605 (B) (3), also known as Assurance 3, requires states to conduct outreach activities designed to inform target households – households with elderly individuals, persons with disabilities, households with children under age 6, and households with high home energy burdens – about LIHEAP and other available assistance and applicable programs. Section 2605 (B) (15), also known as Assurance 15, requires states to provide "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."

The LIHEAP Statute does not define outreach, but the LIHEAP Clearinghouse defines outreach as:

> The various activities LIHEAP providers engage in to promote and increase program awareness with an attendant goal of increased program enrollment. Outreach may also include outreach activities designed to reach and enroll certain populations, also known as targeting. For example, a LIHEAP office may decide to target or prioritize its outreach efforts, and attempt to reach and enroll more elderly households, more lower income households, more public assistance recipients, etc.

The LIHEAP Model Plan provides a list of outreach strategies, including:

- Publish notices in local newspapers or broadcast media announcements.
- Inform low-income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.
- Execute interagency agreements with other low-income program offices to perform outreach to target groups.
- Web posting
- Social media

AEO lists other allowable methods, including but not limited to, mailing lists, door-to-door, geo-targeting, participation at benefits fairs, hosting senior center events, print media (billboards, newspapers, flyers, magazines, postcards), broadcast media (radio and television), texts, visiting places of worship or social clubs, and operating a mobile unit.

8.1 OUTREACH AND COORDINATION

AEO encourages the combination of federal and other funds (**BRAIDING**) to achieve the best possible benefit for the LIHEAP applicant household. A Subgrantee must obtain and document

the client's authorization before proceeding to coordinate LIHEAP with other resources. When applicable, Subgrantees must braid funds to achieve the maximum benefit for a household. Subgrantees may establish methods to ease the application process by working within guidelines to coordinate with other social services on the LIHEAP applicant's behalf. When coordinating LIHEAP funds with other funding sources, the LIHEAP funds must be issued in accordance with LIHEAP Statute (42 USC 8621-8630), LIHEAP policy, and the model plan.

Such leveraging may occur between programs using funds from:

- Community Services Block Grant (CSBG),
- Electricity Exemption Tax, see Section 8.3 COORDINATION WITH ACT 120 OF 1983,
- Fuel fund or utility programs, such as Power to Care (Entergy),
- Salvation Army,
- Local places of worship.

8.2 COORDINATION WITH WAP

Congress gave LIHEAP grantees the ability to offer low-income weatherization services as part of the LIHEAP Statute (42 USC § 8621-8630). Section 2605 (k) (1) (*B*) of the LIHEAP Statute enables Community Action Agencies to provide low-cost residential weatherization or other cost-effective residential energy efficiency measures.

LIHEAP Application forms advise households of WAP and ask applicants if they would like to be referred to the program. Referrals to WAP for households indicating an interest in receiving weatherization services will be made weekly

- If an applicant requests a referral to WAP, such referral is required even if the household is ineligible to receive LIHEAP benefits; however, referral is not required if the applicant has previously been referred for or received services.

- The reason for not referring must be documented in the case record.

See APPENDIX K: LIHEAP SUBGRANTEE MAP & CONTACT INFORMATION for the WAP providers in each county. Subgrantees will maintain an up-to-date list of LIHEAP households who have been referred for weatherization services and will provide AEO a copy of each referral list at the time referrals are made. All WAP referral documentation must be available to AEO upon request.

8.3 COORDINATION WITH ACT 120 OF 1983

Act 120 of 1983 (ACA 26-52-416) exempts the first five hundred (500) kilowatt hours of electricity used per month, including fuel adjustment charges, by low-income residential customers from the Arkansas Gross Receipts Tax, all local gross receipts taxes, and all other State or local excise taxes that would otherwise be levied thereon.

Only residential customers whose income for the prior calendar year did not exceed twelve thousand dollars ($12,000.00) are eligible for the exemption. Only the income of the customer and their spouse is counted (the person whose name the account is in and their resident spouse). Eligible households must notify the electric utility providing service to them of their intention to claim the exemptions allowed under the Act by completing and submitting an enrollment form, "Claim for Low Income Electricity Customers Sales Tax Exemption (DFA Form E-416)." It is available at https://www.dfa.arkansas.gov/images/uploads/exciseTaxOffice/e416.pdf. The form is listed as "Claim for Low Income Sales of Electricity | E-416" on the Department of Finance and Administration website.

Eligible households who did not receive the exemption during the prior year will receive the exemption for that portion of the calendar year remaining after the "Claim for Low Income Electricity Customers Sales Tax Exemption (DFA Form E-416)" is submitted to the electric supplier. These households will continue to receive this exemption until they notify the electric supplier that their total income exceeds $12,000.00 annually.

Subgrantees are responsible for informing applicants about the exemption and advising them to contact their electric utility supplier to request the application form, "Claim for Low Income Electricity Customers Sales Tax Exemption (DFA Form E-416)," to enroll in the program. The Subgrantees may also provide the client with the application form.

The household may register for the exemption one time only. The exemption remains in effect until the household's income exceeds $12,000.00 per year.

8.4 OUTREACH THROUGH PRIORITY ENROLLMENT (PE) LISTING

AEO encourages Subgrantees to use multiple methods to seek out vulnerable households during the PE period and during the standard operating program season.

As a part of outreach, the Subgrantee must inform their service area of the groups that are eligible to apply during the PE period: households with persons with disabilities, elderly (sixty or older), and children under six years of age. The Subgrantee must inform PE households when the application period begins, what is needed to apply, and where and how they may apply.

8.4.1 Priority Enrollment Mailouts

Subgrantees should use the prior LIHEAP season's applicant data to create PE lists.

Subgrantees must securely transfer (electronically or by mail) the LIHEAP application (LIHEAP 9495) or notification about how and where to apply to households that are identified as having a **VULNERABLE MEMBER**. If mailed, the Subgrantee must include a self-addressed return envelope. The Subgrantee may choose to notify a household about the PE period by another approved method listed in the Scope of Work of the Subgrant Agreement.

If the Subgrantee identifies an address on their PE listing that belongs to an institution, mailing materials will not be sent to that address.

8.4.2 Example Outreach Techniques and Ways to Use PE List

Subgrantees may use various methods to inform the low-income communities in their service areas about the benefits of LIHEAP. Examples are provided in Section 8.0 OUTREACH & COLLABORATION.

9.0 FISCAL MANAGEMENT

Fiscal control and fund accounting procedures put in place by the federal government and as part of Generally Accepted Accounting Principles (GAAP) are the basis for ensuring that LIHEAP federal funds paid to Arkansas are distributed and accounted for properly. Arkansas LIHEAP fiscal management policy builds on the fiscal policies and requirements of 2 CFR 200 and 2 CFR 300, for federal awards.

DHHS makes LIHEAP funds available to states near the beginning of each federal fiscal year (FFY). Amount of funding, awarded based on Congressional appropriation and a DHHS funding formula, varies each year. State funds are not available for use in LIHEAP. DHHS typically releases ninety percent (90%) of LIHEAP funds in October and ten percent (10%) in April; AEO makes funds available to subgrantees as it receives funds.

AEO uses an allocation formula based on poverty and priority indicators by county.

It is the Subgrantee's responsibility to decide how funds will be spent between winter and summer program seasons, based on allocated funds. Crisis benefit funds must be available in the winter program season until March 15 (see Section 2.2 CRISIS ASSISTANCE PROGRAM).

Since LIHEAP is not an entitlement program, funds are limited by allocation.

9.1 FUNDS OBLIGATION

Federal funds are considered obligated when AEO issues Subgrantee allocations and executes the Subgrant Agreement with each Subgrantee.

Generally, at least ninety percent (90%) of federal funds must be allocated by September 30, following the date of the award (e.g., funds awarded October 1, 2026, must be obligated by September 30, 2027).

AEO will provide each Subgrantee the allocation available to their agency for:

- Administration,
- Program Support,
- Crisis Benefits,
- Regular Benefits, and
- A-16.

Annually, Subgrantees must submit to AEO a proposed twelve-month budget and a narrative justification detailing how spending will benefit the delivery of LIHEAP and the basis for budgeted expenses; a **COST ALLOCATION PLAN**; and agency-wide budget. Subgrantees must complete and return the following forms to AEO for approval before funds are obligated:

- Assistance Agreement/Award Cover

- Signed Certification of General Terms and Conditions of the Subgrant Agreement
- Attachment 1: LIHEAP Budget Summary
- Attachment 2: LIHEAP Budget Justification
- Attachment 3: LIHEAP Scope of Work
- Attachment 4: Disclosure of Lobbying Activities

Subgrantees must have either a federally approved indirect cost rate or a cost allocation plan. The cost allocation plan must show how general agency expenses such as salaries, fringe, space, utilities, copying, etc., will be charged to each program. Salaries of all staff – even partially funded by LIHEAP – must be included in the Budget Summary.

Budget Line Items

All expenditures must be consistent with those outlined in the Subgrantee's approved budget. Supporting documentation must be available for review upon request from AEO. Bills and invoices approved for payment must be kept for each payment. Expenditures must reflect a clear audit trail.

9.2 ADMINISTRATIVE AND PROGRAM SUPPORT COSTS

The administration of LIHEAP requires Subgrantees to distinguish between Administrative Costs and **PROGRAM SUPPORT COSTS**. Administrative Costs and Program Support Costs are allowed in a manner consistent with the provisions of the LIHEAP Statute.

ADMINISTRATIVE COSTS are associated with agency functions of a general nature and are defined as costs directly related to program operations, planning, and development. Federal LIHEAP Statute limits administrative expenditures to ten percent (10%) of the grantee's allocation. Grantee and Subgrantee administrative expenses are both included in the overall federal limitation of ten percent (10%).

AEO will advance LIHEAP funds based on requests from Subgrantees and the availability of funds. Each Subgrantee must ensure that the total of Subgrantee administrative expenditures does not exceed its administrative allocation. Subgrantee administrative allocations will be issued as part of the overall LIHEAP allocation.

PROGRAM SUPPORT COSTS include the program expenses tied to serving clients. Subgrantees may designate up to fifteen percent (15%) of their LIHEAP Crisis Assistance and Regular Assistance allocations for Program Support Costs. Program Support Costs are limited to expenses associated with working directly with LIHEAP applicants. (Costs that meet the requirements of A-16 may also be extracted from Program Support Costs.) Program Support is not required to be separated as Crisis and Regular.

ASSURANCE 16 (A-16): AEO will issue five percent (5%) of each Subgrantee's allocation as A-16 funds, unless the Subgrantee indicates up front that they will not operate an A-16 program. A-16 funds will be allocated to benefits if no A-16 program is proposed.

NOTE: If a Subgrantee chooses not to operate an A-16 program, none of the A-16 funds can be used for Program Support, but must be used for benefits only.

9.2.1 Allocating Administrative and Program Support Costs

Personnel who perform both administrative and programmatic services should have their time allocated between the two different cost types.

While some activities are definitively administrative, others may be programmatic in nature. Consider the following as a guide when budgeting administrative and program support costs:

ADMINISTRATIVE	PROGRAM SUPPORT
All direct and indirect costs including those of sub-recipients, consultants, and contractors necessary to effectively manage the program	Activities directly related to benefit determination/assistance, outreach, information resources and referral, case management and crisis service
Salaries and benefits for administrative staff, such as Executive Director, Finance staff, Human Resources staff	Salaries and benefits for staff who provide direct services to clients, such as outreach staff and temporary workers
Reporting, including both fiscal and program reporting	Providing benefits and services, including client intake, pre-screening, taking applications, interviewing, data entry, verifying eligibility, and home visits
Public relations	Printing of outreach materials, such as forms and fliers
Procurement activities	Providing program information to clients
Rent and utilities associated with administrative staff offices and activities	A prorated share of rent and utilities where outreach services are provided
Goods and services used in the course of administrative functions other than LIHEAP specifically	Supplies, such as paper, envelopes, ink, and checks for LIHEAP payments
Property management, including maintenance and insurance	Translation services
Services related to accounting, litigation, audits, payroll, and personnel	Equipment for direct service staff, such as computers and telephones

ADMINISTRATIVE	PROGRAM SUPPORT
Durable equipment costing less than $10,000 that will last more than a year. Examples include tables, chairs, calculators, desks, and file cabinets	A prorated share of durable equipment costing less than $10,000 that will last more than a year and **will be used by direct service staff**. Examples include tables, chairs, calculators, desks, and file cabinets
Leased equipment such as water coolers or copiers	A prorated share of leased equipment used by direct service staff and clients, such as water coolers or copiers
Conferences, trainings and/or meetings related to national organizations, fiscal training, strategic planning, and overall staff development; and travel to any of these events	LIHEAP program training for staff providing direct services to LIHEAP clients
Preparation of program plans, budgets, and schedules	Postage for mail sent to clients, such as LIHEAP applications and Notices of Action, and on behalf of clients, such as checks to energy suppliers
Management information systems not related to tracking and monitoring statutory data requirements (e.g., for a personnel or payroll system)	Management information systems needed for tracking and monitoring statutory requirements
Monitoring of programs and projects	Conducting local outreach to ensure residents are aware of LIHEAP
Fraud and **ABUSE** prevention	

Figure 18: Administrative Costs vs. Program Support Costs

LIHEAP funds cannot be used to purchase:

- Construction
- Durable goods*, such as appliances and vehicles
- Food or beverages

* Some exceptions apply, such as computers and furniture for LIHEAP staff, normally considered durable goods. Contact AEO.

9.2.2 Direct Costs

Direct costs are those expenditures that are single program costs and benefit only LIHEAP. Direct costs may include, but are not limited to, salaries and fringe benefits of staff whose time can be clearly identified as working in LIHEAP (either full or part-time).

9.2.3 Indirect Costs

Indirect costs are those expenditures which are not readily assignable only to the LIHEAP program. These may include, but are not limited to, shared management and administrative salaries, information technology, rent, utilities, and/or copying machines. Indirect costs may also be known as overhead costs.

9.2.4 De Minimis

Guidance relative to de minimis rates is found in 2 CFR 200.414(f).

Recipients and subrecipients that do not have a Federal negotiated indirect cost rate (including a provisional rate), may elect to charge a de minimis rate of up to fifteen percent (15%) of modified total direct costs which may be used indefinitely. As described in 2 CFR 200.403, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. If chosen, this methodology must be used consistently for all Federal awards until such time as the recipient chooses to receive a negotiated rate.

Subgrantees that elect to charge a de minimis rate must first calculate its Modified Total Direct Costs (MTDC) using the outlined expenses and then multiply by their elected de minimis rate, which may be up to fifteen percent (15%), to calculate the amount of allowable indirect costs. All costs identified to calculate the de minimis rate should be clearly stated in the Subgrantee's financial/fiscal policies and procedure manual. The costs must be necessary, reasonable, allocable and adequately documented, and be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both.

As a condition of subaward, Subgrantees that choose to use de minimis must identify the cost categories used to build their MTDC and must show how the MTDC was calculated.

MTDC may include direct salaries and wages, applicable fringe benefits, materials and supplies, services, travel, and up to the first $50,000 of each sub-award.

MTDC excludes equipment, capital expenditures, rental costs, participant support costs, and the portion of each sub-award in excess of $50,000.

9.3 PROGRAM COSTS

Funds allocated for program costs refer collectively to LIHEAP benefits paid out on behalf of eligible applicants.

9.4 PAYMENTS TO SUBGRANTEES

The State of Arkansas Department of Finance and Administration will issue payments to Subgrantees on behalf of AEO. Payments may be made by electronic funds transfer (EFT) or warrants (checks) according to the method selected by the Subgrantee. Subgrantees are encouraged

to receive payments by EFT to speed the movement of funds. Subgrantees must report new or different banking information on Fund Request forms.

9.5 SUBGRANTEE BANK ACCOUNTS

Subgrantees must track LIHEAP funds separately from other funds. Non-LIHEAP funds must not be co-mingled with LIHEAP funds. Subgrantees that do not have an accounting system in place to track funds separately must keep LIHEAP funds in a separate, interest-bearing account until the funds are disbursed with the following restrictions:

- All earned interest will remain in the interest-bearing account.
- Program expenditures will be made directly from this account.
- Transfer of funds from the LIHEAP account may only be made to reimburse another account if expenditures were paid by writing checks on another account. The transfer will be made as checks are written.

Interest earned more than $500.00 per year on federal funds must be returned annually to AEO for transmittal to the DHHS Payment Management System (PMS), as required by 2 CFR 200.305(b)(12). Subgrantees may request a waiver from AEO for an exception to this requirement. AEO's consent to the waiver must be written.

Subgrantees whose designated EFT account becomes non-interest bearing must either:

- Use the account only as a conduit, keeping only enough funds in it to hold it open, or
- Select another institution and notify AEO of the change in bank account.

9.6 REQUESTING FUNDS

Crisis Assistance and Regular Assistance benefit funds (collectively Program Costs) will be disbursed separately from Administration, Program Support, and A-16 funds. Subgrantees must submit benefit funds requests separately from Administration, Program, Support, and A-16 funds requests.

Subgrantees may submit benefit assistance funds requests and supporting documents for approved applications each week for the prior week but are required to submit funds requests at least once a month. Benefit-related expenditures must reflect an established audit trail, whether payment was issued to individual applicant households or for many applicant households to one energy supplier.

Administrative and Program Support funds requests may be submitted no more than twice each month: during the second and fourth full week of each month. AEO will process payments for accurate funds requests as soon as feasible, in the order in which they are received. Subgrantees must submit funds requests at least once a month for Administrative, Program Support, and, if applicable, Assurance 16.

AEO fiscal will routinely monitor the supporting documentation submitted with funds requests. As necessary, AEO may request additional information related to the submitted requests. The requests for funds must document all payment commitments for the period that the request covers.

To receive funds, Subgrantees must submit:

- A Weekly Data Report (WDR) form (LIHEAP 2065),
- A weekly ledger of checks written to utilities and clients with check number, payee, and amounts categorized by Crisis and Regular,
- A trial balance,
- Copies of canceled checks reported on the weekly ledger. These copies may be submitted weekly with the ledger or monthly after receiving the bank statement.
- A reconciled bank statement by the 20th calendar day of each month.

LIHEAP funds will be disbursed based on information submitted on the LIHEAP Funds Request (LIHEAP 3101) (Form will be specific to the funding stream).

Subgrantees must request funds timely and properly to avoid payment delays. AEO will notify Subgrantees of incorrect information and the request must be resubmitted in its entirety. Required weekly reporting must be current and satisfactory for AEO to process the request for funds upon receipt. The funds request must be accurate to be processed.

Subgrantees must pay all unpaid approved benefit items within fourteen (14) calendar days of receipt of funds at the agency.

9.6.1 Reimbursement Funds Request

Reimbursement requests must account for actual expenditures and must follow the Subgrantee's approved budget. Reimbursement requests must follow the calendar month and may be submitted weekly, but no less than once each month. Reimbursement requests must be accompanied by documentation of payment.

AEO will approve administrative funds to Subgrantees when Subgrantees provide documentation of expenditures along with a reimbursement form. Backup documentation for administrative expenditures to date must be submitted with the next request for administrative funds.

9.6.2 Advance Funds Requests

Subgrantees that have exhausted the prior year's grant funding and have a signed Subgrant Agreement in place may request an advance of funds as outlined below.

Once a Subgrant Agreement is in place, LIHEAP funds can be used going back to October 1. Costs incurred must be in accordance with the terms and conditions of the grant award and must be included in the approved budget.

Weekly Data Reports must be up to date and the following supporting documents submitted for advance funds requests:

- Funds Request for the proper year and program season (winter or summer)
    - The Funds Request **must** include the word ADVANCE.
- LIHEAP Detailed Cover Sheet
- Computer-generated records showing unpaid commitments

Advance Funds Requests should be sent to Arkansas Energy Office (AEO) staff, including:

- Administrative Analyst
- E&E Program Supervisor for the AEO Operations office
- Fiscal Support Specialist
- ee.AEOLIHEAP@arkansas.gov

Administrative, Program Support, and A-16

Subgrantees may request a one-time advance up to twenty-five percent (25%) of their Administrative, Program Support, and A-16 allocations within thirty (30) days of the start of each program season subject to the conditions below:

A. Use of Prior-Year Funds

- If **prior-year grant funds are not fully expended**, the Subgrantee may request the advance only on the remaining funds.
- Because prior-year funds expire first, **they must be expended before any current-year funds.**

B. Use of Current-Year Funds

- If **prior-year funds are fully expended** and the Subgrantee has a **signed Subgrant Agreement** for the current year, the Subgrantee may request an advance on **current-year funding**.

A-16 Advance Requirements

Subgrantees requesting an advance of A-16 allocations must meet both of the following conditions before submitting the request:

- A signed Subgrant Agreement is in place.
- The Subgrantee has an approved A-16 plan.

A-16 advances may be requested within thirty (30) days of the start of each program season.

Benefits

Each program season, Subgrantees with signed Subgrant Agreements in place may request a one-time advance of benefits, not to exceed twenty-five percent (25%) of the Subgrantee's allocation

for benefits. The request must be submitted by email to staff listed above within thirty (30) days of receiving the signed Subgrant Agreement from AEO.

9.6.2.1 Expenditure of Advance Funds

Subgrantees that received advance funds must provide a detailed report that shows how the advance funds were spent before AEO can disburse further funds of that category. As with other funds requests, Weekly Data Reports must be current to the date requested and the Subgrantee must provide:

- A trial balance showing expenditures and dates of expenditures,
- A weekly ledger of checks written to utilities on behalf of clients with check number, payee, and amounts categorized by Crisis and Regular,
- Copies of canceled checks reported on the weekly ledger. These copies may be submitted weekly with the ledger or monthly after receiving the bank statement. Note, however, that waiting for the bank statement may cause a delay in funding advances.

The report should be emailed to staff listed in Section 9.6.2 Advance Funds Requests.

9.6.3 Budget Revisions, Allocation Increase, or Transfer Request

Allocation change (increases and decreases) requests require an amendment to the Subgrant Agreement and must be submitted on Subgrantee letterhead, signed by the Executive Director.

Budget revisions must identify:

- Original costs,
- Final costs,
- Amount of change, and
- How each line item will be amended

Subgrantees may request additional funds when the Subgrantee anticipates Regular Assistance or Crisis Assistance benefits funds will be depleted before the end of the program. **The request must be made before announcing the program closure**. AEO may request further justification from the Subgrantee. If approved, an amendment to the Subgrantee's grant agreement will be executed. AEO will notify the Subgrantee if funds are not available or the request must be denied for other reasons.

Requests to transfer funds for Program Costs (Regular Assistance or Crisis Assistance benefits funds) must detail:

- Amount of transfer,
- From account name and number (line-item category),
- To account name and number (line-item category), and
- Reason for transfer.

Additional funds cannot be transferred to Administration, Program Support, or A-16.

Subgrantees must closely monitor spending and pending applications to identify the potential depletion of funds before it occurs.

Questions about transfer requests should be directed to the AEO Fiscal Support Specialist. Questions about budget revisions or allocation increases should be directed to the E&E Program Supervisor in the AEO Operations office.

9.7 FISCAL REPORTS

Reports enable the AEO Operations team to assess financial situations to aid LIHEAP planning, which includes operational activities, budgets, and funds distribution. The reports also help to reveal patterns within programs. AEO requires three (3) reports from each agency throughout the program season:

- Closeout Reports
- Weekly Data reports, LIHEAP 2065
- Single Audit Report, as required by 2 CFR 200.501(b)

Subgrantees must track expenditures as outlined in their Subgrant Agreement.

AEO's Operations section will issue periodic statements to update Subgrantees on their remaining funding. AEO will provide a balance report at least three (3) weeks before the close of each program season.

9.7.1 Closeout Reports

Closeout is the process of liquidating and reconciling LIHEAP obligations and expenses for each assistance program season, Winter and summer. AEO Operations section will issue a reminder of closeout procedures at least fifteen (15) days before the close of the application intake period.

When the closeout period begins, agencies must:

- Cease application intake and
- Pay LIHEAP costs that were properly incurred prior to and during closeout.

Subgrantees must complete all invoice requests and closeout forms at the end of the budget/program effective date(s) established by the Subgrant Agreement. The summer closeout closes the annual LIHEAP block grant allocation.

Requests for extensions will be considered on a case-by-case basis. Written requests for extension must be submitted by the Subgrantee's Executive Director at least thirty (30) days before the end of the budget/program effective date.

UNOBLIGATED and unspent funds on hand at the time of the closeout report, but no later than December 1, must be reimbursed to AEO, preferably by EFT. See Section 9.8.3 Returning Funds for specific instructions.

AEO will pay any reimbursement due to a Subgrantee based on the summer closeout report by December 1.

A Subgrantee's inability to submit a timely closeout report could significantly impact the Subgrantee's subaward with AEO as outlined in 2 CFR 200.339. Noncompliance may result in one or more of the following actions:

- Temporarily withholding payments until the Subgrantee takes corrective action.
- Disallowing costs for all or part of the activity associated with the noncompliance of the Subgrantee.
- Suspending or terminating the federal subaward in part or in its entirety.
- Recommending that the federal awarding agency initiate suspension or debarment proceedings as authorized in 2 CFR part 180 and, for HHS awards, 2 CFR part 376.
- Withholding further federal funds (new awards or continuation of funding) for the project or program.
- Pursuing other legally available remedies.

9.8 VENDOR REFUNDS

Vendor refunds may occur due to a household moving, closing an account, other household circumstances, or in instances of error or fraud. Subgrantees must inform energy vendors to send the refund checks to the agency that submitted the payment on behalf of the household. See Supplier Agreement (LIHEAP 2050).

9.8.1 Reissue

When the refund is due to an error or beneficiary circumstance (e.g., applicant moved and supplier returned the payment), the benefits may be reissued to the same beneficiary's active account if:

- The error is corrected, or
- New account information is provided, and
- The Subgrantee reissues the benefit before September 30 of the current FFY.

Reissues are necessary in cases such as a beneficiary moving and needing their benefit applied to a new account, a clerical error by the agency selecting the wrong vendor, or an incorrect benefit amount. Reissued funds are not refunds and should not be included in the refund report or sent back to AEO. If the Subgrantee is unable to reissue the benefit payment within the given timeframe, then it becomes a refund.

9.8.2 Refunds from Current Federal Fiscal Year

Refunds from payments issued out of the current FFY must retain their original characteristics (i.e. Crisis Assistance funds must remain Crisis Assistance; Regular Benefits must remain Regular Benefits, etc.) and may be returned to the Subgrantee's allocation to assist other eligible households.

9.8.3 Returning Funds

Subgrantees must return funds to AEO with an explanation no later than December 1. Vendor refunds that cannot be reissued or returned to the Subgrantee's benefit allocation must be returned by the Subgrantee to E&E, preferably by Electronic Funds Transfer (EFT). Refunds returned via check should be mailed to:

Arkansas Department of Energy & Environment
5301 Northshore Drive
North Little Rock, AR 72118
ATTN: Arkansas Energy Office / LIHEAP Refund

Refunds from any payments issued before the current FFY must be returned to AEO, unless otherwise instructed, and should not be included with invoices for payment. Because the applicable Subgrant Agreement has expired, all prior year refunds must be mailed to AEO along with checks so the funds can be returned to DHHS when required.

When returning refunds, the Subgrantee must provide the following:

- Applicant name for each refund
- Register number
- Household account number
- Account holder's name (if different from applicant's name)
- Amount of household refund
- LIHEAP grant year
- Program Season (Winter or summer)
- LIHEAP funding source/program name (Block, Supplemental, etc.)
- Reason for refund
- Supporting documents, if needed, to verify that adequate reconciliation was done to arrive at the refund amount

10.0 FRAUD -RELATED ACTIVITY

10.1 PURPOSE AND AUTHORITY

This section defines fraud for purposes of the Arkansas LIHEAP program, explains what constitutes credible evidence of fraud, and establishes the process a Subgrantee follows on identifying possible fraud.

Federal law requires an applicant, recipient, or subrecipient of a federal award to promptly disclose in writing any credible evidence of the commission of a violation of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code, or a violation of the civil False Claims Act, 31 U.S.C. §§ 3729-3733. The disclosure must be made to the federal awarding agency, that agency's Office of Inspector General, and the pass-through entity (2 C.F.R. § 200.113). Failure to make a required disclosure is separately sanctionable.

10.2 DEFINITION OF FRAUD

Fraud is a knowing or willful act of deception, misrepresentation, omission, or concealment of a material fact in connection with the LIHEAP program. A fact is material if it has a natural tendency to influence, or is capable of influencing, an eligibility determination, a benefit amount, or a payment.

Fraud is complete when the false or misleading information is submitted. It does not require that a benefit, payment, or advantage actually have been received.

10.3 EXAMPLES OF FRAUD

The following are examples and are not an exhaustive list. Conduct not listed here may still be fraud under 10.2 DEFINITION OF FRAUD.

A. Applicant and household conduct

- Misrepresenting household size, household composition, or household income
- Falsifying an application
- Forging, altering, or fabricating a document submitted to complete an application
- Concealing a source of income or a household member that the application requires to be disclosed
- Submitting duplicate applications for the same household and benefit period in order to obtain more than one benefit

B. Subgrantee, employee, and third-party conduct

- Submitting an application for a household that does not exist, or for a person who did not apply ("ghost clients")
- Charging an applicant a fee to apply for or to receive LIHEAP assistance

- Knowingly approving an application known to be ineligible, or knowingly bypassing a required verification
- Knowingly submitting a false or inflated report, claim, or reimbursement request to the grantee

C. Vendor conduct

The instances of failure below are considered fraud only when they are done knowingly or willfully, or when they are accompanied by a false statement, false record, or concealment:

- Failure to credit the account of a designated LIHEAP recipient promptly on receipt of payment
- Failure to return benefits that could not be credited to the designated recipient
- Charging the household more than the difference between the actual cost of the home energy and the amount of the LIHEAP payment
- Applying LIHEAP payments to charges that are not heating or cooling related, including merchandise, water, sewer, garbage collection, cable television, internet service, and mosquito control
- Failure to notify the household of the amount of assistance paid on its behalf

10.4 CREDIBLE EVIDENCE

Credible evidence exists when a Subgrantee holds information that, after a reasonable review of the file and of documentation readily available to it, would lead a reasonable person to conclude that fraud as defined in 10.2 DEFINITION OF FRAUD has likely occurred.

Credible evidence is more than suspicion and more than an open question. It does not, however, require proof beyond a reasonable doubt, an admission, a completed investigation, a charging decision by a prosecutor, or a concurrence from the Arkansas Energy Office.

10.5 WHAT DOES NOT BY ITSELF CONSTITUTE CREDIBLE EVIDENCE

None of the following, standing alone, constitutes credible evidence, and none by itself triggers the disclosure duty:

- A single income or household-size discrepancy that has not yet been reconciled against documentation
- An applicant error or omission that the applicant corrects when asked
- A caseworker or intake data-entry error
- An anonymous or otherwise unsubstantiated tip
- An application that was denied or withdrawn, where nothing indicates knowing falsity

10.6 NOTIFICATION TO AEO (GRANTEE) & PRELIMINARY REVIEW

a) **Notification.** Within one business day of identifying possible fraud, the Subgrantee notifies AEO, the Grantee, in writing on Suspected Fraud Report Form (LIHEAP 1700). The notification states the application identifier, the facts observed, the documents reviewed, and the reconciliation steps already taken. The form should be emailed to ee.AEOLIHEAP@arkansas.gov.

b) **Joint preliminary review.** The Subgrantee and AEO complete a joint preliminary review within ten (10) calendar days of the notification. Its purpose is to determine whether the information amounts to credible evidence under 10.4 CREDIBLE EVIDENCE and, where it does, to ensure that the disclosure is accurate and complete.

c) **Disclosure following review.** If the preliminary review concludes that credible evidence exists, the Subgrantee makes the disclosure required by 2 C.F.R. § 200.113 promptly, and in no event later than three (3) business days after that conclusion.

d) **Grantee inaction.** If AEO does not complete the preliminary review within ten (10) calendar days, the Subgrantee makes its own determination under 10.5 and discloses if credible evidence exists. Grantee delay is not a basis for withholding a disclosure.

10.7 OVERPAYMENT

The **OVERPAYMENT** of LIHEAP funds because of error or fraud by the applicant, vendor, contractor, or Subgrantee staff is the responsibility of the Subgrantee. All procedures and efforts to recover funds must be documented for audit purposes. Any payment that is more than the benefit amount that should have been paid or any payment made to or on behalf of an ineligible household is an overpayment. An overpayment may result from the household giving false information or failing to report information or from a Subgrantee error in determining eligibility or payment amount.

10.8 SUBGRANTEE: REPORTING OVERPAYMENTS

Subgrantees agree to the following paragraph found in the Subgrant Agreement Terms and Conditions, No. 4(b).

Mandatory Disclosures. This award is subject to the requirements in 31 U.S.C. § 3321, 41 U.S.C. § 2313, and to the federal regulations at 2 CFR 200.113 as adopted by DHHS at 2 CFR 300, and 2 CFR Parts 180 and 376 governing debarment and suspension. The Subgrantee must promptly disclose, in writing, whenever it has credible evidence of the commission of federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations found in Title 18 of the United States Code, or a violation of the civil False Claims Act (31 USC §§ 3729-3733). Failure to comply may result in any noncompliance remedies, including debarment and suspension.

When an overpayment is identified, the Subgrantee will record in the case record the amount of the overpayment, the reason the overpayment occurred, and any other related information. **Any**

overpayment resulting from a Subgrantee error that is greater than ten dollars ($10.00) will be reimbursed to AEO using non-federal funds.

10.9 SUBGRANTEE: PREVENTION OF FRAUD

Subgrantee Internal Controls

Subgrantees must have internal controls to prevent fraud by clients, staff, management, contractors, and vendors. Controls to prevent Subgrantee fraud or misappropriation, or applicant fraud, should include, at a minimum, a division of responsibility for intake, verification, certification, and payment.

10.9.1 Recovery: Subgrantee

Collection of Overpayments Due to Error

If the Subgrantee determines or is notified by LIHEAP staff through program monitoring that an overpayment has occurred, the Subgrantee must try to recover the overpayment, except when the amount of the overpayment is less than ten dollars ($10.00) or when the Subgrantee referred the case to the Arkansas Energy Office (AEO).

The Subgrantee will use non-federal funds to reimburse AEO the amount of the overpayment. The Subgrantee will reimburse even if the Subgrantee is unable to recover the overpayment from the energy supplier or applicant. These funds will be withheld from the Subgrantee's assistance allocation until funds are repaid.

Overpayments can result from actions or decisions made by the Subgrantee staff that are determined to be in careless or flagrant disregard of policy. Such actions may include but are not limited to the following:

- Failure to verify and/or document all household income from all household members;
- No verification/documentation of household's crisis situation, for example, Deferred Payment Arrangements (DPAs), past due notice, shut-off notices;
- Payment of services not eligible per policy; or
- No verification/documentation of amount to relieve (alleviate) crisis.

If the Subgrantee does not reimburse AEO the amount of the overpayment, AEO may suspend or withhold LIHEAP funds until the Subgrantee makes the reimbursement(s).

The Subgrantee must show all overpayment amounts recovered from the supplier or applicant or that are repaid by the Subgrantee on all data reports submitted to AEO.

10.9.2 Applicant Household Protection: Subgrantee

If Subgrantee error or fraud results in overpayment of LIHEAP benefits and the recall of overpaid funds results, or will result, in an applicant receiving a shut-off notice, the Subgrantee must do the following:

- Notify the affected applicant of the error(s) and
- Assure continual energy for the household(s) by:
    - Using non-federal funds to repay the vendor the recalled amount or
    - Requesting repayment of excess funds from the applicant. If the Subgrantee requests repayment from the applicant, a repayment schedule must be set up, allowing installments for amounts greater than fifty dollars ($50.00).

Underpayments and Incorrect Denials

Underpayments or incorrect denials of applications may be discovered by Subgrantees, program monitors, financial auditors, through the appeal process, or by other means. When these errors are identified, corrective payments will be made, if possible. The amount of corrective payment will be the difference between the benefit amount for which the applicant was eligible, and the benefit amount received. Payment of benefit amounts of less than ten dollars ($10.00) will not be made unless non-payment would result in disconnection.

Questions regarding possible underpayments or incorrect denials should be resolved as soon as possible and documented thoroughly in the case record.

Applicable procedures are as follows:

- Document in the case record the reason for the underpayment or incorrect denial, the amount the household is eligible to receive, and any other relevant information.
- Send an NOA to the household advising of the adjustment, the reason for the adjustment, and the amount of the corrective payment.
- Correct the Chronological Register (LIHEAP 2004) to reflect any changes in disposition or benefit type.
- Payment will be made to the household or energy supplier according to Section 7.0 PAYING LIHEAP BENEFITS, within ten (10) business days of the date that the underpayment or incorrect denial was determined or within ten (10) business days of the date of the appeal hearing decision notice.
- Revised reporting forms for the Monthly Data Report (LIHEAP-2060, LIHEAP-2061, LIHEAP-2062, LIHEAP-2063) will be submitted to reflect the adjustment within twenty (20) business days after the date that the corrective payment is made. The corrective payment will be reflected on the Weekly Data Report (LIHEAP-2065).
- Record the corrective payment in accounting records.

10.10 SUPPLIER

10.10.1 Reporting Supplier Fraud

When an investigation indicates supplier fraud, AEO recommends the following procedures, in addition to those required in

10.6 NOTIFICATION TO AEO (GRANTEE) & PRELIMINARY REVIEW:

- Review the Supplier Agreement for acceptable corrective actions.
- Protect the privacy rights of the vendors and applicants. The Subgrantee must not release client files or supporting documents to anyone who is not a party to the LIHEAP Contract until a subpoena or valid court order is received.
- Terminate payments to the vendor under investigation until the matter is resolved.
- If the Subgrantee determines there is fraud, the vendor will be removed from the LIHEAP vendor list and will be unable to receive payments until reinstated.

Upon notification of vendor removal, AEO will evaluate whether there are issues with the same vendor in other Subgrantee service areas.

10.10.2 Recovery: Supplier Fraud

If supplier error or fraud results in overpayment of LIHEAP benefits, the Subgrantee must notify the applicant and recall all LIHEAP funds overpaid to or on behalf of the household(s). As agreed to in the Supplier Agreement, the supplier will be responsible for the repayment of overpaid funds to the Subgrantee. For any overpayment of LIHEAP funds caused by supplier error or fraud, the supplier must use non-federal funds to reimburse LIHEAP in full when required by the Subgrantee or AEO.

If the applicant received a direct pay benefit that resulted in an overpayment of LIHEAP benefits on behalf of a supplier, the Subgrantee must provide written notification to the applicant. The notification must include the following information, if applicable:

- Request repayment of excess funds not recovered from supplier
- A clarification of the household's rights and responsibilities
- A schedule of suggested installment payments if more than $50.00
- An offer of a face-to-face meeting to discuss a repayment schedule

If the household and the Subgrantee can agree on a reasonable repayment schedule, the Subgrantee must notify the applicant by sending the repayment request, agreement, and repayment schedule to the household and to AEO. This notice will be placed in the applicant's case record.

Recovery of Overpayments from the Energy Supplier Due to Subgrantee Error

When it is discovered that an overpayment has been made to an energy supplier, the Subgrantee will try to recover from the supplier the amount of the overpayment remaining on the household's account as a credit balance.

The Subgrantee will not try to recover from the supplier any portion of the overpayment that has been expended either by the delivery of fuel (e.g., propane or wood) or by applying the benefit to

an existing debt owed by the household. If the payment has been exhausted at the time the overpayment is discovered, then recovery from the supplier will not be pursued.

If an amount equal to or greater than the overpayment remains on the account as a credit balance, Subgrantee will attempt to recover the entire overpayment from the supplier.

If recovery from the supplier is attempted, the Subgrantee will contact the supplier and advise of the reason and the amount of the overpayment and determine if any portion of the overpayment can be recovered from the supplier. Attempts to recover overpayment from the supplier and subsequent arrangements must be documented in the case record. If the overpayment is recovered from the supplier, the applicant must be notified of the following:

- Amount of the overpayment;
- Reason that the overpayment occurred (applicant or Subgrantee error);
- Amount recovered from the supplier and any balance of the overpayment remaining; and
- The household's right to a hearing.

The procedures in Section 10.10.2 Recovery: Supplier Fraud will be followed to recoup any portion of the overpayment not recovered from the supplier.

10.11 HOUSEHOLD

All applicants agree to the "Applicant's Rights and Responsibilities" (found on the application) when they sign an application for LIHEAP benefits.

10.11.1 Reporting Household/Applicant Fraud

Credible claims of household fraud must be investigated by the Subgrantee.

Reasons to investigate may include, but are not limited to examples listed in 10.3 EXAMPLES OF FRAUD and:

- A credible complaint that contradicts application information affecting eligibility or benefits.
- Knowledge that a household has applied in more than one location. The Subgrantee where the household applied last will be the point of contact and will lead the investigation at the Subgrantee level.
- Public information from law enforcement activities or the news media.
- A vendor or contractor complaint of household misuse of assistance or materials.

When an allegation of applicant fraud is received, AEO recommends the Subgrantee do the following, in addition to those required in

10.6 NOTIFICATION TO AEO (GRANTEE) & PRELIMINARY REVIEW:

- Verify facts underlying the complaint by conducting a follow-up interview with the complainant to obtain additional information, if needed.
- If no award has yet been issued, bring any discrepancies to the attention of the applicant, ask for correct documentation, and update the application.
- Protect the privacy rights of the household. Do not share information about the investigation outside AEO, the investigation team, and Subgrantee legal counsel.
- Suspend payment(s) to the household under investigation until the matter is resolved.
- If the Subgrantee determines there is fraud and AEO agrees with the outcome of the investigation, the applicant will not be eligible for LIHEAP assistance for two (2) program seasons. If the applicant is proven to purposely commit fraud against LIHEAP three (3) times, they will be disqualified from receiving benefits for up to five (5) years.

10.11.2 Recovery: Applicant Fraud

When applicant error or fraud results in overpayment of LIHEAP benefits, the following procedures must be followed:

- Document the facts of the overpayment.
- For delivered fuel vendors, recall any LIHEAP credit on the customer account up to the amount overpaid.
- For connected energy vendors, recall the entire amount of the overpayment. The result may be an amount due on the household's vendor account.
- For direct payment to applicant, pursue repayment of the overpayment.

For any of the overpayment situations listed, notify the affected household in writing and include the following information, as needed:

- A request for repayment of excess funds not recovered
- A clarification of the household's rights and responsibilities
- Offer of a face-to-face meeting to discuss a repayment schedule
- A proposed repayment schedule, if amount to be repaid is more than $50.00

If the household and the Subgrantee can agree on a reasonable repayment schedule, the Subgrantee will notify the applicant by sending the repayment request, agreement, and repayment schedule to the household and AEO. This notice will be placed in the applicant's case record.

Recovery of Overpayments from the Household

If the overpayment cannot be collected from the supplier, the Subgrantee must try to recover it from the applicant. The Subgrantee will advise the applicant in writing of the reason, the amount of the overpayment, and the right to a hearing through the appeals process, as indicated in Section **16.0 APPEALS**.

The Subgrantee must determine if recovery from the applicant is feasible. In determining the feasibility of overpayment collection from the applicant, the Subgrantee will review and document the following:

- The household's current monthly countable income;
- Factors that may affect the household's ability to receive or maintain income, such as disability, termination of employment, anticipated receipt of benefits, or the scheduled end of assistance;
- Current household expenses that may preclude overpayment recovery;
- Availability of resources from which repayment might be made; and
- Other social or financial circumstances that may affect the household's ability to repay.

The Subgrantee and the applicant will try to devise a repayment schedule, including installments, without undue hardship to the household. If the applicant and the Subgrantee can agree on a reasonable repayment schedule, the Subgrantee will notify the applicant by sending the repayment request, agreement, and repayment schedule to the household and to AEO. This notice will be placed in the applicant's case record. If the Subgrantee determines that recovery from the household is not feasible, the case record must be documented with the reason(s) for non-recovery and data to support the conclusion that recovery is not feasible.

10.12 COSTS AND RESPONSIBILITY

Except in the case of Subgrantee error or fraud, Subgrantee recovery costs (legal action, fees, and investigations) are allowable administrative expenses. The Subgrantee must document these expenses for future audits.

A Subgrantee employee should immediately inform their LIHEAP management when information on the applicant's LIHEAP application indicates the possible intent to defraud. The Subgrantee will investigate to determine the validity of fraudulent activity and take the appropriate actions, as specified in Section 10.0 Fraud-Related Activity. If the investigation reveals that the fraudulent claim is valid, the Subgrantee will contact AEO with the results of the findings and submit all relevant documents for AEO review. An overpayment of LIHEAP funds exceeding one hundred and twenty-five dollars ($125.00) will be considered for possible legal action by AEO.

If the investigation reveals that the fraud claim was made in error, the application will be processed immediately, and funds will be disbursed.

11.0 SUBGRANTEE: PROGRAM REQUIREMENTS

Each Subgrantee must administer LIHEAP within the guidelines and policy in this LIHEAP Policy and Procedures manual. In addition, Subgrantees must:

- Train staff about LIHEAP policies and procedures.
- Inform applicants of their payment options and other available programs.
- Inform AEO of changes in Subgrantee management and LIHEAP staff, including changes in contact information.
- Send at least one employee to all AEO-administered LIHEAP meetings and training sessions. If unable to participate, the Subgrantee's Executive Director must submit a written explanation to AEO no less than twenty-four (24) hours before the start of the meeting or training.

11.1 CLIENT CONFIDENTIALITY

Collecting, creating, and maintaining data about applicant households is necessary to achieve an effective outcome for LIHEAP's application procedures, eligibility determination, and services. Subgrantees can collect, create, and maintain information manually or electronically. Information must be accessible for program administration, evaluation, and research upon AEO's request.

Subgrantees must make reasonable efforts to establish and maintain LIHEAP client confidentiality, including:

- Concealing applicant information, including identifying information and social or economic circumstances, from other non-program staff in the office.
- Conducting private interviews.
- Encrypting emails when documents contain personally identifiable information (PII), such as date of birth or Social Security Number.
- Not using sign-in sheets unless agency staff keeps the sign-in sheet out of view of others.
- Redacting the applicant's PII before sharing the application electronically or outside the Subgrantee agency.
- Providing applicant or application information only with authorized persons (e.g., power of attorney, etc.).

Subgrantees are authorized to share the following information with utility companies that will receive payment on behalf of a client:

- Utility account number
- Benefit amount
- Payment number
- Name on the utility account and LIHEAP applicant's name, if different
- Service address

- Mailing address, as needed

Subgrantees will make all information available to AEO or federal LIHEAP staff upon request. A client may grant written permission for the Subgrantee to release their PII to an outside entity. The Subgrantee must not otherwise disclose the client's PII.

Note: Subgrantees must follow the Client Confidentiality protocol in this section when handling an applicant's PII.

11.2 SUBGRANTEE WEBSITES

Each Subgrantee website must include:

- Opening and closing dates of each offered program
- How applicants should apply
    - In person, including hours and locations
    - Dropbox
    - Electronic or online application, including links, if available
    - Any other method
    - When the agency is closed
- Income eligibility chart and other eligibility requirements
- Application form
- Appeals process
- Information required to be submitted with the LIHEAP application
- Rights and responsibilities of applicants/recipients (see the LIHEAP application)
- Payment procedures to help applicants understand benefit payments are not automatic and that they should continue paying their utility bills while awaiting the benefit(s)
- Notice that under state or federal law LIHEAP benefits are not considered income/resources for any purpose, including for income tax purposes
- Services available to assist clients, including details specific to LIHEAP Regular and Crisis Assistance benefits, and Assurance-16, if participating.

See APPENDIX L: FORMS for an example checklist compiled and used by a LIHEAP Subgrantee. The sample checklist outlines the core elements required for a compliant public-facing website and is provided only as a reference.

11.3 THE "PRUDENT WORKER" CONCEPT

While the purpose of this manual is to reasonably guide Subgrantees on how to administer LIHEAP in Arkansas, it is impossible to foresee every question that might arise. AEO encourages all Subgrantee staff to make decisions based on good judgment, common sense, ethics, diligence,

program knowledge, and experience. Reasons a specific decision was made with the supporting evidence for making that decision are essential and must be included in the case record.

Exercising good judgment by asking questions, showing reasonable care and diligence, acting in good faith and with integrity, and recognizing inconsistencies in information, the prudent worker must make reasonable decisions based on information, documentation, and knowledge of LIHEAP when processing an application. Questionable or contradictory information provided by an applicant should always be thoroughly verified. The prudent worker will avoid conflicts of interest, be watchful and mindful of negligence and dishonesty, and make ample case record notes. Further, the prudent worker will communicate with applicants in a timely manner regarding inquiries about services, payments, eligibility, and applicants' rights and responsibilities.

The prudent worker must always avoid the appearance of conflicts of interest or other improprieties such as acting favorably on an application if eligibility is questionable.

The Subgrantee must direct questions to AEO if situations are encountered that are not clearly outlined in LIHEAP Policy. When situations are broadly covered by existing policy guidelines, the Subgrantee can make a judgment that, in conjunction with program knowledge and documentation of the applicant's situation, is defensible as reasonable and prudent.

11.4 SUBGRANT AGREEMENTS

Annually, Subgrantees must submit block Subgrant Agreements to AEO to receive LIHEAP funds. The Subgrant Agreement details the proposed budget, Scope of Work, required disclosures, and terms and conditions of the grant. The Subgrant Agreement lists the amount of funds obligated and the budget/program dates. The agreement is for both the summer and winter program seasons, but a new Scope of Work must be submitted before the summer program season to capture any changes the Subgrantee has made or will make since the Subgrant Agreement was executed.

11.5 CHRONOLOGICAL REGISTERS

Subgrantees must maintain **CHRONOLOGICAL REGISTERS** (LIHEAP 2004) for:

- Each program (i.e., Summer Program, Winter Program)
- Each category of assistance (i.e., Crisis Assistance, Regular Assistance, A-16)
- Each county served by the Subgrantee

Crisis Assistance registers must be maintained separately from Regular Assistance registers. The Subgrantee will maintain only one Chronological Register per county for each category of assistance.

For example, when the ABC agency offers Regular Assistance, Crisis Assistance, and A-16, the agency must have:

1. A Winter Regular Assistance Chronological Register for each county the agency serves.
2. A Winter Crisis Heat Chronological Register for each county the agency serves.

3. An A-16 Chronological Register for each county the agency serves.

PROCEDURE 11.5.1 COMPLETING THE CHRONOLOGICAL REGISTER

1. Enter each application on the applicable Chronological Register (LIHEAP 2004) on the date the application is received by the Subgrantee central or outreach office. Separate registers must be maintained in each office where applications are accepted and where case records are sent.
2. Assign each application a register number.
3. Record the application register number on the Chronological Register in sequential number and date order.
4. Do not duplicate or omit register numbers.
    a. If an application is registered more than once or an incorrect register number is entered on the Chronological Register, deny the incorrect number and create a dummy application folder which includes documentation of the error and the resulting denial.
5. Do not alphabetize applications before entering them into the Chronological Register.
6. The Chronological Registers must be completed per this policy and the instructions on the back of the registers.

IF	THEN	AND
Final approval and payment are made from the Subgrantee's outreach offices.	The Chronological Register must be maintained only in the outreach offices.	• The Application Date, Register Number, Category, Full Name, and Address columns on the register must be completed upon receipt of each application. • The Action and **ACTION DATE** columns on the register must be completed upon disposition.
Final approval and payment are made from the Subgrantee's central office.	• A Chronological Register must be maintained in each office where	• The outreach office is required to complete the Application Date, Category, Name, and Address columns. • The outreach office must include a duplicate of the register when

IF	THEN	AND
	applications are accepted, and • A duplicate register kept in the central office. • The application date is the date the application is received in the outreach office. The date will not be changed or altered upon receipt in the central office.	applications are forwarded to the central office. • If the application is not assigned a register number in the outreach office, the number must be assigned upon receipt in the central office. • The Subgrantee must record the register number both on the Chronological Register and on the application form. • Upon disposition of the application, the Action and Action Date columns must be completed only on the register maintained in the central office.
Applications are processed only in the Subgrantee central office	• Only one copy of the Chronological Register must be maintained.	• On the date an application is received in the Subgrantee office, the Application Date, Register Number, Category, Full Name, and Address columns must be completed. • Upon disposition of the application, the Action and Action Date columns must be complete.
The Subgrantee outreach office makes final approval and maintains the case record, but the central office makes the payment.	• The outreach office will maintain the Chronological Register.	• No duplicate register is required.

Figure 19: Options to Complete the Chronological Register

12.0 RECORDS RETENTION

Subgrantees must follow the federal guidelines found at 2 CFR § 200.334 to retain LIHEAP records for at least three (3) years from the date of submission of its final financial report. This guideline applies to all application records, financial records, supporting documents, statistical records, records for equipment acquired with LIHEAP funds, and any other records relating to the implementation of LIHEAP, including contracts and expenditures. Records for property and equipment acquired with Federal funds must be retained for three (3) years after final disposition of the property.

Health Insurance Portability and Accountability (HIPAA) related records will be retained for a minimum of six (6) years from the date of the sub-grant expiration.

Records must be maintained and kept in such a manner that enables a review of and reconciliation of any records (e.g., alphabetical order, chronological record order, etc.). All supporting documentation must be easily accessible and associated with the respective record (i.e., supporting documents must be able to be connected to the core record).

Records, whether electronic or hard copy, for each program year must be securely stored together in a specific location or storage site for three (3) years or until all auditing, litigation, or claims are complete and final action has been taken and documented, whichever is longer, as specified in 2 CFR 200.334.

13.0 ENERGY SUPPLIERS

The Subgrantee will negotiate and maintain written Supplier Agreements with energy suppliers using the Supplier Agreement (LIHEAP 2050) provided by AEO except in situations where direct household payment is permitted under Section 7.2 HOUSEHOLD PAYMENTS.

Energy Suppliers must participate in the efficient operation of LIHEAP. Energy Supplier responsibilities are outlined in the Supplier Agreement (LIHEAP 2050).

13.1 SUPPLIER PAYMENTS

Energy Suppliers will receive payments on behalf of eligible households for Crisis, Regular, and A-16 benefits. To receive a direct LIHEAP payment, the Energy Supplier must have a signed Supplier Agreement form (LIHEAP 2050) in effect between the Supplier and the Subgrantee. The Supplier Agreement (LIHEAP 2050) specifies how payments will and will not be applied. Payments must not be applied to charges for merchandise-related expenses or charges for utilities or services other than home energy (electricity, natural gas, propane, wood, pellets, kerosene, or fuel oil).

Except for those situations indicated in Section 7.2 HOUSEHOLD PAYMENTS, all Regular Assistance and Crisis payments will be made directly to the home energy supplier.

13.2 UNUSED BENEFITS: ENERGY SUPPLIER RESPONSIBILITIES

Suppliers will return all unused benefits to the Subgrantee as indicated in the Supplier Agreement (LIHEAP 2050).

14.0 REPORTING

Pursuant to Regulation 45 C.F.R. § 96.30(b), AEO will report annually on the obligation and expenditure of block grant funds. As required, AEO will collect and report statistical and demographic data to evaluate LIHEAP. The data is used for monitoring the program and planning subsequent programs. Additionally, AEO will submit required reports to the U.S. Department of Health and Human Services (DHHS): LIHEAP Performance Data, LIHEAP Household Report, Grantee Survey, quarterly reports, and any other reports required by DHHS.

LIHEAP Performance Data consists of household information entered into authorized software from the application. Energy burden information is collected from energy suppliers. The information collected for DHHS is a compilation of data from the fourteen (14) Community Action Agencies, utility suppliers, and AEO, as required. Subgrantees will provide data for all required reports to document financial, statistical, and household demographic information. Each Subgrantee must submit to AEO or its contractor information as specified on the following forms:

- Monthly Data Report (LIHEAP 2060, LIHEAP 2061, LIHEAP 2062, and LIHEAP 2063, built into the data collection system) only upon request
- Weekly Data Report (LIHEAP 2065, built into the data collection system)
- Closeout Reports

Subgrantees must submit all report data electronically to AEO or its contractor via an AEO-approved method. Subgrantees must maintain documentation to support expenditures and statistical data. Subgrantees unable to support reported data may be subject to remedies for noncompliance as outlined in 2 CFR 200.339-343.

14.1 MONTHLY DATA REPORT

The Subgrantee will ensure, by maintaining back-up computer systems for whatever information is required, that data regarding household, disposition, and demographics obtained each month can be readily reproduced, revised, and corrected, where and when needed, as requested by AEO.

The Subgrantee must be able to produce a Monthly Data Report if it is requested. Monthly Data Reports indicate the month's case dispositions and household characteristics for each application:

- Approved (LIHEAP 2060) and denied (LIHEAP 2061) for Regular Assistance
- Approved (LIHEAP 2062) and denied (LIHEAP 2063) for the Crisis Assistance Program

The Monthly Data Reports will also indicate the number of applications received by the agency in each county.

The Monthly Data Reports must be submitted electronically for each month and for each county within the Subgrantee's area of responsibility, when requested.

14.2 WEEKLY DATA REPORT

Financial and data reporting, including A-16 data, must be submitted using the Weekly Data Report (LIHEAP 2065). The Weekly Data Report (WDR) must be completed and electronically submitted to AEO no later than the Friday morning of the week following the reported week (e.g. the report for the week ending April 18 is due by Friday, April 25).

WDRs must be submitted each week even when no services have been delivered or expenditures incurred during the program season. When there is no activity to report, the Subgrantee must indicate by entering a zero (0) in the related field.

Subgrantees must ensure that all applications processed during the week of the report are captured on the WDR.

These forms must be emailed to the AEO administrative analyst, the E&E Program Supervisor for AEO Operations, the Fiscal Support Specialist, and the designated LIHEAP Grants Analyst.

Season-End Weekly Data Reports

To comply with federal and State requirements, a Weekly Data Report must be completed and submitted to AEO as follows:

- The State's fiscal year is July 1–June 30. Subgrantees must indicate activities, total expenditures, and funds advanced/received for the period that ends June 30 no later than July 31.
- The federal fiscal year is October 1–September 30. Subgrantees must indicate activities, total expenditures, and funds advanced/received for the report that ends September 30 on the final Closeout Report that is due thirty (30) calendar days following the program's closure.

14.3 CLOSEOUT REPORT

Requirements for Closeout Reports can be found in Section **9.7.1 Closeout Reports.**

15.0 MONITORING

In accordance with 42 U.S.C. §8624(b)(10), AEO will periodically audit or monitor Subgrantees to ensure that federal and State policies and procedures are accurately implemented.

Monitoring will ensure that the federal funds paid to the State of Arkansas for LIHEAP are properly disbursed and accounted for, following the procedures and provisions of "the Single Audit Act" (31 U.S.C. 7501 *et seq.*).

The monitoring process will:

- Fulfill the LIHEAP Federal Block Grant requirement to review the practices of local agencies,
- Protect the applicant's rights,
- Verify that files are properly maintained,
- Verify that files contain required documentation for applicants,
- Establish training or technical assistance needs,
- Identify procedural problems or concerns in the program, and
- Help the Grantee develop guidance specific to the Subgrantee's needs.

Subgrantees and Energy Suppliers who are involved in LIHEAP program activities are monitored regularly by AEO staff through on-site visits, remote monitoring, or yearly risk assessments. Program monitoring ensures LIHEAP policies and procedures are followed with administrative efficiency and effectiveness. Monitoring can identify policy and procedure weaknesses and assist in evaluating the effectiveness of Subgrantees in meeting the program goals. Program monitoring is the first round of evaluation that ensures Subgrantees are fulfilling their responsibilities in carrying out the program.

Program monitoring allows AEO to offer training and technical assistance for specific issues noted during reviews and in reviewing LIHEAP reports.

Monitoring may be conducted on-site or remotely and may be based on risk analysis.

The sample of files for monitoring will be selected using a formula to determine a percentage based on the amount of allocation and the number of clients served by the agency. The Chronological Register(s) or other electronic method of identifying applicants will be used to determine the sample.

AEO Operations staff will review Subgrantee financial practices related to LIHEAP. Reviews may be either in-person or remote, or both.

15.1 MONITORING SUBGRANTEES

AEO will conduct on-site monitoring at least every three years. Virtual desk reviews will be conducted more frequently.

Monitoring activities include, but are not limited to, compliance regarding outreach, eligibility determination, amount of assistance, timeliness of assistance, income verification, **CASE MANAGEMENT ACTIVITIES**, agreements with home energy suppliers, maintenance of LIHEAP records, Priority Enrollment (PE) and income verification listings, and compliance with reporting and recordkeeping requirements. AEO also will monitor the Subgrantee's responsiveness to client contacts (e.g., reports of clients unable to reach the Subgrantee, unreturned calls from the Subgrantee, etc.). In addition, AEO will review coordination with weatherization services, reviewing the WAP case files of LIHEAP applicants whose homes have been weatherized.

AEO will review how well Subgrantees comply with the LIHEAP Policy Manual, the Subgrant Agreement, and any instructional directives issued during the current Federal Fiscal Year.

AEO staff will contact Subgrantees to schedule program monitoring visits.

Prior to the monitoring visit, the Subgrantee shall provide chronological registers in the format and method AEO requires.

AEO staff will conduct an exit conference with the Executive Director and other Subgrantee staff as needed at the conclusion of the monitoring reviews. The conference will consist of:

- Review of preliminary findings,
- Opportunity for the Subgrantee to express agreement or disagreement with the preliminary findings, and
- If needed, any immediate corrections.

Within sixty (60) days after the visit, AEO will generate a monitoring report outlining the findings and required corrections. AEO reserves the right to include in the monitoring report any additional findings not discussed in the exit conference. Further analysis of documents and records may bring up additional issues. The monitoring report will be provided to the Executive Director and LIHEAP Director of the Subgrantee agency.

15.1.1 Reports and Corrective Action Requirements for Subgrantees

Program monitoring reports will be given to the Subgrantee agency within sixty (60) days after the review. The Executive Director must respond with a corrective action plan (CAP) within thirty (30) calendar days of receipt of any report requiring corrective action. When the findings involve issues of eligibility or payment, the Subgrantee must implement corrective actions immediately after AEO's final determination. If additional time is needed, the Subgrantee must request in writing the amount of time needed and the reason(s) for the request.

The CAP must contain:

- The action(s) taken to correct each finding in the monitoring report.
- The steps the Subgrantee takes or plans to take to prevent the issues from happening again. Corrective action procedures must be specific and related to the finding and the request indicated in the monitoring report.
- Documentation of the steps taken to correct each finding. The documentation must be attached to the CAP (e.g. copy of case record documentation, copy of corrective payment check, copy of Notice of Action or Weatherization Referral form, income verification).
- All information and documentation requested in the Monitoring Report for each finding.

***NOTE**: When detailing the steps planned, focus on specific actions that can be measured regarding how well they address a particular problem.*

Responses to findings must be listed in the CAP in the same order as in the Monitoring Report. Responses must clearly identify any documentation and indicate which finding it corrects.

A Subgrantee that implements a second-party review as part of its CAP must indicate:

- The type(s) of cases (Regular, Crisis, etc.) to be reviewed,
- Whether a full or partial review will be completed (the specific criteria and problem area, e.g., payment or computation of income, must be indicated in a partial review),
- An approximate number to be reviewed,
- The length of time the review will be in effect,
- Name of the person(s) completing the second-party review, and
- The date of the second-party review.

15.1.2 AEO's Response to Subgrantee's CAP

AEO will review the CAP and submit a response to the Executive Director. The LIHEAP staff will consider previous monitoring reports and corrective action plans submitted by the Subgrantee when evaluating the current CAP. Status reports may be required for certain actions specified in the plan.

If the CAP is not approved, AEO will explain the unacceptable areas and the Executive Director will have fifteen (15) calendar days from the date of the response to submit to AEO a CAP amendment that addresses the unacceptable area(s).

15.1.3 Subgrantee Non-Compliance

AEO reserves the right to identify deficiencies in the performance of any Subgrantee and require remedial action from such Subgrantees, as outlined in 2 CFR 200.339, including:

- Withholding or suspending funds
- Requiring repayment of LIHEAP funds
- Terminating the Subgrant Agreement
- Selecting an alternative Subgrantee
- Operating the program directly.

If a Subgrantee is no longer able or willing to administer LIHEAP in its service area, or if AEO determines the Subgrantee has breached its contract, or if a Subgrantee contract is terminated by either party, AEO reserves the right to operate the program directly or to select an alternative Subgrantee(s) to provide LIHEAP services in the service area of the terminated Subgrantee's service area.

15.2 MONITORING ENERGY SUPPLIERS

Subgrantees must monitor at least five percent (5%) of contracted energy suppliers to ensure compliance with the Supplier Agreement, particularly with the treatment of LIHEAP beneficiaries, timely application of client LIHEAP benefits, and timely refunds of LIHEAP benefits that cannot be applied to a client's account. All client complaints about utilities must be investigated.

AEO may monitor energy suppliers' compliance with LIHEAP policies and the Supplier Agreement.

15.2.1 Energy Supplier Noncompliance

In instances where an energy supplier is suspected of non-compliance with one or more of the terms in the Supplier Agreement, the Subgrantee will attempt corrective action with the energy supplier. The Subgrantee must document the corrective actions that the Supplier agrees to implement and provide a copy of the corrective actions to AEO by email at ee.AEOLIHEAP@arkansas.gov.

The Subgrantee should notify AEO immediately in writing when an energy supplier is suspected of non-compliance with one or more of the terms in the Supplier Agreement. If corrective action is required and not taken after the Subgrantee's attempts, the matter should be elevated to AEO.

AEO will investigate issues of suspected non-compliance referred by the Subgrantee. If it is determined that the supplier is in compliance, AEO will issue a response to the Subgrantee to inform them that no further action is required. AEO will issue a letter to non-compliant suppliers of the findings and request that a CAP be submitted to AEO within thirty (30) calendar days. AEO will request a proposal for settlement of any financial discrepancies to be included in the CAP.

The energy supplier's CAP shall address each area of non-compliance, the actions taken or planned to come into compliance, and an estimated date for each action. Documentation of action(s) already completed must be attached to the CAP.

15.2.2 AEO's CAP Response to Energy Supplier and Subgrantee

AEO will review the CAP and issue a response to the supplier. If the CAP is not approved, AEO will notify the supplier of the unacceptable areas and request that the supplier submit a CAP amendment within fifteen (15) business days. If additional time is needed, the supplier must request in writing the amount of time needed and the reason(s) for the request.

AEO is responsible for monitoring the implementation of the plan after the CAP is approved.

Agreements with energy suppliers that do not satisfactorily implement the CAP or are uncooperative will be terminated for the remainder of the current LIHEAP program season. AEO will issue a letter to the Subgrantee and supplier to advise both entities that the agreement with the supplier must be terminated. Agreements with the non-compliant supplier are prohibited until the supplier demonstrates a good-faith effort to comply with program requirements.

15.3 FISCAL MONITORING

AEO Fiscal staff will review Subgrantee financial practices related to LIHEAP (in-person and remote).

15.3.1 Desk Reviews

Desk reviews will consist of, but not be limited to, the review of:

- Contracts, files, documents, and related correspondence
- Applicable federal and state regulations
- Budget and expenditure reports
- Single agency audits
- Prior monitoring reports
- Subgrantee equipment inventory tracking.

15.3.2 Field Reviews

Field reviews will consist of, but not be limited to the following:

- Entrance Conference – may be handled remotely, prior to monitoring
    - A description of the scope and purpose of fiscal monitoring, including information to be reviewed and determination that information required to complete monitoring visit is available at the site or is sent prior to monitoring.
- Interviews
    - With staff involved in the Subgrantee's LIHEAP activity (specifically fiscal staff);
    - Exit interview.
- A review of:
    - Fiscal records for compliance with the Subgrant Agreement and generally accepted accounting principles.
    - Pay records (timecards/sheets) and attendance reports to ensure controls are established for preventing unauthorized payments.

- Agreements between Subgrantees and the Service Providers (Suppliers) to ensure services are being provided and payments are appropriate.

15.4 RISK ASSESSMENT

AEO will require an annual risk assessment for every Subgrantee. If a Subgrantee's risk assessment score falls below satisfactory, AEO will conduct a full monitoring visit.

Risk Assessment Scoring Guidelines

SCORE	MONITORING PLAN	SUBGRANTEE RESPONSIBILITY	RESULT
High Risk (57-71)	AEO will identify factors that contributed to the high-risk score. AEO will prepare and distribute a report that outlines non-compliance issues and areas that require improvement.	The Subgrantee will respond to AEO with a CAP within fifteen (15) calendar days. AEO will provide a schedule of the evaluation process and/or site visits. The Subgrantee may be required to submit more frequent progress, performance, or financial reports until further notice.	• Increased monitoring frequency • Possible grant evaluation • Possible site visit • Additional technical assistance and training
Medium Risk (36-56)	AEO will identify factors that contributed to the medium-risk score. AEO will prepare and distribute a report that outlines non-compliance issues and areas that require improvement.	The Subgrantee will respond to AEO with a CAP within thirty (30) calendar days. AEO will provide a schedule of the evaluation process and/or site visits. The evaluation and follow-up may be conducted via desk review. The Subgrantee may be required to submit more frequent progress, performance, or financial reports until further notice.	• Possible increased monitoring frequency • Possible grant evaluation • Additional technical assistance and training
Low Risk (0-35)	AEO staff will continue to monitor progress, performance, or financial reports for accuracy and timeliness with no significant programmatic changes.		Monitoring per usual schedule

Figure 20: Risk Assessment Scoring Table

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16.0 APPEALS

16.1 APPLICANT'S APPEAL RIGHTS

The Arkansas Department of Energy and Environment, AEO's policy for hearings is in compliance with 42 U.S.C. § 8624(b)(13), also known as the Low-Income Home Energy Assistance Act of 1981 (LIHEAP). WAP appeals will be handled according to the policy in the WAP Subgrantee Operations Manual. LIHEAP Assurance 13 requires that AEO (the Grantee) *"provide an opportunity for a fair administrative hearing to individuals whose claims for assistance… are denied or are not acted upon with reasonable promptness."*

Based on Assurance 13, AEO acknowledges that the following are reasons that applicants can file an appeal:

- The household is determined to be ineligible for services based on the eligibility criteria for the program,
- The benefit amount is less than anticipated, or
- The benefit is delayed because the Subgrantee did not process the application as quickly as policy requires.

During any phase of the appeals process, the applicant may designate a representative to assist them. An applicant may submit a written statement designating a representative to speak on the applicant's behalf, which may include a statement made on the Request for Appeal Hearing form (LIHEAP RFAH). Applicant has no right to legal representation in the appeals process, but upon request, the Subgrantee or AEO may refer applicants to Legal Aid (https://arlegalaid.org/) or Arkansas Legal Services (www.arlawhelp.org).

16.2 NOTIFICATION OF RIGHT TO APPEAL

Subgrantee or Contractor (Subgrantee) must inform applicants of the appeals and hearing process verbally and in writing. They may inform an applicant of their right to appeal by:

- Providing onsite or website postings of the appeals and hearing process,
- Verbally explaining the process to the applicant at the time of application,
- Providing information in other languages spoken by applicants, when necessary,
- Ensuring that the appeals and hearing information is included with the application as well as with each NOA sent.

The Subgrantee must also inform the applicant in writing that a Request for Review (LIHEAP RFAH-1) may be submitted to its office within thirty (30) calendar days of receiving notification of a decision about the application. The postmark or electronic date stamp on the NOA will serve as the date the appeal form was sent.

16.3 PHASES OF A DETERMINATION REVIEW AND APPEAL

It is AEO's intent that any complaint about an eligibility determination or about the absence or delay of an eligibility determination or about the amount of a benefit will be considered a Request to Review Determination. The complaint will be dealt with at the Subgrantee office to provide a resolution as quickly as possible so that benefits are forthcoming (if the applicant is deemed eligible). A formal appeal hearing is considered the last resort after all other efforts to resolve the complaint have been exhausted. Whether a complaint is filed or a hearing is requested, the applicant should be informed of any delays of potential benefits.

16.3.1 Determination Review

A. When AEO receives a complaint, AEO will contact the Subgrantee where the applicant submitted the LIHEAP application. AEO will provide all information received from the applicant and ask the Subgrantee to follow up by contacting the applicant. During this process, the applicant may submit new or additional information to be considered.

   The Subgrantee must notify AEO and the applicant of the resolution of the complaint within ten (10) business days of receiving the complaint.

B. When an applicant contacts the Subgrantee directly, the Subgrantee will handle the complaint by reviewing and trying to resolve the issue according to policy within ten (10) business days. During this process, the applicant may submit new or additional information to be considered. During the Determination Review, AEO is available to consult with the Subgrantee about any policy questions.

   The Subgrantee must notify AEO and the applicant of the resolution of the complaint within ten (10) business days of receiving the complaint.

16.3.2 Appeal of Determination Review

If the Subgrantee is unable to arrive at a resolution with the applicant, the complaint will be sent securely to AEO, along with all other documents relating to the complaint, which should include the following:

- Case file documents (e.g., application, paystubs, household income documents, utility bills),
- Actions the Subgrantee took on the complaint, including any and all documented communication (email, phone calls, postal mail, or otherwise),
- All other documents the Subgrantee used to make a decision,
- A summary of findings, and
- The decision the Subgrantee made.

The Deputy Director of AEO or designated representative will review the complaint issues raised by the applicant and all related documentation provided. Within ten (10) business days of receipt

from the Subgrantee, AEO will send its resolution in writing and information about how to request a Fair Administrative Hearing to the applicant and the Subgrantee.

16.4 REQUEST FOR A FAIR ADMINISTRATIVE HEARING

At the same time AEO provides its decision in writing to the applicant and the Subgrantee, AEO will inform the applicant that a request for a formal hearing must be received by AEO no later than thirty (30) calendar days from the date the applicant received AEO's decision. AEO will send the decision by certified mail with return receipt requested to show the delivery date.

16.5 APPEAL – FAIR ADMINISTRATIVE HEARING

An appeal or request for a Fair Administrative Hearing must be submitted to AEO in writing by email to ee.aeoliheap@arkansas.gov or by mail to:

Arkansas Dept. of Energy & Environment
Attention: AEO / LIHEAP Appeals
5301 Northshore Drive
North Little Rock, AR 72118

16.6 FAIR ADMINISTRATIVE HEARING

Once AEO receives a request for a Fair Administrative Hearing, the Administrative Hearing Officer will determine the following procedural schedule:

1) The deadline for completion of discovery – defined as the formal process in which AEO and the applicant exchange relevant information, evidence, and testimony – set by the hearing officer. This discovery date shall not be more than ninety (90) calendar days from the date of the hearing request,
2) The date by which the parties shall provide documents to the Administrative Hearing Officer as exhibits,
3) Time and date for the hearing, and
4) The location (AEO will consult with the applicant before the location and method of the formal hearing are set). The hearing may be held by phone.

For the Fair Administrative Hearing, AEO and the applicant can conduct discovery, present witnesses, present other evidence, and have the right to cross-examination of the other party's witness(es). AEO and the applicant may engage representation for the Fair Administrative Hearing. The Fair Administrative Hearing will proceed as follows:

- The applicant will state the reason for their request for a hearing.
- The applicant will present evidence and witnesses.
- AEO will state the reason for its decision.
- AEO will present evidence and witnesses.
- Administrative Hearing Officer will issue the final administrative decision on the case.

The Administrative Hearing Officer will submit a recommended decision to the Deputy Director of AEO within ten (10) business days of the hearing. The Deputy Director of AEO will issue a final decision within ten (10) business days of receiving the Administrative Hearing Officer's recommended decision.

The Administrative Hearing Officer will inform the parties in writing of the final decision within five (5) business days of receiving the decision of the Deputy Director of AEO. The final decision shall include the reason for the decision supported by applicable policies, rules, and laws. The final decision of the Deputy Director of AEO constitutes a final decision made by the Arkansas Department of Energy & Environment, Division of Environmental Quality, which can be appealed to the Arkansas Pollution Control & Ecology Commission (APC&EC) pursuant to 8 CAR pt. 11.

16.7 WITHDRAWAL OF REQUEST FOR A FAIR ADMINISTRATIVE HEARING

Requests for determination review and fair administrative hearing will be considered withdrawn if, after receiving notification of a decision, the applicant fails to respond within thirty (30) calendar days that they disagree with the decision and want to pursue the next step of the process.

The applicant also may withdraw a request for a Fair Administrative Hearing at any time by completing a signed statement. Applicants should submit their withdrawal requests to AEO by email to ee.aeoliheap@arkansas.gov or by mail to:

Arkansas Dept. of Energy & Environment
Attention: AEO / LIHEAP Appeals
5301 Northshore Drive
North Little Rock, AR 72118

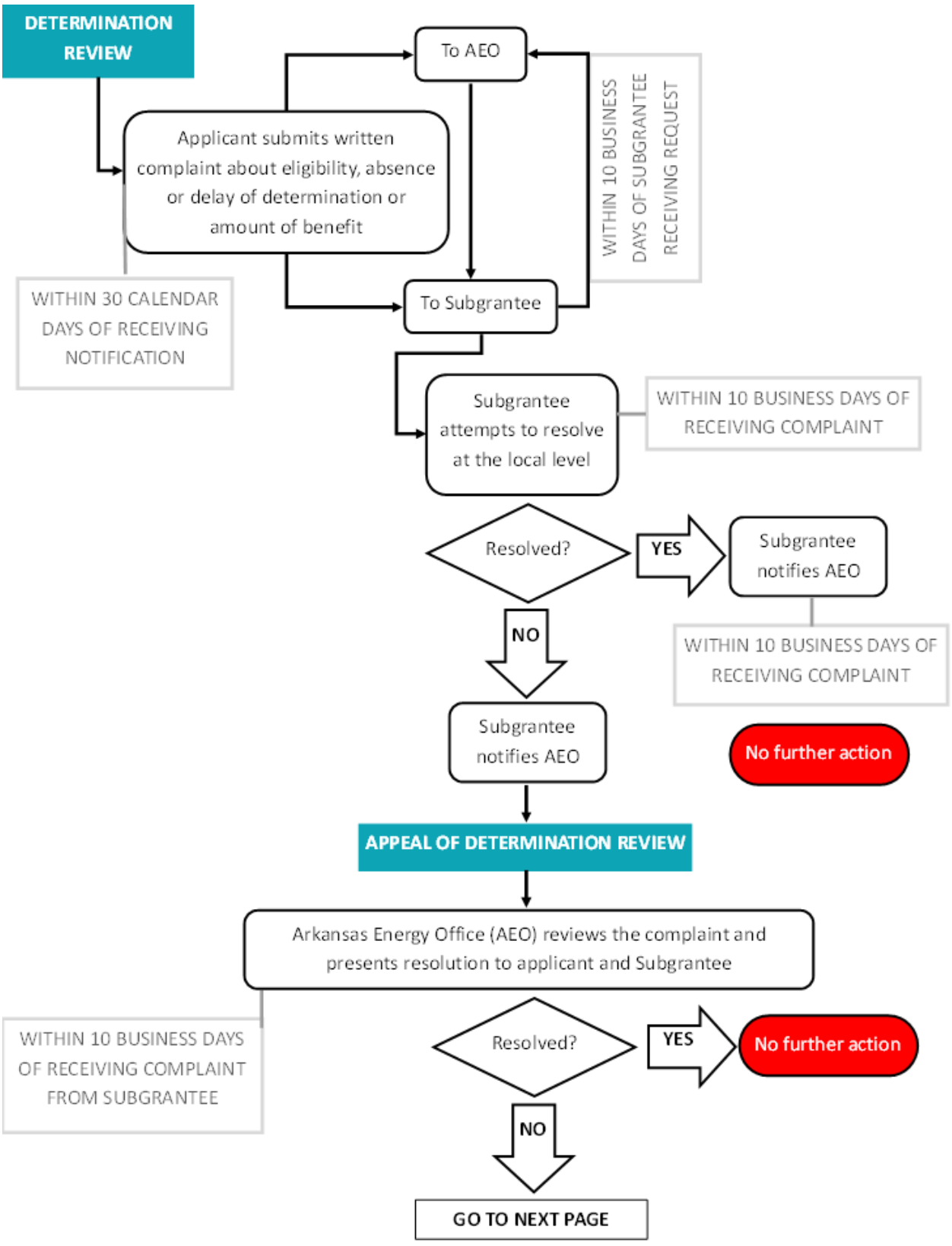


Figure 21: Appeals Process, part one

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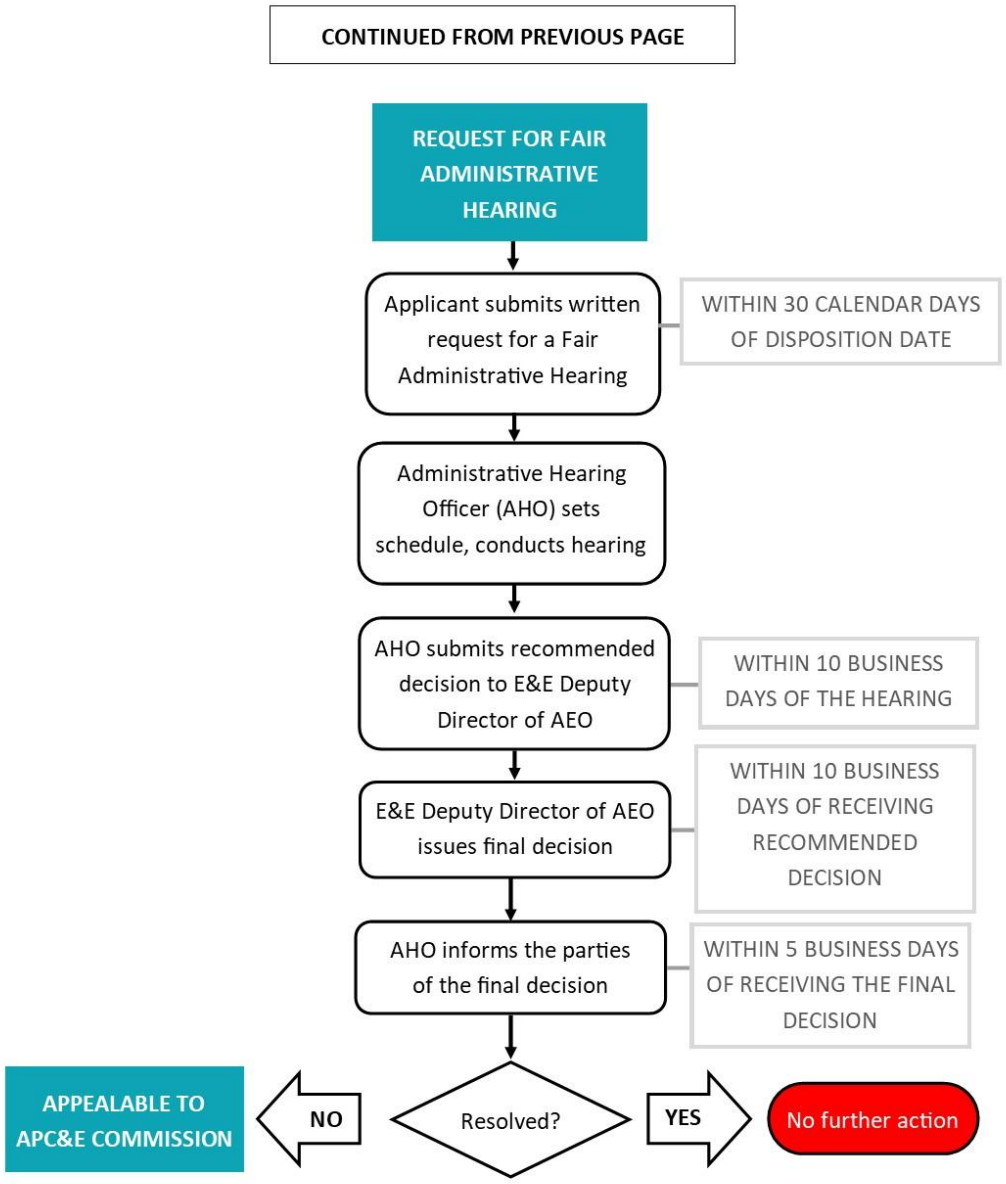


Figure 22: Appeals Process, part two

17.0 ACRONYMS AND DEFINITIONS

Action Date – The date on which the Subgrantee takes the action either to deny or to approve an application or on which the application is withdrawn by the applicant. This date is entered in the Chronological Register.

Abuse –Excessive or improper use of government resources, including position and authority.

Administrative Costs – Those Subgrantee costs that cannot be identified with any single program (block) but are indispensable to the conduct of agency activities and the organization's survival.

AEO – Arkansas Energy Office within the Division of Energy and Mineral Resources, Arkansas Department of Energy and Environment.

Application – A written request for Low Income Home Energy Assistance on a LIHEAP application (LIHEAP 9495) by an applicant, a responsible member of the household, or an authorized representative.

Approval – The Subgrantee's decision to grant LIHEAP benefits as requested on an application. This is indicated in the Notice of Action sent to the applicant.

Arkansas Public Service Commission – The governing body of public utilities established by the State of Arkansas. The Commission is charged with ensuring that public utilities provide safe, adequate, and reliable utility service at just and reasonable rates.

- **COLD WEATHER RULE,** 23 CAR § 455-615 **–** Electric and gas utilities may not suspend residential service on a day when the National Weather Service forecasts that a temperature of 32 degrees Fahrenheit or lower will occur at any time during the following 24-hour period. The utility must obtain the most current forecast for the customer's weather zone from the National Weather Service reports on the morning of the day that the customer's shut-off is scheduled.

- **Life-Threatening Medical Condition,** 23 CAR § 455-617 **(titled "Medical need for utility service") –** Each utility must honor a physician's certificate which attests to the fact that a residential utility customer or any other permanent resident of the household has a serious medical condition. The certificate must clearly state that the suspension of utility service would give rise to a substantial risk of death or gravely impair the health of the customer or another permanent household resident.

- **HOT WEATHER PROTECTION,** 23 CAR § 455-618(f) **(titled "Elderly and individuals with disabilities") –** An electric or gas utility must not suspend residential service to elderly customers or individuals with disabilities on a day when the National Weather Service forecasts that a temperature of 95 degrees Fahrenheit or higher will occur

at any time during the following 24-hour period. For gas utilities, hot weather protection will be limited to elderly or individuals with disabilities gas-powered air conditioning customers only.

Assurance 16 (A-16) – U.S.C. Title 42, section 8624 (b)(16) defines Assurance 16 as funds used: "…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."

Assurance 16 (A-16) Activities – Services, including but not limited to risk assessment, counseling, and energy education/awareness that Subgrantees can offer to help low-income households reduce their overall energy use. Subgrantees that elect to offer these activities must notify AEO in writing each year by submitting a program proposal for AEO's approval.

Authorized Representative – A person whom the head of the household has designated to act on behalf of the household to make an application for assistance.

Boarder – An individual to whom a household furnishes lodging and meals for compensation. Members of the household who contribute toward expenses are not considered boarders.

Braiding/Braid Funds – To coordinate or combine funds from multiple sources to achieve the maximum benefit for a household.

Case Management Activities (CMA) – Services provided through the Assurance 16 (A-16) program that encourage and enable households to reduce their home energy needs and their need for energy assistance.

Case Record – A LIHEAP applicant's file that contains the application, verification, and documentation to support the determination of eligibility or ineligibility and payment. The case record must also contain copies of all administrative forms, including notices and referrals.

Chronological Register – (LIHEAP 2004) A record of applications kept by the Subgrantee. Applications are assigned sequential register numbers to ensure that they are processed in the order in which they were submitted.

Compacts of Free Association (COFA) citizens – Citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau who are granted the right to live and work in the United States and its territories.

Cost Allocation Plan – A narrative description of the procedures that the State agency will use in identifying, measuring, and allocating all State agency costs incurred in support of all programs administered or supervised by the State agency. (2 CFR § 200.416 and Appendix IV to Part 200)

Credible Evidence – Commonly defined as information "that is worthy of belief; trustworthy evidence." Using this standard means that grant recipients, subrecipients, and applicants do not need to make a firm legal determination that a criminal law has been violated before they are required to disclose a violation to the pass-through entity, if applicable; the grantor agency; and the cognizant Office of Inspector General.

Crisis Assistance – Crisis Assistance benefits are available for eligible households to resolve home energy-related emergencies or crises. Crisis Assistance is available during designated application periods.

Date of Application – The date the signed application is received by any Subgrantee office designated to accept LIHEAP applications.

Days – Any reference to day(s) is defined as calendar days unless otherwise specified.

Disposition – The approval or denial of a LIHEAP application by a Subgrantee or the withdrawal of an application by an applicant.

Documentation – The recording of information supporting case disposition and payment determination in the case record client file, either through written entry or by including a copy of verification such as a copy of a Social Security award letter or copies of check stubs.

Duplicate Payment – The payment of more than one (1) Regular Assistance or Crisis Assistance payment to one (1) household during the same seasonal LIHEAP program.

Dwelling – A structure, including a stationary mobile home, apartment, group of rooms, or a single room occupied by a household that has an identifiable site address. A United States Post Office Box number is a mailing address and does not identify a dwelling.

Economic Unit – A group of individuals for whom common living costs (such as, but not limited to, shelter costs) are customarily being met from the income and/or resources available to any individual within the group. Sharing by a group of individuals of common living quarters and common shelter costs does not necessarily cause the group to be considered an economic unit.

Energy Burden – When a household is responsible for paying its home energy bill, whether directly by receiving a utility bill or indirectly by paying the landlord through the rent, it has an energy burden. An applicant has an energy burden if the household has the responsibility for providing home energy including home heating and electricity which makes a household vulnerable to increases in energy costs. For example, a household may purchase fuel from a fuel supplier, make undesignated payments in the form of rent, or may heat with wood, et cetera.

Executive Director – Chief administrative official, sometimes referred to as Chief Executive Officer, of the Subgrantee, usually signatory on the Subgrant Agreement, with primary responsibility for meeting the terms of the Subgrant Agreement.

Exempt/Exemption – Funds received by a household that are not counted as income in determining eligibility for LIHEAP benefits.

Expenditure – The payment of funds to a third party, as a result of an obligation.

Fiscal Obligation – an action that commits the funds; for example, through the issuance of a pledge on behalf of a household or through a contract or subgrant for the purchase of services.

Full-time Student – a full-time student, up to age 23, who is a dependent of a member of the household and can provide verification that he or she is enrolled for twelve (12) credit hours or more per semester. High school students over age eighteen (18) may provide proof of enrollment or report card.

Gig Worker – An individual who conducts certain activities to earn income, often through an app or website (digital platform). Examples of gig work include driving a car for booked rides or deliveries, renting out property or part of it, running errands or completing tasks, selling goods online, providing creative or professional services. Refer to www.irs.gov.

Gross Monthly Income – All earned income (before any deductions) plus all unearned income.

Home Energy – Electricity, oil, gas, coal, wood, kerosene, or any other fuel or energy source (excluding water) used for heating or cooling in a residential dwelling. **Utility Accounts in the name of a business CANNOT be considered for payment, except in the case of an applicant in assisted living apartments who receives help from the institution to carry out housing responsibilities.**

Household – Defined by Section 2603 (5) of the LIHEAP Statute [42 U.S.C. § 8622] as "any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent."

Individuals with Disabilities (IWD) – Individuals with a disability or disabilities that substantially limit one or more major life activities, have a record of such a disability, or are regarded as having such a disability and who receive disability benefits.

Life-Threatening Situation – A situation that causes a person's health to become susceptible to harm if the household's home heating or electricity services are discontinued or not restored.

LIHEAP Statute – Low-Income Home Energy Assistance Act of 1981 (42 USC §8621-8630)

Monthly Countable Income (MCI) – Gross, non-exempt earned income minus the twenty percent (20%) earned income deduction plus 100% of countable unearned income. It is the income figure used to determine eligibility and amount of assistance.

Narrative – An entry in the case record to explain any circumstances that need clarification or further documentation.

Notice of Action – (LIHEAP 2001) An official form that a Subgrantee sends to an applicant as notification that the application (1) has been approved for a specific benefit amount and that it will be paid by a certain date either to the energy supplier or to the applicant, or (2) cannot be processed until specified documentation has been submitted by a specified date (3) has been denied any benefit and the reason why, or (4) was denied benefits in error or received an underpayment of ten dollars ($10.00) or more. In the case of number 4, the Notice of Action will include reasons for the mistake and the amount that will be paid to the applicant or to the utility.

Obligation – An agreement the Subgrantee obtains from the energy supplier guaranteeing that the household's services will be continued, restored, or delivered in return for payment within the policy timeframes by the Subgrantee on the household's behalf.

Outreach – Any communicative effort to inform low-income households of the availability and benefits of the program and to encourage the participation of eligible households.

Overpayment – Any payment that is more than the household should have been paid; or any payment made to or on behalf of an ineligible household. Overpayment may be a result of the household giving false information or failing to report information; or from a Subgrantee error in determining eligibility or payment amount.

Personally Identifiable Information (PII) –Information that can be used to distinguish or trace an individual's identity, either alone or when combined with other information that is linked or linkable to a specific individual. PII can include 1) sensitive data, such as medical, financial, or legal information; 2) neutral information, such as name, facial photos, or work address; and 3) contextual information, such as a file for a specific health condition that contains a list of treated patients.

Pledge – An amount that the Subgrantee has agreed to pay a supplier on behalf of a household.

Priority Enrollment (PE) Applicant – An applicant who is disabled, elderly (age sixty or older), or whose household includes a child or children under age six.

Program Support Costs – Expenses that are directly associated with providing client services. Program costs may include Subgrantee staff who provide direct services to clients, such as intake and appointment scheduling.

Poverty Guidelines – Federal poverty guidelines are issued each year in the Federal Register by the Department of Health and Human Services for use in determining financial eligibility for certain federal programs. LIHEAP uses 150% of FPG to determine eligibility.

"Prudent Worker" Concept – A method of work expected to be used by Subgrantee employees who determine LIHEAP applicants' eligibility for benefits. It refers to making reasonable judgments based on documentation and knowledge of LIHEAP policies.

Public Health Emergency – A declaration by the President or the U.S. Secretary of Health and Human Services, if national, or the Governor, if for the state, in response to any of the following situations: an incident of terrorism, a pandemic outbreak, a large-scale evacuation resulting from a natural or manmade catastrophe, hospitals at surge capacity.

Regular Assistance – An assistance benefit available for households that meet the LIHEAP eligibility criteria; the amount of assistance is determined by (1) household income and (2) household size.

Relative: As defined by Ark. Code Ann. §§ 25-16-1001, a relative is a husband, wife, mother, father, stepmother, stepfather, mother-in-law, father-in-law, brother, sister, stepbrother, stepsister, half-brother, half-sister, brother-in-law, sister-in-law, daughter, son, stepdaughter, stepson, daughter-in-law, son-in-law, uncle, aunt, first cousin, nephew, or niece.

Renewable Energy – Energy from a source that is not depleted when used, such as wind, water, or solar power.

Roomer – An individual to whom a household furnishes lodging, but not meals, for compensation.

Second Party Review – The review of specified eligibility and payment determination criteria by someone other than the person who initially processed the application.

Solar Power – Electricity generated by using the sun's rays.

SSI Benefits – Supplemental Security Income benefits paid to disabled adults and children who have limited income and resources and also to people 65 and older without disabilities who meet the financial limits under Title XVI of the Social Security Act, including mandatory and optional payments that are administered by a State under Subpart T of 20 CFR 416 to supplement benefits.

State Median Income – The income level that is exactly in the middle of a list of all of Arkansas's households' incomes. An example on a smaller scale: If an area has only five households with incomes of $12,000, $36,000, $40,000, $47,000, and $250,000, the median income is $40,000. In calculating median household income, the Census Bureau considers the incomes of only those people who are 15 or older.

Subgrantee – The agency or organization, designated by the Subgrant Agreement, responsible for local LIHEAP program implementation in specified counties.

Subsidized/Government-assisted Housing – Housing where tenants pay less than the full costs for their residence because the federal, state, or local government pays a portion of their rent. Government-assisted housing includes Section 8, rental assistance, subsidized housing, and most other programs to make housing more affordable to lower-income households. Renters living in subsidized housing, with utilities included in their rent, are not eligible for LIHEAP benefits except as provided in Section **4.8 ENERGY BURDEN**.

Supplemental – A benefit provided to complete or enhance one that is regularly available.

Supplemental Nutrition Assistance Program (SNAP) – (Formerly Food Stamps) Payments made under the Food and Nutrition Act of 2008 (7 U.S.C. §2011 et seq.).

Unearned Income – Income that is **not** from wages, salaries, or earnings from self-employment. Examples are Social Security, SSI, retirement, and veteran's benefits.

Unobligated – The amount of funds under an award or subaward that the recipient or subrecipient has not obligated.

Unused Benefits – Assistance funds which have been approved or authorized for households deemed eligible for LIHEAP but have not been received by the household or used by the supplier on the behalf of the household.

Verification – The use of third-party information or documentation to establish the accuracy or inaccuracy of information provided by the applicant.

Vulnerable Member – A household member who is less than six (6) years of age, is elderly (age 60 or older), or has a disability.

Young Child – A child aged 5 or younger.

Zero-Income Household – A zero-income household has no sources of income, either earned or unearned. This includes a household that has only income described in the exclusion income table (see APPENDIX F: INCOME INCLUSION AND EXCLUSION TABLE.).

APPENDICES

APPENDIX A: COMMONLY USED DENIAL CODES

CODE	SHORT TITLE
2.0	Assistance benefits have been exhausted for this program.
2.2	The client does not meet the eligibility requirements for Crisis Assistance.
2.2.4	The amount of benefit is not adequate to **alleviate** the crisis.
3.1	Valid contact information not provided.
3.2	Over income - exceeds maximum monthly income for eligibility.
4.1	Must establish proof of residency. (Specify what is needed.)
4.2	Must provide identification of applicant and/or person applying for someone else. (Please specify what is needed.)
4.3	Verification of Social Security Number (SSN) is needed.
4.4	No eligible household member
4.7	Verification and documentation of income needed. (Specify what is needed.)
4.7.4	Verification of zero or inadequate income needed.
4.7.4.2	Zero Income form missing or incomplete.
4.8	Must provide proof of having an energy burden to be eligible for assistance. (Specify what is needed.)
4.8.1	Must provide a current utility bill with valid account number.
5.0	Submission of appropriate application form
5.2	Unsigned applications or forms
5.4	Interview needed
5.7	Incomplete application or application has errors. (Specify what is needed.)
5.9	Application received outside of the application period.
5.11	Withdrawal of application
5.11	Applicant cooperation
6.2	Crisis was alleviated through your Regular Assistance Benefit.
7.2	Must provide a copy of the current lease agreement.

APPENDIX B: ENERGY BURDEN TABLE

HOUSEHOLD SITUATION	HAS ENERGY BURDEN?	PAY LIHEAP BENEFIT TO?	REQUIRED DOCUMENTATION
College student in a dorm	No	Do not issue a LIHEAP benefit	N/A
Energy costs (heating, cooling, and electric) are included in rent & the household is billed directly for electric	Yes	Electric Supplier	Electric Bill
Energy costs (heating, cooling, and electric) are included in the rent & the household is responsible for 100% of the rent	Yes	Household	Lease agreement or utility bill showing responsibility
Household has a disconnect notice or disconnection imminent	Yes	Energy Supplier	Utility Bill
Household has been disconnected but LIHEAP payment can restore service. The household has a bill.	Yes	Energy Supplier	Utility Bill
Household is not being charged for heating, cooling, or electric service	No	Do not issue a LIHEAP benefit	N/A
Household lives in subsidized housing and pays an energy supplier directly with no government assistance	Yes	Energy Supplier	Utility Bill
Household lives in subsidized housing and pays the landlord for energy costs.	Yes	Household	Letter from landlord/owner or lease agreement and proof that the household is responsible for utility surcharge or other extra cost for energy that exceeds the amount covered in the household's rent. **See Section 4.8.3.1**
Household lives in subsidized housing and pays the landlord for energy costs but is billed directly and separately for another energy source.	Yes	Energy Supplier	Utility Bill

HOUSEHOLD SITUATION	HAS ENERGY BURDEN?	PAY LIHEAP BENEFIT TO?	REQUIRED DOCUMENTATION
Household not responsible for any energy costs	No	Do not issue a LIHEAP benefit	N/A
Household pays energy supplier directly	Yes	Energy Supplier	Utility Bill
Household pays landlord or owner for utility costs (Unsubsidized Housing)	Yes	Household	Letter from landlord/owner or lease agreement
Household uses solar	Yes, Regular benefit only	Electric Supplier	Utility Bill

APPENDIX C: HOUSEHOLD MEMBERS TABLE

HOUSEHOLD MEMBERS TABLE		
CATEGORY	**DESCRIPTION**	**COUNTED IN HOUSEHOLD**
Child	Applicant's son or daughter of any age.	Yes, if this person lives in the applicant's household.
College or university student	Lives elsewhere at the time of the LIHEAP application	No
Foreign/international students	Persons admitted into the U.S. from a different country, usually under special permits or visas. These persons are admitted in order to train or study at an accredited institution.	Foreign students who are not authorized by the U.S. government to work are not eligible to participate in the program as applicants or household members. However, if this individual is the only adult in a household containing other eligible individuals, he/she may then be considered the applicant, but not be included as a household member. Student status will be verified by the student visa card. On this card will be a statement: "Non-employment authorized." These students are not eligible.
Foster child	Person under 18 who has been placed in the home of a state-certified caregiver.	Yes, if this person lives in the applicant household.
Grandparent	The applicant's father's or mother's parent.	Yes, if this person lives in the applicant household.
Group living facilities	A group living facility is a place where several single-person or multi-person households reside and share living quarters but are individually charged for the cost of residence based on the residents' ability to pay. Examples are facilities for blind persons and disabled adults. ***The facility may provide housing in separate structures***.	No

HOUSEHOLD MEMBERS TABLE		
CATEGORY	**DESCRIPTION**	**COUNTED IN HOUSEHOLD**
Illegal resident noncitizen	Any individual not identified by 8 U.S.C. §1641(b) and who does not have an SSN or ITIN is considered an illegal resident.	No; however, an illegal resident may submit an application on behalf of minors residing in the household who are citizens or legal resident aliens.
Independent students	Lives elsewhere more than fifty percent (50%) of the time	No
Institutionalized individuals	Halfway houses or shelters, nursing homes, penal or correctional institutions, mental institutions, residential children's facilities, or student congregate living quarters (such as fraternity or sorority houses, dormitories, or similar living arrangements)	No
Legal resident noncitizen	If defined by 8 U.S.C. §1641(b) as a "Qualified Alien"	Yes, once the Subgrantee determines the household is eligible.
Live-in attendant	Live-in attendants are individuals who reside with a household to provide medical, housekeeping, childcare, or other similar personal services for a fee.	No, unless this person meets the definition of a household member.
Minor children	Individuals under the age of 18 years	Yes, however, they cannot be considered head of household unless emancipated by the courts.
Parent	Applicant's or a household member's father or mother	Yes, if this person lives in the applicant's household.
ROOMER/BOARDER	A roomer must prove that he/she shares the same address as other residents and occupies a single room within a dwelling. **NOTE:** The resident is **NOT** considered a roomer and would be counted in the household when he/she shares/provides living costs (food, utilities, rent); shares common areas (bathroom, kitchen, living room) with other residents; and/or a separate meter, entrance, and bathroom.	No
Sibling	Applicant's brother or sister.	Yes, if this person lives in the applicant's household.

APPENDIX D: ELIGIBLE DWELLING TYPES

ELIGIBLE DWELLING TYPES In all affirmative examples, the household must have an energy burden.			
DWELLING TYPE	**DESCRIPTION**	**ELIGIBLE?**	**NEEDED DOCUMENTS**
Abandoned building or space		No	Non-applicable
Community-based residential facilities	Skilled nursing, assisted living, nursing homes, or addiction treatment center	No. A resident may be eligible for assistance if he or she returns to their home and applies during the application period	Non-applicable
Emergency shelter		No	Non-applicable
Extended stay motels	Household must have lived at the facility for six (6) months or longer and heat or cooling is included in the rent.	Yes	Bill, statement from the facility. Subgrantee may request a waiver on a case-by-case basis if the household is displaced due to a natural disaster.
Government or institutional facility	Jail, hospital, or care institution	No	Non-applicable
Group homes	Household is NOT responsible for paying a share of the energy costs	No. All household members must be counted and eligible for LIHEAP	Non-applicable
Halfway house	Transitional living facility that assists certain demographics to re-integrate into society. Applicant must be directly responsible for energy burden	Yes	Utility bills

ELIGIBLE DWELLING TYPES In all affirmative examples, the household must have an energy burden.			
DWELLING TYPE	**DESCRIPTION**	**ELIGIBLE?**	**NEEDED DOCUMENTS**
Independent living facilities	Living communities that allow elderly or medically challenged persons a level of independence while offering assistance with housing arrangements and other daily needs.	Yes, but only if the residents have an energy burden.	Utility bill or letter from the facility.
Multi-family units	A building with two or more units such as apartments, condos, duplexes, studio apartments, or townhouses	Yes	Utility bills
Non-subsidized housing	Heating and/or cooling included in the rent	Yes	Copy of lease, statement from landlord.
Publicly or privately operated community residence	Specialized residential apartment that serves persons with disabilities or other specialized conditions, which is licensed, certified, or accredited by a local, state, or federal body	Yes, but only if resident(s) pays the energy supplier directly OR the resident is responsible for paying the bill but needs the facility to help them to carry out the process of bill payments.	Utility bill or letter from the facility
Recreational vehicle (RV) or camper	Connected to a documented energy supplier and has a proven energy burden	Yes	Proof of being stationary for at least six (6) months prior to the application date.
Residents/roomers of single-room-only facilities	A room with only a bed.	No	Non-applicable

ELIGIBLE DWELLING TYPES In all affirmative examples, the household must have an energy burden.			
DWELLING TYPE	**DESCRIPTION**	**ELIGIBLE?**	**NEEDED DOCUMENTS**
Single-family home		Yes	Utility bills
Subsidized housing	Heating or cooling costs included in rent or partially covered by utility stipend.	Yes, if household has an energy burden	Lease or letter from landlord; and utility bill or energy surcharge that is not covered by rent or the utility stipend.
Tent		No	Non-applicable
<u>Exception.</u> Subgrantees may request on a case-by-case basis a waiver to the dwelling policy. To do so the Subgrantee must send an email or contact AEO by phone. If AEO grants the waiver, the exception must be documented in the case file.			

APPENDIX E: STANDARD INCOME FREQUENCY TABLE

STANDARD INCOME FREQUENCY TABLE The table below outlines standard pay frequency that might be used by an applicant household.		
PAY FREQUENCY	**DESCRIPTION**	**DATA COLLECTION METHOD**
Paid weekly (once a week)	A paycheck each week. 52 paychecks in a year.	Collect four (4) most recent paystubs. Add the totals to get monthly income (e.g. $100 + 120 + 200 + 100 = $520)
Paid bi-weekly (every other week)	A paycheck every two weeks – typically 26 paychecks in a year. A bi-weekly payment system may result in extra pay periods.	Collect the two (2) most recent pay stubs. Add the totals to get monthly income (e.g. $100 + 120 = $220).
Paid semi-monthly (twice a month)	A paycheck twice a month 24 paychecks in a year	Collect two (2) most recent pay stubs. Add the totals to get monthly income (e.g. $100 + 120 = $220).
Paid monthly (once a month)	A paycheck once a month 12 paychecks in a year.	Collect the most recent paystub
Quarterly income (once every three months)	A paycheck once a quarter 4 payments in a year	Collect the most recent pay stub. Divide the total by three (3) to get monthly income (e.g. $900 ÷ 3 = $300)
Semi-annual income (once every six months)	A payment twice a year	Collect the most recent pay stub. Divide the total by six (6) to get monthly income (e.g. $1200 ÷ 6 = $200)
Annual income (once per year)	A payment once a year	Collect the most recent pay stub. Divide the total by twelve (12) to get monthly income (e.g. $1200 ÷ 12 = $100)

STANDARD INCOME FREQUENCY TABLE The table below outlines standard pay frequency that might be used by an applicant household.		
PAY FREQUENCY	**DESCRIPTION**	**DATA COLLECTION METHOD**
Self-employed	No standard frequency	Collect: • the most recent Federal tax return (Divide the total by twelve (12) to get monthly income), • gross income for the most recent thirty (30) calendar days, or • Gross income for most recent twelve (12) months (Divide the total by twelve (12) to get monthly income). (Total Gross Income) – (Total Cost of Doing Business (10%)) = Income
Unearned income	Varies	Examples of unearned income include HUD utility payments greater than or equal to $50.00; any amount of Social Security, **SSI BENEFITS**, retirement, Veteran's benefits, Unemployment, Worker's Compensation, pensions and annuities, interest and dividends, foster-care payments, contributions, and child support payments. Do not count sources such as SSA, SSI, and TEA more than once monthly per individual.

<u>Data Collection Tips</u>

The following list outlines outliers to standard income tips:

1. Collect pay stubs or statements that were issued the month before the date of application or within the thirty (30) days leading up to the date of application.
2. For self-employed take ten percent (10%) of gross income to determine the cost of doing business. If the applicant can produce reasonable proof of the cost of doing business, those documents may be used instead.
3. For self-employed. Use the previous year's tax return (or the year immediately before the previous year if the household has not yet filed for the previous year) for verification.
4. If the amount of income declared on the application form (less any allowable deductions) exceeds the eligibility income limit, the application may be denied without further verification.
5. Calculate cost of living increases when benefit awards cross over into a different year.
6. Inquire about the regularity of child support payments to determine how many payments calculate into a month.

APPENDIX F: INCOME INCLUSION AND EXCLUSION TABLE

As shown in the following table, some income types are excluded by federal law (See citations listed with each). Other income types may or may not be countable and are shown in the table titled Arkansas LIHEAP Income Inclusion and Exclusion. However, it is not possible to include all types of income. When there is a question whether income should be counted, contact AEO for determination.

FEDERALLY MANDATED INCOME EXCLUSIONS

INCOME TYPES	PROGRAM NOTES	STATUTE
Agent Orange Settlement Payments	Payments to eligible veterans or survivors.	Pub. L. 101-201 20 CFR 416.1236(a)(16), subpart. K app. § V(d)
AmeriCorps Participant Payments	Stipends, allowances, and reimbursements to AmeriCorps volunteers.	42 U.S.C. § 12637(d)
Career and Technical Education Assistance	Student financial assistance made available for attendance costs	20 U.S.C. § 2414(a)
Child Care and Development Block Grant (CCDBG) Assistance	Childcare subsidies and related assistance provided to families.	42 U.S.C. § 9858q
Child Nutrition and School Lunch Programs (Including WIC)	Value of meals, food instruments, and nutrition benefits provided under federal child nutrition programs.	42 U.S.C. § 1760(e) 42 U.S.C. § 1780(b)
Child Tax Credit	A refundable tax credit that reduces tax liability	26 U.S.C. 24
Civil Liberties Act and Aleutian and Pribilof Islands restitution	Restitution to certain individuals of Japanese ancestry and Aleuts for losses suffered from evacuation, relocation and internment during World War II	50 U.S.C. §§ 4215(f)(2) 50 U.S.C. § 4236(d)(2) (Pub. L. 100-383, §§ 105(f), 206(d)) 31 U.S.C. § 3803(c)(2)(C)(xv)
Crime Victim Compensation Victims of Crime Act of 1984	Payments to victims of crime for losses or expenses, **unless it fully compensates the claimant.**	42 U.S.C. 10602(c)
Disaster Relief Assistance (Stafford Act)	Major disaster and emergency assistance to individuals and families.	42 U.S.C. § 5155(d) Pub. L. 93-288 (as amended)

INCOME TYPES	PROGRAM NOTES	STATUTE
Domestic Volunteer Service Act Payments	Payments to volunteers (e.g., VISTA, Foster Grandparents). **Excluded unless determined to exceed minimum wage.**	42 U.S.C. § 5044(f)(1) 42 U.S.C. § 5058
Emergency Rental Assistance Program (ERAP)	Federal rental assistance payments paid to or on behalf of a household under ERA1 and ERA2.	Pub. L. 116-260, § 501(j) Pub. L. 117-2 § 3201
Energy Employees Occupational Illness Compensation Program Act of 2000	Compensation payments to covered employees and survivors	42 U.S.C. § 7385e Pursuant to section 1, app. [Div. C. Title XXXVI section 3646] of Public Law 106-398 (114 Stat. 1654A-510, 42 U.S.C. 7385e)
Federal Student Financial Assistance (Title IV) and Bureau of Indian Affairs student assistance, including: • Federal Pell Grants • Federal Supplemental Educational Opportunity Grants (SEOG) • Federal Direct Loans (including Direct PLUS) • TEACH Grants • Federal Work-Study	Grants, scholarships, work-study awarded under Title IV of the Higher Education Act, and Bureau of Indian Affairs/ Bureau of Indian Education student assistance.	20 U.S.C. § 1087uu
Federal Tax Refunds (Refundable Credits)	Any refund, or advance payment with respect to a refundable credit.	26 U.S.C. § 6409
Flood-mitigation assistance	Assistance under the National Flood Insurance Act of 1968, as amended.	42 U.S.C. 4031
Food Stamp / SNAP allotments	Value of SNAP benefits.	7 U.S.C. § 2017(b)
Individual Development Accounts (IDAs) funded with TANF matching funds, and assistance or amounts earned by or provided to the account	Participant deposits, matching funds, and interest used for approved purposes.	42 U.S.C. § 604(h)(4)
LIHEAP (Low-Income Home Energy Assistance Program)	All LIHEAP benefits, including crisis and LIHEAP-funded weatherization.	42 U.S.C. § 8624(f)(1)

INCOME TYPES	PROGRAM NOTES	STATUTE
Radiation Exposure Compensation	Restitution payment to individuals who developed specific serious illnesses from Cold War nuclear activities.	Pub. L. 101-426, § 6(h)(2), 42 U.S.C. § 2210 note 31 U.S.C. § 3803(c)(2)(C)(xv)
Spina Bifida and Birth Defect Allowances – children of Vietnam-era and certain other veterans	Monthly allowances paid to children of certain veterans.	38 U.S.C. § 1833(c) (allowances under 38 U.S.C. §§ 1802–1805, 1811–1816, 1821–1822)
Tribal Settlement & Judgment Payments, including: 1. Alaska Native Claims Settlement Payments 2. Cobell v. Salazar Class Action Settlement 3. Grand River Band of Ottawa Indians 4. Indian Claims Commission Payments (Yakima Nation / Apache Tribe) 5. Indian Submarginal Land Income 6. Indian Tribal Trust Settlement per capita payments 7. Maine Indian Claims Settlement 8. National Indian Gaming Commission – Judgment Fund Shares 9. Seneca Nation Settlement Payments	Tribal trust, judgment, or settlement funds.	• 43 U.S.C. § 1626(c) • Pub. L. 111-291, § 101(f)(2) (Claims Resolution Act of 2010) • Pub. L. 94-540, § 6 • Pub. L. 95-433, § 2 • 25 U.S.C. § 5506 • 25 U.S.C. § 1407 • Pub. L. 96-420, § 9(c) • 25 U.S.C. §§ 1407–1408 • Pub. L. 101-503, § 8(b)
Uniform Relocation Assistance and Real Property Acquisition Policy Act	Payments received for permanent relocation as a result of federal or federally funded projects.	49 CFR 24.209 42 U.S.C. § 4636
Vietnam-era prisoners of war	Payments to individuals captured and interned by the Democratic Republic of Vietnam as a result of participation in certain military operations.	Pub. L. 105-78 § 606
Victims of Nazi persecution	Payments made to individuals because of their status as victims of Nazi persecution.	Public L. 103-286 § 1(a)
Workforce Innovation and Opportunity Act (WIOA)	Allowances, earnings, and payments for participation in WIOA programs.	29 U.S.C. § 3241(a)(2) 20 U.S.C. § 1087uu

ARKANSAS LIHEAP INCOME INCLUSION AND EXCLUSION

Some income types are excluded by federal law and are shown in the table titled Federally Mandated Income Exclusions, on previous pages.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
ABLE Program Payments	No	Savings accounts for individuals with disabilities. Funds and qualified disability withdrawals are excluded. Pub. L. 113-295 (ABLE Act of 2014) Arkansas ABLE Plan
Adoption Assistance	Yes	Financial assistance for adopting a child with special needs. **ACCEPTABLE PROOF OF INCOME:** State/court documents or bank statements.
Aftercare Services	No	Support for youth transitioning from foster care.
Aid & Attendance (VA)	No	VA supplement for long-term care. 42 U.S.C. § 1437a(b)(4)
Alimony / Spousal Support	Yes	Court-ordered or written-agreement support. **ACCEPTABLE PROOF OF INCOME:** Court order, divorce decree, or payer statement.
Annual Bonuses	Yes	Annual bonuses which can be reasonably anticipated both in regard to the time of receipt and the amount. **ACCEPTABLE PROOF OF INCOME:** Wage stubs or statement from employer.
Annuities	Yes	Income paid at stated intervals for a fixed or contingent period, often for the recipient's life. **ACCEPTABLE PROOF OF INCOME:** Statement from investment firm or bank statement (as a last resort).
Assets (Not Sold)	No	Property/valuables only count when sold.
Babysitting / Senior Care	Yes	Paid in-home assistance services during a short absence of someone responsible for that individual. **ACCEPTABLE PROOF OF INCOME:** Pay stubs or written verification.
Bank Withdrawals	No	Withdrawals from existing accounts.
Basic Allowance for Subsistence (BAS)	No	Non-taxable military food allowance.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Capital Gains	Yes	Income from selling investments or real estate. **ACCEPTABLE PROOF OF INCOME:** Tax return.
Capital Losses	No	Loss of value on investments.
Cash Gifts – Irregular	No	One-time or infrequent gifts (less than three months).
Cash Gifts – Regular	Yes	Ongoing support for three or more consecutive months. **ACCEPTABLE PROOF OF INCOME:** Written statement from provider.
Child Support	Yes	Payments for care of a minor child. **ACCEPTABLE PROOF OF INCOME:** Court order, payer statement, ReliaCard statement or, as last resort, a bank statement.
Christmas Club Account	No	Savings account payout.
Crowdfunding (GoFundMe, etc.)	Yes	Contributions received by the household. **ACCEPTABLE PROOF OF INCOME:** Bank statement or fund statement.
Cryptocurrency	Yes	Virtual currency used as money or a form of payment. Countable when received or converted to cash. **ACCEPTABLE PROOF OF INCOME:** W-2, tax return, or other documentation.
Dividends	Yes	Payments from corporate earnings. **ACCEPTABLE PROOF OF INCOME:** Corporate letter or bank statement.
Earned Income / Wages	Yes	Wages, salaries, tips, overtime, bonuses, and other taxable employee pay. **ACCEPTABLE PROOF OF INCOME:** Wage stubs or employer statement.
Earnings of a Child (Under 18, In School)	No	Excluded if child is a student at least half time, lives in the household, and under 18. Temporary interruptions in school attendance, such as semester or summer vacations, do not alter this exclusion, provided the child's enrollment will resume following the break.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Earnings of a Full-Time College Student (Up to Age 23)	No	Excluded if enrolled full-time (at least twelve credit hours per semester) and dependent. As above, temporary interruptions in school attendance do not alter this exclusion.
Emergency Assistance	No	Short-term aid from a federal, state, or local entity for imminent risk.
Employer-Paid Fringe Benefits (Non-Cash)	No	Benefits such as health insurance, retirement plans, workers' compensation, or family medical leave. Excluded unless converted to cash.
Executor Fees	Yes	Payment for estate administration. **ACCEPTABLE PROOF OF INCOME:** Proof of payment or estate documentation.
Executor Reimbursements	No	Repayment of expenses only.
Energy Grants	No	Assistance for energy efficiency or sustainability.
Family Support (Child or Spousal)	Yes	Countable support payments. **ACCEPTABLE PROOF OF INCOME:** Same as child support/alimony documentation.
Farming Income	Yes	Net farm profits. **ACCEPTABLE PROOF OF INCOME:** Farm profit/loss statement.
Foster Care Payments	Yes	Payments to foster families. **ACCEPTABLE PROOF OF INCOME:** State/court documents.
Gaming / Gambling Winnings	Yes	Winnings from gambling activities such as lottery, bingo, slots, etc. **ACCEPTABLE PROOF OF INCOME:** Tax documents or bank statements.
GI Bill	No	Education assistance for veterans.
Homeownership Voucher Program	No	Assistance for low-income homeowners.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Home Health Aide / Housekeeper Income	Yes/ Conditional	Countable wages unless aide is a live-in attendant. Refer to what is considered a household (§ 4.5 HOUSEHOLD COMPOSITION AND DWELLINGS) and Income Paid Between Household Members, below. **ACCEPTABLE PROOF OF INCOME:** Pay stub or employer verification.
Housing Allowance (Clergy, etc.)	Yes	Cash allowance for housing expenses. **ACCEPTABLE PROOF OF INCOME:** Statement on letterhead from provider.
HUD Utility Payments	Yes	Utility reimbursements count as income. **ACCEPTABLE PROOF OF INCOME:** Applicant declaration.
Income from Ineligible / Non-Citizen Household Member	Yes	Must be counted for LIHEAP. **ACCEPTABLE PROOF OF INCOME:** Check stub or applicant validation.
Income Paid Between Household Members	No	Transfers within the household.
Independent Choices Program (ICP)	No	Medicaid payments to recipient to manage or self-direct their own care.
Inheritance (Converted to Cash)	Yes	Countable when used for living expenses. **ACCEPTABLE PROOF OF INCOME:** Bank statement or will documentation.
In-Kind Income	No	Non-cash goods/services.
Interest Income	Yes	Countable **ACCEPTABLE PROOF OF INCOME:** Bank statement.
Irregular Income (<$90 in 3 Month period)	No	Too small/infrequent to anticipate. Three-month period begins with the first month in which income is received from a particular source.
Jury Duty Pay	Yes	Countable unless surrendered to employer. **ACCEPTABLE PROOF OF INCOME:** Jury pay documentation.
Loans	No	Must have intent to repay. Includes loans from private individuals and commercial loans.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Lottery winnings	Yes	Winnings from gambling activities such as lottery. **ACCEPTABLE PROOF OF INCOME:** Tax documents or bank statements.
Medicare Premiums	No	Beneficiary payment to Medicare to maintain policy coverage.
Nonrecurring Lump-Sum Payments	No	Includes, but not limited to, tax refunds, rebates, settlements, retroactive Social Security benefits, refunds of security deposits on rental property or utilities.
Odd Job Income	Yes/ Conditional	Countable if equal to or more than $30.00 in a three-month period. Earnings from jobs such as mowing lawns, unloading trucks, collecting & selling cans, etc. **ACCEPTABLE PROOF OF INCOME:** Collateral contact or payer verification.
Pension / Retirement Benefits	Yes	Monthly retirement income. **ACCEPTABLE PROOF OF INCOME:** Statement from source or, as last resort, bank statement if supported with documentation/applicant statement about any deductions, 1099R.
Profit-Sharing Bonus (One-Time)	No	Excluded if non-recurring.
Railroad Retirement	Yes	Retirement/survivor and/or sickness insurance benefits for railroad workers and their families. **ACCEPTABLE PROOF OF INCOME:** Benefit documentation.
Rental Property Income	Yes	Treated as self-employment income. **ACCEPTABLE PROOF OF INCOME:** Prior year tax return.
Refunds / Reimbursements	No	Repayment of prior expenses.
Retirement/ Veteran Benefits	Yes	Monthly payment to retiree. **ACCEPTABLE PROOF OF INCOME:** Benefit documentation from source or, as last resort, bank statement accompanied with written justification.
Reverse Mortgage	No	Consumer loan program for senior homeowners.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Roomers / Boarders	Yes	Individuals not considered household members (see APPENDIX C: HOUSEHOLD MEMBERS TABLE) who pay rent to the homeowner. Countable as self-employment income for the homeowner. **ACCEPTABLE PROOF OF INCOME:** Most recent tax return or income records.
Royalties	Yes	Payments for use of property or intellectual assets. **ACCEPTABLE PROOF OF INCOME:** Most recent tax return or royalty contract.
Senior Community Service Employment Program (SCSEP) Volunteers	No	Excluded volunteer stipends under Title II (RSVP, foster grandparents, etc.) and Title III (SCORE and ACE) of the Domestic Volunteer Services Act.
Self-Employment Income	Yes	Countable after 20% tax + 10% operating cost deductions. **ACCEPTABLE PROOF OF INCOME:** Most recent tax return or IRS transcript.
Social Security (SSA)	Yes	Benefits paid to individuals who have earned enough Social Security credits and are at least age 62. Gross amount minus the Medicare premium counted. See § 4.7.3 Medical Deductions for Elderly and Disabled. **ACCEPTABLE PROOF OF INCOME:** SSA benefit letter.
Social Security Disability Insurance (SSDI)	Yes	Benefit payments to support individuals who can no longer work because of medical conditions. Countable disability benefits. **ACCEPTABLE PROOF OF INCOME:** Current SSA benefit letter.
Spousal Impoverishment Payments	No	Medicaid allowance for a spouse who is still living at home alone in a community while the other spouse is living in a nursing home.
Strike Payment Assistance	Yes	Payments during labor strike. **ACCEPTABLE PROOF OF INCOME:** Union statement or check copy.

INCOME TYPE	COUNT AS INCOME?	DEFINITION & PROGRAM NOTES
Survivor's Benefits (SSA)	Yes	Payment from Social Security to the families of workers who die. **ACCEPTABLE PROOF OF INCOME:** SSA benefit letter.
SSI Benefits	Yes	Payment to help aged, blind, and disabled people who have little or no income. Countable; PASS funds excluded. **ACCEPTABLE PROOF OF INCOME:** Current SSA benefit letter, SNAP listing, or, as a last resort, bank statement.
Third-Party Payments	No	Payments made directly to landlord/utility on behalf of the household.
Trade Adjustment Assistance	Yes	Federal/state income support for workers who lose their jobs or whose work hours/wages are reduced because of foreign competition. **ACCEPTABLE PROOF OF INCOME:** Check copies or stubs.
Unemployment Benefits	Yes	Payment to an unemployed worker by a state or federal agency. Gross weekly benefit counted. **ACCEPTABLE PROOF OF INCOME:** State unemployment printout.
Uniform Relocation Assistance	No	Reimbursement for displacement in connection with federally funded projects.
Worker's Compensation	Yes	Compensation for time lost due to work-related illness or injury. Countable wage-replacement benefits. **ACCEPTABLE PROOF OF INCOME:** Workers Compensation statement, check stub, or, as last resort, bank statement.

APPENDIX G: FFY2027 ARKANSAS LIHEAP ELIGIBILITY CHART

FFY 2027 ARKANSAS LIHEAP
ELIGIBILITY CHART

HOUSEHOLD SIZE	INCOME LIMIT DETERMINED BY:	MAXIMUM MONTHLY COUNTABLE INCOME (MCI)
1	SMI	$2,460
2	SMI	$3,217
3	SMI	$3,974
4	SMI	$4,731
5	SMI	$5,488
6	SMI	$6,245
7	SMI	$6,387
8	FPG	$6,965
9	FPG	$7,675
10	FPG	$8,385
11	FPG	$9,095
12	FPG	$9,805
13	FPG	$10,515
14	FPG	$11,225
15	FPG	$11,935
16	FPG	$12,645
17	FPG	$13,355
18	FPG	$14,065
19	FPG	$14,775
20	FPG	$15,485

ADD $710 FOR EACH ADDITIONAL HOUSEHOLD MEMBER

Additional Eligibility Criteria:

If utilities are included in your rent, you must provide a lease agreement. Your lease agreement is required to demonstrate an Energy Burden. Energy Burden criteria are different for subsidized housing than unsubsidized housing.

APPENDIX H: REGULAR ASSISTANCE FUEL BENEFIT MATRICES

See following pages.

FFY2027 Electric Fuel Benefits Matrix Regular Assistance



MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
0-69	$266.00	$317.00	$378.00
70-129	$256.00	$304.00	$367.00
130-189	$243.00	$293.00	$354.00
190-249	$230.00	$279.00	$341.00
250-309	$219.00	$266.00	$330.00
310-369	$206.00	$256.00	$317.00
370-429	$197.00	$245.00	$304.00
430-489	$191.00	$237.00	$293.00
490-549	$187.00	$230.00	$279.00
550-609	$183.00	$224.00	$266.00
610-669	$176.00	$217.00	$256.00
670-729	$171.00	$211.00	$243.00
730-789	$164.00	$206.00	$230.00
790-849	$157.00	$199.00	$219.00
850-909	$152.00	$193.00	$209.00
910-969	$145.00	$187.00	$200.00
970-1029	$140.00	$180.00	$194.00
1030-1089	$133.00	$174.00	$187.00
1090-1149	$127.00	$169.00	$180.00
1150-1209	$121.00	$163.00	$174.00
1210-1269	$114.00	$157.00	$167.00
1270-1329	$110.00	$151.00	$160.00
1330-1389	$103.00	$144.00	$154.00
1390-1449	$97.00	$139.00	$147.00

FFY 2027 BENEFITS MATRIX: ELECTRIC PAGE 1 OF 2

FFY2027 Electricity Fuel Benefits Matrix Regular Assistance, continued

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
1450-1509	$91.00	$132.00	$141.00
1510-1569	$85.00	$125.00	$136.00
1570-1629	$79.00	$120.00	$130.00
1630-1689	$73.00	$113.00	$123.00
1690-1749	$66.00	$107.00	$118.00
1750-1869	$66.00	$101.00	$111.00
1870-1989	$66.00	$95.00	$105.00
1990-2009	$66.00	$88.00	$99.00
2010-2129	$66.00	$84.00	$92.00
2130-2460	$66.00	$77.00	$87.00
2461-3217	$66.00	$70.00	$80.00
3218-3974	$0.00	$66.00	$74.00
3975-4731	$0.00	$66.00	$67.00
4732-5488	$0.00	$0.00	$66.00
5489-Max	$0.00	$0.00	$66.00

FFY2027 Natural Gas Fuel Benefits Matrix Regular Assistance

ARKANSAS LIHEAP
LOW-INCOME HOME ENERGY ASSISTANCE PROGRAM

FFY 2027 BENEFITS MATRIX (WINTER ONLY)
NATURAL GAS

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
0-69	$339.00	$403.00	$481.00
70-129	$325.00	$385.00	$464.00
130-189	$308.00	$372.00	$450.00
190-249	$292.00	$356.00	$433.00
250-309	$278.00	$339.00	$418.00
310-369	$262.00	$325.00	$403.00
370-429	$250.00	$311.00	$385.00
430-489	$243.00	$299.00	$372.00
490-549	$238.00	$292.00	$356.00
550-609	$231.00	$284.00	$339.00
610-669	$223.00	$275.00	$325.00
670-729	$217.00	$270.00	$308.00
730-789	$209.00	$262.00	$292.00
790-849	$200.00	$253.00	$278.00
850-909	$193.00	$245.00	$264.00
910-969	$185.00	$238.00	$255.00
970-1029	$177.00	$230.00	$246.00
1030-1089	$169.00	$222.00	$238.00
1090-1149	$161.00	$213.00	$230.00
1150-1209	$153.00	$206.00	$220.00
1210-1269	$145.00	$199.00	$212.00
1270-1329	$140.00	$191.00	$204.00
1330-1389	$133.00	$184.00	$196.00
1390-1449	$127.00	$176.00	$186.00

FFY 2027 BENEFITS MATRIX: NATURAL GAS PAGE 1 OF 2

FFY2027 Natural Gas Fuel Benefits Matrix Regular Assistance (Winter only), continued

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
1450-1509	$123.00	$167.00	$178.00
1510-1569	$118.00	$160.00	$169.00
1570-1629	$113.00	$152.00	$161.00
1630-1689	$108.00	$144.00	$152.00
1690-1749	$105.00	$136.00	$144.00
1750-1869	$99.00	$128.00	$134.00
1870-1989	$92.00	$120.00	$127.00
1990-2009	$87.00	$112.00	$118.00
2010-2129	$80.00	$105.00	$110.00
2130-2460	$75.00	$97.00	$100.00
2461-3217	$68.00	$88.00	$92.00
3218-3974	$0.00	$80.00	$84.00
3975-4731	$0.00	$73.00	$75.00
4732-5488	$0.00	$0.00	$66.00
5489-Max	$0.00	$0.00	$66.00

FFY2027 Propane Fuel Benefits Matrix Regular Assistance



FFY 2027 BENEFITS MATRIX (WINTER ONLY)

PROPANE

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
0-69	$437.00	$519.00	$619.00
70-129	$418.00	$496.00	$600.00
130-189	$396.00	$480.00	$580.00
190-249	$376.00	$460.00	$557.00
250-309	$359.00	$437.00	$539.00
310-369	$337.00	$418.00	$519.00
370-429	$322.00	$402.00	$496.00
430-489	$312.00	$387.00	$480.00
490-549	$306.00	$376.00	$460.00
550-609	$298.00	$367.00	$437.00
610-669	$288.00	$355.00	$418.00
670-729	$278.00	$345.00	$396.00
730-789	$268.00	$337.00	$376.00
790-849	$259.00	$326.00	$359.00
850-909	$249.00	$317.00	$341.00
910-969	$238.00	$306.00	$329.00
970-1029	$229.00	$296.00	$318.00
1030-1089	$218.00	$286.00	$306.00
1090-1149	$209.00	$276.00	$296.00
1150-1209	$198.00	$266.00	$284.00
1210-1269	$187.00	$256.00	$275.00
1270-1329	$179.00	$245.00	$263.00
1330-1389	$172.00	$237.00	$252.00
1390-1449	$164.00	$226.00	$242.00

FFY 2027 BENEFITS MATRIX: PROPANE PAGE 1 OF 2

FFY2027 Propane Fuel Benefits Regular Assistance (Winter only), continued

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
1450-1509	$158.00	$217.00	$232.00
1510-1569	$152.00	$206.00	$222.00
1570-1629	$145.00	$196.00	$212.00
1630-1689	$140.00	$186.00	$202.00
1690-1749	$133.00	$176.00	$191.00
1750-1869	$128.00	$166.00	$183.00
1870-1989	$121.00	$156.00	$172.00
1990-2009	$117.00	$145.00	$163.00
2010-2129	$110.00	$136.00	$152.00
2130-2460	$105.00	$125.00	$141.00
2461-3217	$98.00	$117.00	$132.00
3218-3974	$0.00	$106.00	$121.00
3975-4731	$0.00	$95.00	$112.00
4732-5488	$0.00	$0.00	$101.00
5489-Max	$0.00	$0.00	$91.00

FFY2027 Wood, Pellets, and Other Benefits Matrix Regular Assistance

FFY 2027 BENEFITS MATRIX (WINTER ONLY)

WOOD & OTHER

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
0-69	$318.00	$378.00	$451.00
70-129	$305.00	$363.00	$437.00
130-189	$289.00	$350.00	$422.00
190-249	$275.00	$336.00	$407.00
250-309	$262.00	$318.00	$394.00
310-369	$245.00	$305.00	$378.00
370-429	$235.00	$293.00	$363.00
430-489	$229.00	$283.00	$350.00
490-549	$223.00	$275.00	$336.00
550-609	$218.00	$268.00	$318.00
610-669	$210.00	$259.00	$305.00
670-729	$204.00	$253.00	$289.00
730-789	$196.00	$245.00	$275.00
790-849	$189.00	$238.00	$262.00
850-909	$180.00	$231.00	$249.00
910-969	$174.00	$223.00	$240.00
970-1029	$166.00	$217.00	$232.00
1030-1089	$158.00	$209.00	$223.00
1090-1149	$152.00	$202.00	$217.00
1150-1209	$144.00	$194.00	$207.00
1210-1269	$138.00	$187.00	$200.00
1270-1329	$131.00	$179.00	$191.00
1330-1389	$125.00	$172.00	$184.00
1390-1449	$120.00	$165.00	$177.00

FFY 2027 BENEFITS MATRIX: WOOD & OTHER PAGE 1 OF 2

FFY2027 Wood, Pellets, and Other Benefits Matrix Regular Assistance, continued

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
1450-1509	$114.00	$157.00	$169.00
1510-1569	$111.00	$151.00	$163.00
1570-1629	$107.00	$143.00	$154.00
1630-1689	$101.00	$136.00	$147.00
1690-1749	$98.00	$128.00	$140.00
1750-1869	$94.00	$121.00	$133.00
1870-1989	$87.00	$113.00	$125.00
1990-2009	$81.00	$107.00	$118.00
2010-2129	$75.00	$99.00	$111.00
2130-2460	$70.00	$91.00	$103.00
2461-3217	$66.00	$85.00	$97.00
3218-3974	$0.00	$77.00	$88.00
3975-4731	$0.00	$70.00	$81.00
4732-5488	$0.00	$0.00	$74.00
5489-Max	$0.00	$0.00	$67.00

FFY2027 Fuel Oil Benefits Matrix Regular Assistance

FFY 2027 BENEFITS MATRIX (WINTER ONLY)

FUEL OIL

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
0-69	$442.00	$526.00	$627.00
70-129	$424.00	$503.00	$607.00
130-189	$402.00	$486.00	$587.00
190-249	$382.00	$464.00	$565.00
250-309	$363.00	$442.00	$547.00
310-369	$341.00	$424.00	$526.00
370-429	$326.00	$407.00	$503.00
430-489	$317.00	$392.00	$486.00
490-549	$310.00	$382.00	$464.00
550-609	$303.00	$371.00	$442.00
610-669	$292.00	$359.00	$424.00
670-729	$283.00	$351.00	$402.00
730-789	$272.00	$341.00	$382.00
790-849	$262.00	$331.00	$363.00
850-909	$251.00	$321.00	$344.00
910-969	$242.00	$310.00	$332.00
970-1029	$231.00	$299.00	$322.00
1030-1089	$220.00	$290.00	$310.00
1090-1149	$211.00	$279.00	$299.00
1150-1209	$200.00	$270.00	$288.00
1210-1269	$190.00	$260.00	$277.00
1270-1329	$183.00	$250.00	$265.00
1330-1389	$174.00	$239.00	$256.00
1390-1449	$166.00	$230.00	$245.00

FFY 2027 BENEFITS MATRIX: FUEL OIL PAGE 1 OF 2

FFY2027 Fuel Oil Benefits Matrix Regular Assistance (Winter only), continued

MONTHLY COUNTABLE INCOME (MCI) IN DOLLARS ($)	HOUSEHOLD SIZE BENEFIT PAYMENT		
	1 & 2	3 & 4	5 & UP
1450-1509	$160.00	$219.00	$235.00
1510-1569	$154.00	$209.00	$224.00
1570-1629	$147.00	$198.00	$216.00
1630-1689	$141.00	$189.00	$205.00
1690-1749	$136.00	$178.00	$194.00
1750-1869	$130.00	$167.00	$185.00
1870-1989	$121.00	$158.00	$174.00
1990-2009	$113.00	$147.00	$164.00
2010-2129	$106.00	$138.00	$154.00
2130-2460	$98.00	$128.00	$144.00
2461-3217	$90.00	$119.00	$134.00
3218-3974	$0.00	$108.00	$124.00
3975-4731	$0.00	$99.00	$114.00
4732-5488	$0.00	$0.00	$105.00
5489-Max	$0.00	$0.00	$95.00

APPENDIX I: CRISIS BENEFIT TABLE

CRISIS BENEFIT TABLE	
UTILITY/FUEL TYPE	**BENEFIT MAXIMUM**
Paid to the Utility	
Electric and gas	Up to $700.00
Propane, wood, fuel oil, kerosene, or other heating fuel types	$350.00 or the minimum delivery plus fees up to a total benefit of $700.00
Prepaid electric	$350.00 maximum on current account. Remainder paid to past due up to $700.00 for a total benefit of $700.00
Paid to the Household	
Propane, wood, fuel oil, kerosene, or other heating fuel types	$350.00 or the minimum delivery up to a total benefit of $700.00
Cable, water, wastewater (sewer)	Is not covered by LIHEAP benefits – not eligible
Regular benefit amounts for all fuel types can be found on respective fuel table	

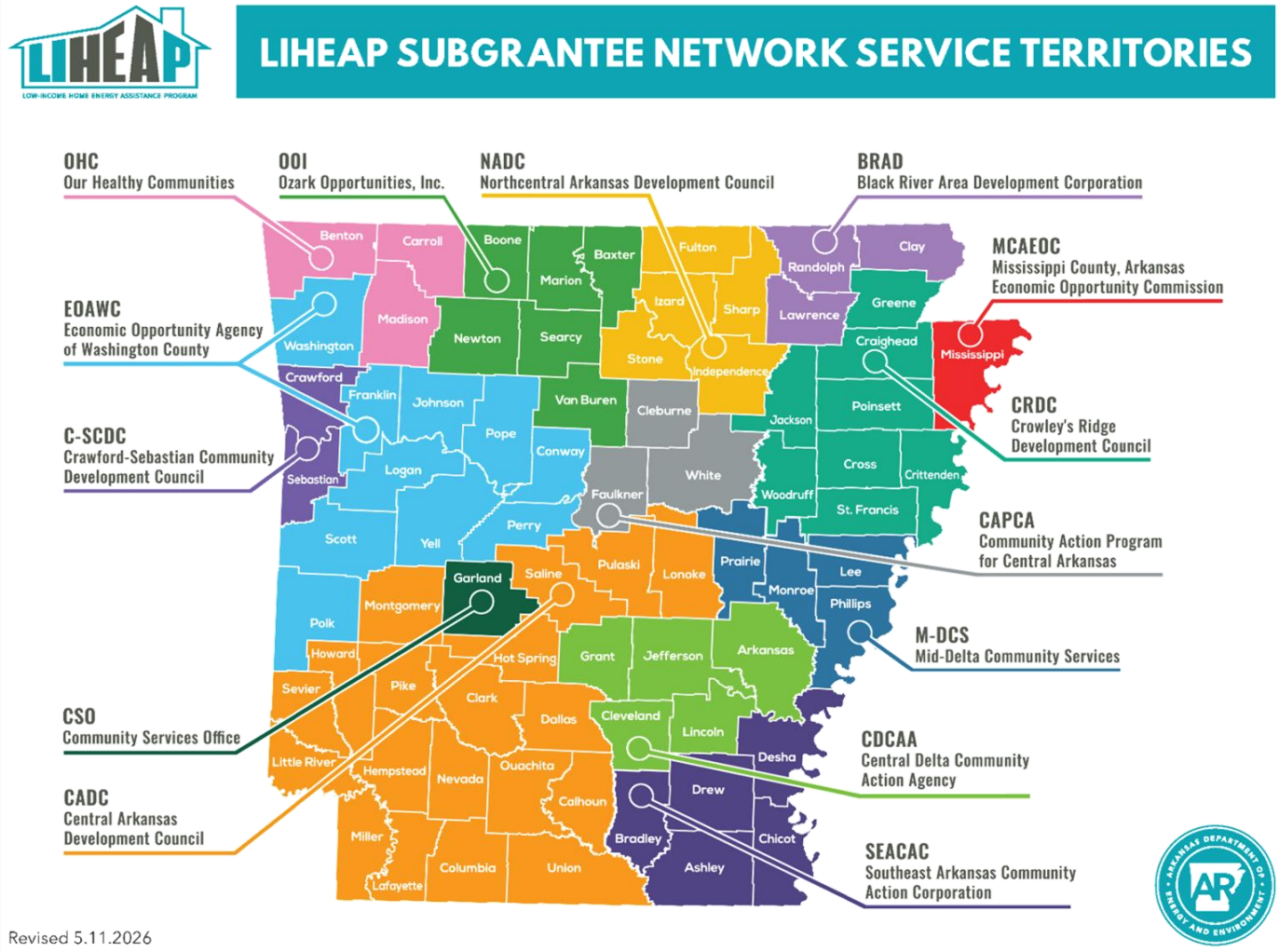
APPENDIX J: LIHEAP REPORTING SCHEDULE

LIHEAP REPORTING SCHEDULE						
REPORT TITLE	**REPORT PURPOSE**	**FORMAT**	**RESPONSIBLE PARTY**	**REPORTING PERIOD**	**REPORT FREQUENCY**	**REPORT DEADLINE**
Chronological Registers	Report applications received to enable monitoring.	MS Excel	Subgrantee	December – June July – September	Biannual	Close of each program and on request
Closeout	Final request for reimbursement after the program closes.	MS Excel	Subgrantee	N/A	Biannual	Within 30 days after the program closes (i.e., last business days of May and October)
Expenditures report	Request for reimbursement	MS Excel	Subgrantee	N/A	As needed	As needed
Funds Request	Request for funds in advance	MS Excel	Subgrantee	N/A	As needed	As needed
Monthly Data	To track monthly application intake, application processing, household demographics, and fund usage. May be used to submit the Household Report to DHHS.	MS Excel	Subgrantee	Beginning of the month until the end of the month	Monthly	Upon request by AEO

LIHEAP REPORTING SCHEDULE						
REPORT TITLE	**REPORT PURPOSE**	**FORMAT**	**RESPONSIBLE PARTY**	**REPORTING PERIOD**	**REPORT FREQUENCY**	**REPORT DEADLINE**
Subgrant Agreement	Must be signed so that the Subgrantee can receive fund allocations.	Word or PDF	Subgrantee	N/A	Annual	December
Weatherization Referrals	Submit weatherization requests to WAP agencies.	Excel	Subgrantee	Monday – Friday	Weekly	Weekly
Weekly Data	To track weekly application intake, application processing, and fund usage.	MS Excel	Subgrantee	Monday – Friday	Weekly	The Friday following the week ending the previous Friday.
Carryover & Reallotment	Details amount of LIHEAP funding to be carried into the next fiscal year.	OLDC	Grantee	October 1 – September 30	Yearly	August 1 December 31
Household Report	Counts of household demographics.	OLDC	Grantee	October 1 – September 30	Yearly	September 1 December 15
LIHEAP Applications Report	Report previous week's number of applications received, processed, and the dollar amount disbursed by agency to the E&E Secretary.	Excel	Grantee	Monday – Friday	Weekly	Friday of every week

LIHEAP REPORTING SCHEDULE						
REPORT TITLE	**REPORT PURPOSE**	**FORMAT**	**RESPONSIBLE PARTY**	**REPORTING PERIOD**	**REPORT FREQUENCY**	**REPORT DEADLINE**
Performance Measures	Identifies funding sources, funding uses, targeting techniques, energy restoration, and prevention services.	OLDC	Grantee	October 1 – September 30	Yearly	January 30
SF-425	Report of amounts obligated and/or expended during the previous federal fiscal year.	OLDC	Grantee	October 1 – September 30	Yearly	December 31
State (Model) Plan	Application for the next fiscal year's funding. Outlines how Grantee will uphold the LIHEAP Assurances.	OLDC	Grantee	October 1 – September 30	Yearly	September 1
Quarterly Performance and Management Report	Check for consistency against the type of LIHEAP assistance grant recipients report in their LIHEAP Model Plan and with the data reported in Household and Performance Data forms.	OLDC	Grantee	Oct. 1-Dec. 31 Jan. 1-March 30 April 1-June 30 July 1-Sept. 30	Quarterly	Last business day of • January • April • July • October

APPENDIX K: LIHEAP SUBGRANTEE MAP & CONTACT INFORMATION

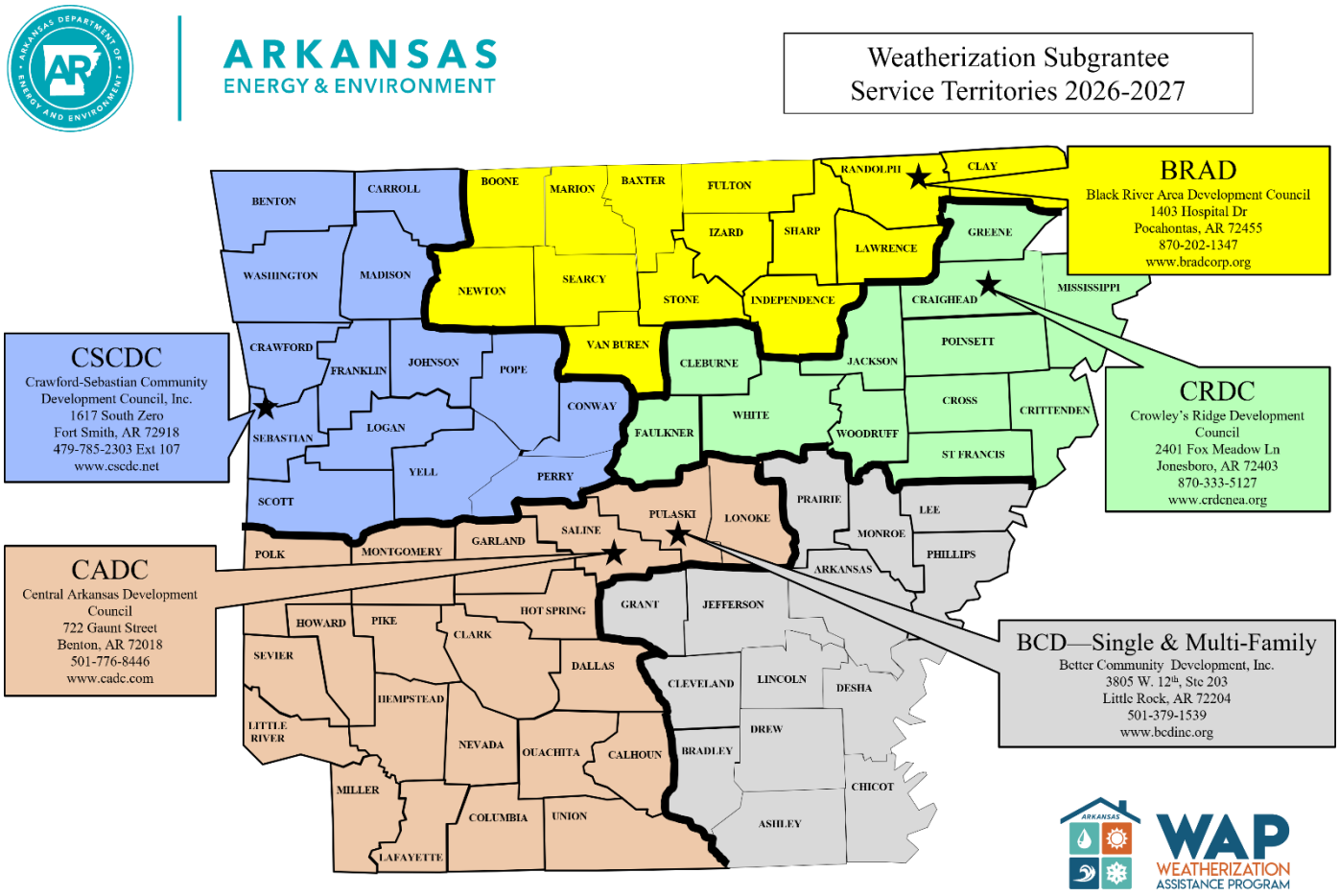


LIHEAP NETWORK CONTACT LIST		
AGENCY NAME	**EXECUTIVE DIRECTOR**	**LIHEAP CONTACT**
Black River Area Development Corporation (BRAD) 1403 Hospital Drive Pocahontas, AR 72455 | (870) 892-4547 www.bradcorp.org	Amy Thomas (870) 202-1341, Ext. 285 (office) amy.thomas@bradcorp.org	Alex Lynch (870) 202-1353 alex.lynch@bradcorp.org
COUNTY SERVICE AREA(S) Clay | Lawrence | Randolph		
Central Arkansas Development Council (CADC) 714 Edison Avenue Benton, AR 72015 | (501) 326-6229 www.cadc.com	Randy Morris (501) 315-1121 rmorris@cadc.com	Valerie Ramsey (501) 315-1121 vramsey@cadc.com
COUNTY SERVICE AREA(S) Calhoun | Clark | Columbia | Dallas | Hempstead | Hot Spring | Howard | Lafayette | Little River | Lonoke | Miller | Montgomery | Nevada | Ouachita | Pike | Pulaski | Saline | Sevier | Union		
Central Delta Community Action Agency (CDCAA) 200 Main Street Rison, AR 71665 | (870) 536-0046 www.cdcaa.org	Michelle Hood (870) 536-0046 Ext. 1001 michelle@cdcaa.org	LaTonya Harris, Energy Program Director (870) 536-0046 Ext. 1504 lharris@cdcaa.org
COUNTY SERVICE AREA(S) Arkansas |Cleveland | Grant | Jefferson | Lincoln		
Community Action Program for Central Arkansas (CAPCA) 707 Robins Street, Suite 700 Conway, AR 72034 | (501) 428-9204 www.capcainc.org	Jennifer Welter (501) 329-0977 Ext. 2105 jennifer.welter@capcainc.org	Heather Alcala (501) 329-3891 Ext. 2134 heather.alcala@capcainc.org
COUNTY SERVICE AREA(S) Cleburne | Faulkner | White		
Community Services Office, Inc. (CSO) 2228 Albert Pike, Suite P Hot Springs, AR 71913 | (501) 624-5724 www.csoarkansas.org	Leslie Barnes (501) 624-5724 Ext. 123 paschalbarnes.l@cso.arkansas.org	George Biggs (501) 762-8649; (501) 624-5724 Ext. 105 biggs.g@csoarkansas.org
COUNTY SERVICE AREA(S) Garland		
Crawford-Sebastian Community Development Council, Inc. (C-SCDC) 1617 South Zero Street Fort Smith, AR 72914 | (479) 785-2303 https://cscdc.net	Marc Baker (479) 785-2303 Ext. 107 mbacker@cscdccaa.org	Beverly Vaughn (479) 480-4602 bvaughn@cscdccaa.org
COUNTY SERVICE AREA(S) Crawford |Sebastian		

LIHEAP NETWORK CONTACT LIST		
AGENCY NAME	**EXECUTIVE DIRECTOR**	**LIHEAP CONTACT**
Crowley's Ridge Development Council, Inc. (CRDC) 2401 Fox Meadow Lane Jonesboro, AR 72401 | (870) 802-7100 www.crdcnea.org	Jeremy Wooldridge (870) 333-5112 jwooldridge@crdcnea.com Jacob Bright, CEO (870) 520-7100 jbright@crdcnea.com	April Sutton (870) 333-5134 asutton@crdcnea.com
COUNTY SERVICE AREA(S) Craighead | Crittenden | Cross | Greene | Jackson | Poinsett | St. Francis | Woodruff		
Economic Opportunity Agency of Washington County, Inc. (EOAWC) 614 East Emma Avenue, Suite M401 Springdale, AR 72764 | (479) 872-7479 www.eoawc.org	Delia Anderson Farmer (479) 334-5056 dfarmer@eoawc.org	Tammie Cagle (479) 334-5570 tcagle@eoawc.org
COUNTY SERVICE AREA(S) Washington | Temporarily: Conway | Franklin | Johnson | Logan | Perry | Polk | Pope | Scott | Yell		
Mid-Delta Community Services, Inc. (M-DCS) 610 South Biscoe Street Helena, AR 72342 | (870) 338-3411 www.middeltacs.com	Jimmy Sanders (870) 338-6406 Ext. 1015 jsanders@m-dcs.com	Sherrie Palmer 870-572-2879 spalmer@m-dcs.com
COUNTY SERVICE AREA(S) Lee | Monroe | Phillips | Prairie		
Mississippi County, Arkansas Economic Opportunity Commission, Inc. (MCAEOC) 1400 North Division Street Blytheville, AR 72316 | (870) 776-1054 www.mcaeoc.org	Priscilla Johnson (870) 776-1054 cilla.johnson@mcaeoc.org	Blanton Jones (870) 776-1054 Ext. 1050 blanton.jones@mcaeoc.org
COUNTY SERVICE AREA(S) Mississippi		
Northcentral Arkansas Development Council, Inc. (NADC) 1900 Lyon Street Batesville, AR 72501 | (870) 793-5765 https://nadcinc.org	Staci Albert (870) 793-5765 salbert@nadcinc.org	Sherry Vest (870) 793-5765 svest@nadcinc.org
COUNTY SERVICE AREA(S) Fulton | Independence | Izard | Sharp | Stone		
Our Healthy Communities (OHC) 506 East Spruce Street Rogers, AR 72757 | (479) 636-7301 www.ohcnwa.org	Susan Moore (479) 636-7301 smoore@ohcnwa.org	Kat Pavon (479) 636-7301 Ext. 102 kpavon@ohcnwa.org
COUNTY SERVICE AREA(S) Benton | Carroll | Madison		

LIHEAP NETWORK CONTACT LIST		
AGENCY NAME	**EXECUTIVE DIRECTOR**	**LIHEAP CONTACT**
Ozark Opportunities, Inc. (OOI) 701 East Prospect Avenue Harrison, AR 72601 | (870) 741-9406 www.ozarkopp.org	Richard T. Atkinson (870) 741-9406, Ext. 235 rtatkinson@ozarkopp.org	Amanda Ahrens (870) 710-6114 aahrens@ozarkopp.org
COUNTY SERVICE AREA(S) Baxter | Boone | Marion | Newton | Searcy | Van Buren		
Southeast Arkansas Community Action Corp (SEACAC) 1208 North Myrtle Street Warren, AR 71671 | (870) 226-2668 https://seacac.my-free.website/	Michael Jones (870) 226-2666 Direct: (870) 952-9056 michaeljones@seacac.org	Rebecca Gilbert (870) 226-2668 Work cell: (870) 820-5196 rebeccagilbert@seacac.org
COUNTY SERVICE AREA(S) Ashley | Bradley | Chicot | Desha | Drew		

WEATHERIZATION SERVICE TERRITORIES



WEATHERIZATION NETWORK CONTACT LIST		
AGENCY	**EXECUTIVE DIRECTOR**	**WEATHERIZATION DIRECTOR**
Better Community Development Inc. (BCD) 3805 West 12th, Suite 203 | Little Rock, AR 72204 For applications: (501) 379-1535 *www.bcdinc.org*	Darryl Swinton	James Whitaker (501) 379-5361 jwhitaker@bcdinc.org
COUNTY SERVICE AREA Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, Lee, Lincoln, Monroe, Phillips, Prairie		
Black River Area Development, Inc. (BRAD) 1403 Hospital Drive | Pocahontas, AR 72455-3847 For applications: (870) 202-1347 *www.bradcorp.org*	Amy Thomas	Johnie Dean (870) 202-1347 johnie.dean@bradcorp.org
COUNTY SERVICE AREA Baxter, Boone, Clay, Fulton, Independence, Izard, Lawrence, Marion, Newton, Randolph, Searcy, Sharp, Stone, Van Buren		
Central Arkansas Development Council (CADC) 722 Gaunt Street | Benton, AR 72018 For applications: (501) 776-8446 *www.cadc.com*	Randy Morris	Beverly Palmer (501) 776-8446 bpalmer@cadc.com
COUNTY SERVICE AREA Calhoun, Clark, Columbia, Dallas, Garland, Hempstead, Hot Spring, Howard, Lafayette, Little River, Lonoke, Miller, Montgomery, Nevada, Ouachita, Pike, Polk, Pulaski, Saline, Sevier, Union		
Crowley's Ridge Development Council (CRDC) 2401 Fox Meadow Lane | Jonesboro, AR 72403 For applications: (870) 333-5127 *www.crdcnea.com*	Jeremy Wooldridge	Joe Mansfield (870) 333-5127 joemansfield@crdcnea.com
COUNTY SERVICE AREA Cleburne, Craighead, Crittenden, Cross, Faulkner, Greene, Jackson, Mississippi, Poinsett, St Francis, White, Woodruff		
Crawford-Sebastian Community Development Council, Inc. (C-SCDC) 1617 South Zero | Ft Smith, AR 72918 For applications: (479) 785-2303, Ext 111 *www.cscdccaa.org*	Marc Baker	Kat Allen 479-785-2303, Ext 123 KAllen@cscdccaa.org
COUNTY SERVICE AREA Benton, Carroll, Conway, Crawford, Franklin, Johnson, Logan, Madison, Perry, Pope, Scott, Sebastian, Washington, Yell		

APPENDIX L: FORMS

The Arkansas Energy Office (AEO) will provide Subgrantees with digital copies of standardized forms for application intake, data collection, and reporting. The Subgrantee must utilize these, and other forms provided by AEO in the administration of the LIHEAP program. Should the need arise for the development of other forms to be used in conjunction with the AEO forms, the Subgrantee is authorized to develop these forms and submit a copy to AEO for review and approval.

Subgrantees must obtain prior approval to alter standard LIHEAP forms. If prior approval has not been obtained and it is determined upon monitoring of the program that the forms are not adequate, e.g. lacks the information that is required per policy, the agency will be required to obtain this additional information. Also, the agency must begin to use the standard forms which are provided by AEO.

Subgrantees are responsible for printing forms for their service area.

LIST OF LIHEAP FORMS		
FORM NAME	**FORM NUMBER(S)**	**DESCRIPTION**
Agreement to Utilize LIHEAP Benefits for Energy Purchase	LIHEAP DPAY	Applicant must complete the form before receiving a direct household benefit payment.
Application	LIHEAP 9495	Application for LIHEAP assistance
Application Worksheet	LIHEAP WKST 1	CBO coordinates use of worksheet tool during intake and interview process to document steps taken from intake through final application disposition.
Case Management Activities	LIHEAP 2040	Assurance 16 Chronological Register
Chronological Register	LIHEAP 2004	CBO uses to maintain an accurate record of applications received.
Closeout Report	AEO 3105	CBO uses to report final expenditures at close of program
Contribution Statement	LIHEAP 2070-2	Applicant must complete if household identifies as zero income
Earnings Statement	LIHEAP 2097	Applicant must have completed by employer in lieu of paystub
Funds Request	LIHEAP 3101	CBO uses to request funds through program season
Notice of Action	LIHEAP 2001	CBO uses to document application determination and inform applicant of payment
Odd Job Income Form	LIHEAP 2071	Applicant must complete if reporting income from small or infrequent jobs, typically not reported to the IRS
Request for Appeal	LIHEAP RFAH-2	Applicant must complete when in disagreement of final disposition of application and/or AEO suggested resolution of complaint
Request for Review	LIHEAP RFAH-1	Applicant must complete as the first step of the fair administrative review process. The form may be completed by AEO or Subgrantee on behalf of the applicant.
		Continued on following page

LIST OF LIHEAP FORMS		
FORM NAME	**FORM NUMBER(S)**	**DESCRIPTION**
Subgrant Agreement, includes Attachment 1: Budget Summary Attachment 2: Budget Justification Attachment 3: Scope of Work Attachment 4: Disclosure of Lobbying Activities	LIHEAP 3200	CBO completes and submits to AEO for purpose of receiving grant funds
Supplier Agreement	LIHEAP 2050	Legal agreement through AEO, between CBO and service providers to receive LIHEAP benefit payments
Suspected Fraud Report	LIHEAP 1700	Form used to report any suspicious activities that may result in fraudulent use of federal funding
Weekly Data Report	LIHEAP 2065	CBO uses to report weekly applications received, determinations, expenditures, and funds on hand, to AEO Built into data collection system
Zero Income	LIHEAP 2070	Applicant must complete if reporting no income for household

The following sample checklist, provided by a LIHEAP Subgrantee, is provided for reference only.

Program-by-Program Website Checklist (Use at the Start of Each Program)

	Website Requirement	Live URL/Page Location	Verified By	Date
☐	Program opens date posted			
☐	Program closes date posted (or approved 'until funds are depleted' language)			
☐	How to apply posted (all methods)			
☐	In-person hours & locations posted (county-by-county)			
☐	Alternate access posted (what to do if office closed / cannot come during hours)			
☐	Income Eligibility Chart posted (visible and/or PDF link)			
☐	Application form posted			
☐	Documents needed to apply posted (ID, income, bills, lease if required, etc.)			
☐	Services offered posted (Regular + Crisis/Emergency, etc.)			
☐	Payment procedures posted (paid to vendor, general timing)			
☐	Applicant rights & responsibilities posted (summary and/or link)			
☐	Appeals process posted (deadline + how/where to submit + link to form)			
☐	Required 'LIHEAP is not income/resources' statement posted			
☐	All links tested (open/download correctly)			
☐	Dated screenshot(s) saved to compliance folder			

Ongoing Website Monitoring Checklists
Monthly Website Check (10–15 minutes)

☐ Verify program dates, hours/locations, and central phone number are still correct
☐ Verify income eligibility chart is the current program year
☐ Test the application link (downloads correctly)
☐ Test appeals link and confirm appeal instructions are correct
☐ Save dated screenshots of the LIHEAP page(s)

Unexpected Closure Checklist (Same Day / Within 24 Hours)
☐ Update LIHEAP webpage with closure notice and alternate access instructions
☐ Notify AEO within 24 hours (per policy)
☐ Post visible signage at the closed site with closure dates and how/where to apply
☐ Save proof (website screenshot + photo of sign + copy of AEO notice)

Figure 23: Example Website Update Checklist