

CARES Act Funding Guidance

May 27, 2020

CARES Act Funding

- ▶ CARES Act funds are to help prevent, prepare for or respond to home energy needs surrounding the national emergency created by the Coronavirus Disease 2019 (COVID-19).
- ▶ Funds must be tracked separately from the FY20 Award.

Contract

Contract Term: March 27, 2020 - September 30, 2021

Line Items

- ▶ Administration
- ▶ ECIP
- ▶ Program Support
- ▶ Assurance 16 (Client Services/A&R/Assessment & Resolution)

Line Items NOT in the CARES Act Contract (in FY20 Contract)

- ▶ Regular Assistance
- ▶ Data Expansion
- ▶ Summer Pre-Buy

Administration/Program Support

- ▶ Simply stated, funds cannot mix.
- ▶ If staff time is spent on a certain activity that is being charged to the CARES Act Contract, Admin and/or Program Support is to also be charged to the CARES Act Contract. Admin and Program Support must match the funding source charged for the activity.

Examples

- ▶ Dawn assisted a household with a crisis application for assistance with a past due bill. The application was approved and CARES Act funds are paying \$500 in ECIP for the crisis program's Service Continuity component. The time it took for Dawn to assist this household with their application, entering it into the software, etc. MUST be charged to either the CARES Act Contract Administration line item or the Program Support line item. It CANNOT be charged to the FY20 Contract.
- ▶ While Dawn assisted the household above using CARES Act funds, a portion of the rent for her office space MUST be charged to the CARES Act Contract. It CANNOT be charged to the FY20 Contract.
- ▶ Joe also assisted a household with a crisis application for assistance with a past due bill. The application was approved and both CARES Act ECIP funds and FY20 Contract ECIP funds are paying for the crisis program's Emergency Reconnection component (\$200 from the CARES Act Contract and \$300 from the FY20 Contract). Only a portion of Joe's time can be charged to the CARES Act Contract. The other portion is to be charged to the FY20 Contract.
 - ▶ May be difficult to administer and therefore avoided when possible.

Crisis Expenditure Limits

- ▶ Six Crisis Components per LIHEAP Policy and Procedures Manual
 - ▶ Section 15.20 Heating Unit Repair/Replacement
 - ▶ \$1,500 max when in conjunction with Weatherization
 - ▶ \$3,000 max when NOT in conjunction with Weatherization
 - ▶ Section 15.30 Shelter, Blankets, Electric Portable Space Heaters
 - ▶ \$300 max
 - ▶ Section 15.40 Emergency Delivery
 - ▶ \$500 max
 - ▶ Section 15.50 Emergency Reconnect
 - ▶ \$1,000 max (normally \$500 max)
 - ▶ Section 15.60 Service Continuity
 - ▶ \$1,000 max (normally \$500 max)
 - ▶ Section 15.70 Emergency Cooling
 - ▶ \$350 max
- ▶ Emergency Delivery, Reconnect and Continuity cannot exceed \$1,650 in total (Section 15.10) from FY20 Contract and/or CARES Act Contract

Assurance 16

(Client Services/A&R/Assessment & Resolution)

The LIHEAP statute requires grantees to agree to meet certain conditions, known as the 16 Assurances.

Assurance 16, requires that states provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance. Such services may include budget counseling, advocacy, energy conservation education, low-cost weatherization, needs assessment, and such other activities as provided for each year in the LIHEAP State Plan.

Although the definition remains the same, we are now referring to client services as Assurance 16 and have defined it in Section 20.7 of the CARES Act Contract.

CARES Act Income Guidelines

- ▶ LIHEAP income guidelines change at the beginning of each program year.
- ▶ Use the income guidelines in effect during the program year in which the application is taken.

Vendor Refunds

- ▶ Vendor refunds from FY20 funds or prior must be forwarded to the customer or go back to the FY20 Contract. Staff time associated with this must be charged to the FY20 contract.
- ▶ Vendor refunds from CARES Act funding must be forwarded to the customer or go back to the CARES Act Contract. Staff time associated with this must be charged to the CARES Act Contract.

Weekly Reporting of Crisis Program Activities

- ▶ CARES Act Contract Section 22.2 Weekly Reports
 - ▶ Requires weekly reporting of crisis program activities each Friday.
 - ▶ State-supplied template which can be found in the Members Only section of the DCAA website must be completed weekly and submitted to both Christine Taylor and John Burnquist.
 - ▶ Collecting data for **both** FY20 funding and CARES Act funding. Data will be used when reporting Iowa's need for additional funding.
 - ▶ Submit the weekly report whether or not CARES Act funding is being spent on ECIP.

Designated Signatory Sheet

- ▶ CARES Act Designated Signatory Sheet
 - ▶ Must be completed for this specific contract to designate someone other than the Board Chairperson to sign contract amendments and expenditure reports.
 - ▶ Template can be found in Members Only section of the DCAA website.

Monthly Expenditure Report

- ▶ Separate monthly expenditure report for the CARES Act Contract.
- ▶ Template can be found in Members Only section of the DCAA website.
- ▶ Multiple expenditure reports are to be submitted each month; one for the FY20 Contract and one for the CARES Act Contract.

Questions

- ▶ Program Support is strictly for staff time, just like the FY20 Contract, correct?
 - ▶ Yes
- ▶ If someone is performing a CARES Act activity, the rent for their office space must also be charged to CARES Act but to Administration, not Program Support, correct?
 - ▶ Yes - Rent is an Administration expense.
- ▶ If we don't normally charge rent, do we HAVE to charge rent to the CARES Act Contract?
 - ▶ No
- ▶ Regarding the weekly reporting of crisis activities, when does that start?
 - ▶ Submit your first report May 29th. The report is to reflect activity for the week of May 25th.
- ▶ Do we have to submit a weekly report of crisis activities if we aren't spending CARES Act funds yet?
 - ▶ Yes. This will help us gauge the increasing need for crisis assistance.

Questions (continued)

- ▶ In our first weekly report of crisis activities, do we have to go back to October 1st and fill in the year-to-date?
 - ▶ No - Start with the week of May 25th.
- ▶ Regarding the Monthly Expenditure Report, is there a field to enter our agency name?
 - ▶ Thank you for bringing this to our attention. A field has been added. The template can be found on the Members Only page of the DCAA website, under Forms.
- ▶ What if the weekly crisis program report isn't working well for us?
 - ▶ Let us know so we can consider making changes.
- ▶ Where is Members Only and where can I find the password?
 - ▶ <https://humanrights.iowa.gov/dcaa/members-only>
 - ▶ Click on LIHEAP
 - ▶ Password: DCAALIHEAP

Questions (continued)

- ▶ Some agencies may still have CARES Act funds left at the end of FY20. Will you update the Monthly Expenditure Report for FY21?
 - ▶ During the meeting, I indicated that we would update the report, however, upon further consideration, we will NOT update the monthly expenditure report because the contract name will not change.
- ▶ Can we buy fans and air conditioners with CARES Act funds?
 - ▶ Yes
- ▶ Do we have to use FY20 funds before using CARES Act funds?
 - ▶ No, this is an agency decision. With that being said, it may be easiest to use FY20 ECIP funds before starting to use CARES Act ECIP funds. Remember, you have until September 30, 2021 to spend CARES Act funds.