

Welcome: CARES ACT LIHEAP Obligation and Expenditure— Federal Perspective

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ACF LIHEAP Grantee Virtual Conference

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Welcome from the OCS Director

Dr. Lanikque Howard



Welcome from the OCS Deputy Director

J. Janelle George



The Biden Administration Priorities

- **COVID-19**

- *Hard-to-reach populations*
- *Coordination with public health agencies*

- **The Economy**

- *Crisis assistance*
- *Holistic case management*
- *Program flexibilities*

- **Climate Change**

- *Weatherization*
- *Renewables allowable*



Carry-on

- Thank you for your resiliency, passion, and commitment to LIHEAP and the people you serve!



LIHEAP CARES Act Funding



A Recap: LIHEAP CARES Funding

TIMELINE:

- March 27, 2020: Congress appropriated the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Public Law 116-136)
- May 8, 2020: ACF awarded \$900 million in LIHEAP CARES grants
 - See our Dear Colleague Letter here: <https://www.acf.hhs.gov/ocs/policy-guidance/liheap-dcl-2020-10-cares-act-supplemental-funding-release-ffy20>
- September 30, 2021: LIHEAP CARES funding expires



WHAT'S DIFFERENT ABOUT CARES LIHEAP?

➤ PURPOSE:

➤ *Any allowable LIHEAP activity that will:*

➤ *“prevent”*

➤ *“prepare for” or*

➤ *“respond to”*

➤ *home energy needs surrounding the national emergency created by the Coronavirus Disease 2019 (COVID-19)*

➤ NO CARRYOVER CAP

➤ NO REALLOTMENT

➤ SEPARATE REPORTING



What Did We Change for LIHEAP CARES?

- NO CARES PLAN/APPLICATION
- NO REALLOTMENT
- SEPARATE REPORTING for CARES in FY 2020 and FY 2021
 - **LIHEAP Carryover and Reallotment Report**
 - **LIHEAP Household Report**
 - **LIHEAP Performance Data Form (states only)**
 - **LIHEAP SF-425 Federal Financial Report**



How Can ACF Track CARES Funding?

- Federal LIHEAP reports
- Independent audits (as required by [75 CFR 501](#))
- Monitoring reviews
- System tracking—expenditure focused



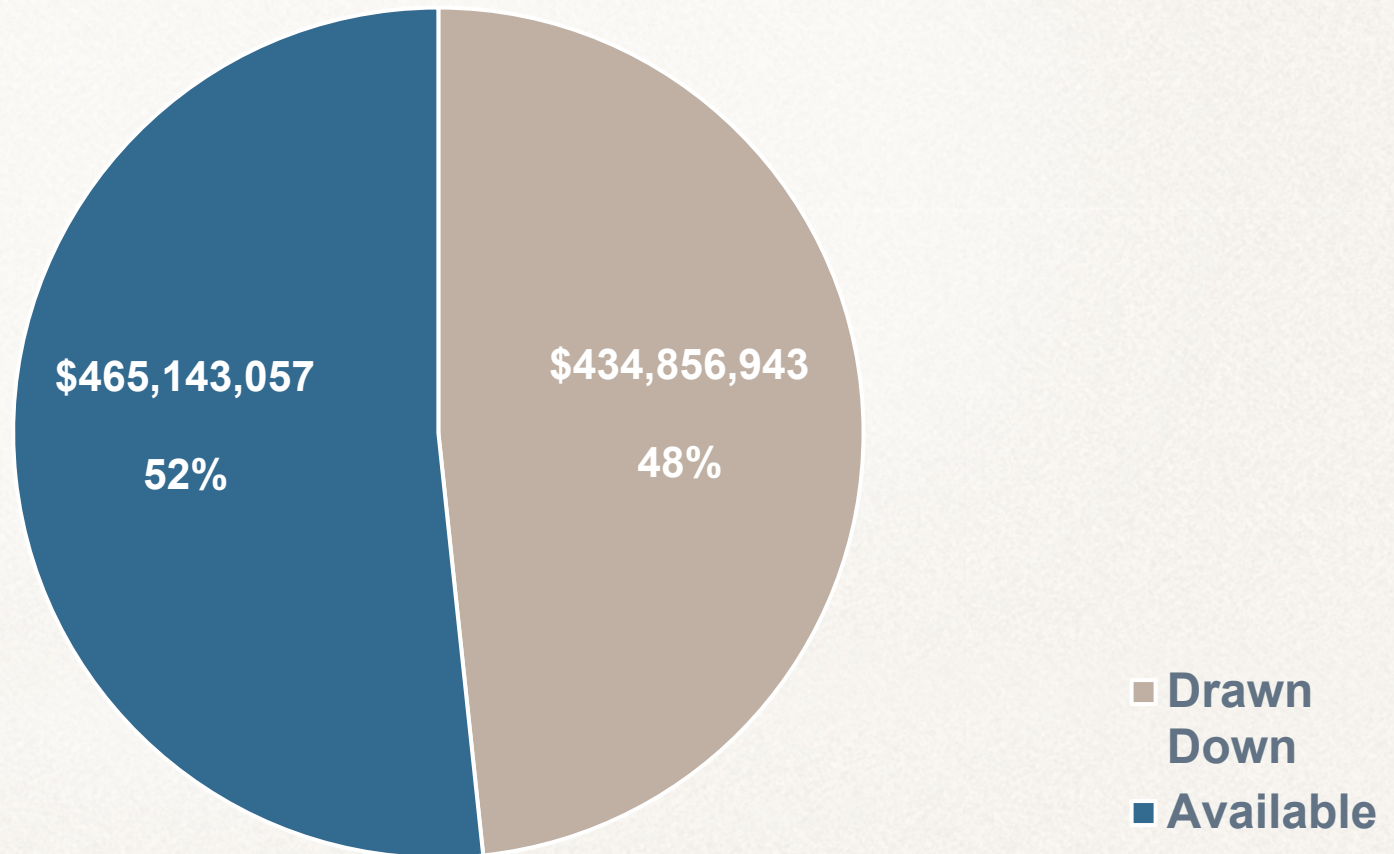
Obligation versus Expenditure

	Obligations	Expenditures
Federal deadline requirement	<p>Federal Fiscal Year (FFY) of grant= 90% committed in a specific amount to a specific purpose and entity/person</p> <p>Following FFY= remaining carryover committed</p>	Liquidations of obligations based on grantee's own funding rules (and must be within five FFYs of the year of the award)
Definition	Defined by each state/tribe/territory according to the rules that apply to their own funds (unless clearly erroneous)	
Federal tracking method	Grantee reports in OLDC system	Grantee draw-downs from the PMS system



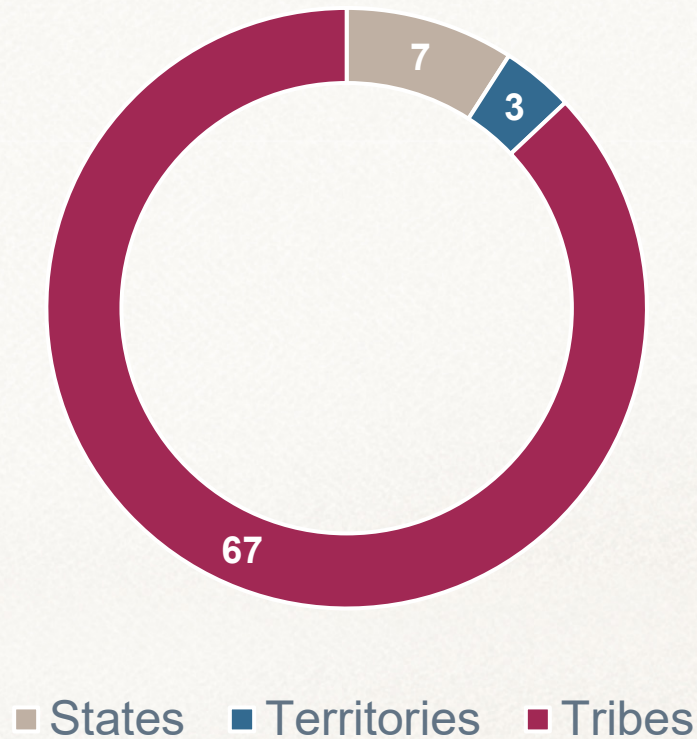
LIHEAP CARES Expenditures

LIHEAP CARES ACT FUNDING DRAWN DOWN VS AVAILABLE
as of 2/1/2021



Grantees with 100% CARES LIHEAP Funding Available

Zero LIHEAP CARES Draw-Downs from PMS (as of 2/1/2021)



Problem-solving

1. Question: Are LIHEAP grantees having a problem obligating the LIHEAP CARES funding?
2. Question: If yes, what is the primary cause of this problem?
3. Question: What solutions have been tested by grantees so far?
4. Question: Do those solutions appear to be effective and why?



How Can the Feds Help?

Problem	Solution for Federal Involvement
Lack of customer awareness	National outreach campaign
Disconnection moratoria delaying sense of urgency to apply	Outreach to national stakeholders such as NARUC
Inability to access supporting documentation for application	Additional guidance on LIHEAP flexibilities; more peer-to-peer exchange opportunities
Need alternate application methods	

What ideas do you have for us?



What is the Guidance on LIHEAP CARES Flexibilities?

- **Do IRS stimulus payments count as income for purposes of LIHEAP income eligibility?**
 - **Answer: No. LIHEAP grantees and subgrantees must exclude IRS stimulus payments received by household members when calculating the total household income for purpose of eligibility and benefit determinations.**
- **Do supplemental CARES Act funded unemployment payments count as income for purposes of LIHEAP income eligibility?**
 - **Answer: It depends. LIHEAP grantees can choose whether to include or exclude CARES Act funded unemployment benefit payments received by household members when calculating the total household income for purpose of eligibility and benefit determinations.**



What is the Guidance on LIHEAP CARES Flexibilities?

- Do grantees need to ensure that LIHEAP CARES funding is used for COVID-19 related home energy needs?
 - Answer: Yes, LIHEAP grantees need to ensure that they are allocating the LIHEAP CARES funding to address home energy related needs connected to the COVID-19 pandemic.

For example, grantees may raise benefit amounts or income eligibility cut-offs to reach new households that have been laid off, had a significant loss of income, incurred significant medical bills related to COVID-19.

LIHEAP grantees have broad flexibility in deciding what is appropriate documentation of household home energy need with respect to the COVID-19 pandemic.



What is the Guidance on LIHEAP CARES Flexibilities?

- **What disaster related flexibilities with LIHEAP are in effect at the federal level during the COVID-19 pandemic?**
- **Answer:** In addition to the normal flexibilities available to LIHEAP during disasters, LIHEAP grantees are not being held to the major LIHEAP crisis performance standards while the COVID-19 pandemic remains a nationally declared disaster. That means that LIHEAP grantees have more flexibility with the timeframe within which to take an intervention to resolve a home energy crisis. LIHEAP grantees also have more flexibility with how they conduct outreach and intake services to homebound and remotely located households.



Countdown



7 MONTHS (or 213 calendar days— including holidays) remain to obligate LIHEAP CARES Act grant funding.

September

2021

SUN	MON	TUE	WED	THU	FRI	SAT
29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	1	2



Federal Information Resources

- ❑ [LIHEAP Statute and Regulations](#)
- ❑ [LIHEAP CARES Funding Release Dear Colleague Letter, LIHEAP-DCL-2020-10](#)
- ❑ [LIHEAP Winter Storms Dear Colleague Letter, LIHEAP-DCL-2021-3](#)

- ❑ [LIHEAP Report to Congress: An Assessment of the Program's Formula and Allocations of Funding Among States, Administration for Children and Families, November 17, 2020 plus Appendix](#)
- ❑ [COVID-19 Electric Utility Disconnections, Congressional Research Service, June 9, 2020](#)



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