



Governor Kim Reynolds  
Lt. Governor Adam Gregg  
San Wong, Director

## Iowa LIHEAP Program Notice 21-01

To: Executive Directors and LIHEAP Coordinators  
From: Christine Taylor, Energy Assistance Bureau Chief  
Date: August 28, 2020  
Re: Changes to Iowa LIHEAP Policy and Procedures Manual

**Effective Date: October 1, 2020**

### Iowa LIHEAP FY21 Policy and Procedures Manual

Listed below are notable changes to the *Iowa LIHEAP Policy and Procedures Manual* for the FY21 program year.

- 2.20 LIHEAP Customer Confidentiality & Services
  - Added to 1<sup>st</sup> paragraph: Phone calls with vendors should be conducted with utmost concern for customer privacy; avoiding calls on speakerphone in public areas.
- 2.30 Appeal and Hearing Procedures
  - Revised 1<sup>st</sup> paragraph to explain that it's preferable to include someone in the appeal procedure who is outside of the LIHEAP program. In addition, appeals must be addressed in a timely fashion. Denials must clearly explain the reason for denial and include the state-provided Appeal and Hearing Procedure.
  - Moved here from Sections 4.60 and 4.70 and added: Each customer must be provided with an Appeal and Hearing Procedure at the time of application or determination. Another copy is not required unless the LIHEAP application is changed from approved to denied.
- 3.00 Outreach Offices
  - The 16-hour requirement to physically staff an outreach office is waived for FY21.
- 4.11 Regular LIHEAP Season (Heating Season)
  - Added clarification that the last day to submit a new application is at 11:59pm on the last day of the heating season.
  - Clarified application date and date received by agency.
- 4.12 ECIP/Crisis Services
  - Clarified that an application of some sort must be used by the CAA for crisis services.
- 4.20 Application Methods
  - The requirement to meet with customer in-person has been waived for FY21.
  - Household members may be on only one application per year, unless waived by the DCAA.
- 4.30 Who May Sign an Application
  - The state-supplied Proxy Statement is to be used beginning in FY21.
- 4.40 Automatically Eligible (AE) Households
  - The question regarding savings has been increased from \$15,000 to \$50,000.
  - An example was added to explain in which year an AE need to be re-certified.

- 5.30 Who Can Apply
  - Explained that a customer must have a legitimate address and an energy burden, as per Appendix D.
  - College students must live at home full-time in order to be counted as a household member.
  - Students living in dorm rooms are ineligible for LIHEAP.
  - Incarcerated individuals are ineligible for LIHEAP.
- 5.43 Ineligible Dwellings
  - Includes mobile home owners where Section 8 pays part of the rent.
  - Includes Housing First which pays the applicants' rent and has heat included in the rent.
  - Clarified the section about roomers/SRO facilities.
- 6.20 Calculating Income/Determining Eligibility
  - Clarified that in some cases, such as mailed applications, it will make more sense to count back 30 calendar days from when all income documentation is received.
- Minimal Income
  - The use of a minimal income form has been eliminated.
- 6.60 Bank Statements
  - Clarified that not all online banking documentation (e.g., screenshots, printouts) will identify the bank or the customer name but is considered acceptable income documentation, when presented by the customer.
  - Also clarified that incomplete bank statements (i.e., pages are missing) that do not identify the total amount of deposits for the month and/or do not include all deposits for the month are unallowable.
- 7.10 Acceptable Documentation
  - We now accept Driver's Licenses and Photo IDs for individuals under 18 years of age, as well as passports and birth certificates, in lieu of a social security card.
- 7.20 Unacceptable Documentation
  - Another unacceptable document to be presented in lieu of a social security card is the ITIN (Individual Taxpayer Identification Number).
- 8.00 Documentation and Recordkeeping Requirements
  - Explained that clear notations, without acronyms, are to be maintained in files as needed. Anyone who views the file should be able to easily follow the timeline of events.
- 8.10 LIHEAP Customer Files
  - When handwritten notes are made on the approval/denial letter, the document is to be scanned and included in the household file.
- 8.20 ECIP Files
  - Any handwritten notes are to be scanned and included in the household file.
- 8.30 Vendor Files
  - Revised the list of documentation that vendor files must contain.
- 10.00 Payment Matrix
  - Subsidized Housing is now -2 points (it was -3 points).
  - Savings is now over \$50,000 (it was \$15,000).
- 11.00 Payments
  - Tax and meter fees on utility bills may be paid with Regular LIHEAP and ECIP funds. Reconnection fees can only be paid with ECIP funds.
- 11.20 Secondary Energy Supplier/Vendor/Utility
  - The waiver form to pay a household's secondary utility no longer requires state approval. However, the form must be completed and maintained in the household file.
- 12.00 Vendors
  - Signatures on the vendor agreements may be original or electronic and digitally time-stamped, which may include a signature log.

- 12.10 Electric/Natural Gas Vendors
  - This is a new section. The General Vendor Agreement has been eliminated and replaced with the Electric/Natural Gas Vendor Agreement.
- 12.20 Deliverable Fuel Vendors
  - The General Vendor Agreement has been eliminated and replaced with a Deliverable Fuel Vendor Agreement and a Prepaid Deliverable Fuel Vendor Agreement.
- 12.22.5 Account Reconciliation
  - Contact the DCAA for guidance when the balance on the prepaid account is \$5 or less.
- 12.23 Supported Expenses
  - This is a new section and explains the expenses that can be paid regarding deliverable fuels.
- 12.24 Unsupported Expenses
  - This is a new section and explains that pump-out fees will not be paid with LIHEAP funds.
- 14.00 Change of LIHEAP Customer Status
  - Clarified how to proceed when a member of a household which was approved for a Regular LIHEAP benefit moves out and wishes to apply for crisis services.
- 14.20 After LIHEAP Payment is Sent to Vendor
  - Added a bullet to address when a household moves into a care center/assisted living.
  - Clarified how to proceed when a head of household passes away.
- 14.30 Household Move to Another Service Area
  - This new section explains that a signed release just be obtained from the head of household in order to share the previous application with the new CAA.
- 15.10 ECIP (Energy Crisis Intervention Payments)
  - CAAs are encouraged to combine ECIP funds with other sources of funding, whenever possible.
  - Clarified that when a utility combines energy services with other services, such as water, ONLY the energy portion of the bill may be paid.
  - A household cannot receive, alone, or in combination, more than **\$1,650** (was \$650) in benefits from Section 15.40 Emergency Delivery, Section 15.50 Emergency Reconnect, and/or Section 15.60 Service Continuity, in any current program year.
- 15.22 NOT with Weatherization
  - Added tune & cleans as an acceptable component of the heating system work.
  - When hooking-up and LP tank to a new heating unit, the gas line from the tank to the house is now a supported cost.
  - Households with rent-to-own agreements are not considered homeowners.
  - ECIP funds cannot be used for carbon monoxide detectors.
  - Heating units cannot be replaced simply because they are old or inefficient. There must be an issue with the unit operating properly.
  - Work cannot be paid until it passes inspection.
  - NO used heating units are to be installed.
  - Heating units affected by a disaster may be repaired/replaced only after insurance benefits are exhausted.
  - Tune & cleans are to be reported under "repair".
  - If an A-coil is leaking, it is common for the contractor to remove it to avoid damaging the new furnace. Unless an entire system needs to be reconfigured, the A-coil does not need to be removed when replacing a furnace. Sometimes, coolant leakage may cause the air conditioning to not work. Because central air conditioning units cannot be effectively recharged during winter months, contractors often return to the home in the spring to ensure the unit is working properly.
  - When health and safety hazards exist that prohibit work being done in the home (e.g., roaches, bed bugs, feces, broken stairwell going to heating unit) the contractor is to notify the CAA to obtain further guidance.

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- 15.30 Shelter, Blankets, Electric Portable Space Heaters
  - An agency is not required to provide a portable space heater for a household living in a camper, if the agency believes it is unsafe.
- 15.40 Emergency Delivery
  - This section now outlines expenses the crisis program does and doesn't support.
- 15.50 Emergency Reconnect
  - This component has a maximum expenditure limit of \$1,000 (was \$500).
- 15.60 Service Continuity
  - This component has a maximum expenditure limit of \$1,000 (was \$500).
- 15.70 Emergency Cooling
  - Weatherization-approved HVAC contractors are to be used when working on a central air conditioning unit.
  - Portable air conditioners are allowed.
  - A garage without a restroom and a separate meter is ineligible for a window air conditioner.
- 16.00 Assurance 16
  - This section was previously titled Assessment & Resolution.
- 16.10 Assurance 16 Components
  - Clarified that Assurance 16 activity records should only be created when using LIHEAP funds; not when using only CSBG or only other funds.
- 17.00 Program Support
  - Add two scenarios that are to be charged to program support.
- 18.00 Monthly Funding Request and Expenditure Report
  - Monthly expenditure reports must have an original signature, per the State of Iowa Accounting Enterprise rules (cannot be digitally signed).
- 20.00 Definitions
  - Added a definition for Buying a Home on Contract, Multi-Residential Building, Multi-Residential Land, Pro-Rate, and Rent-to-Own.
  - Under Household, added clarification that one meter and one bill equals one household.
- Appendix C – LIHEAP Income Source Guide
  - Bitcoin – include as income
  - CARES Act Economic Rebates/Expanded Unemployment Benefits – exclude from income
  - Cash Gifts – exclude from income
  - Christmas Club Account – exclude from income
  - Crime Victim Payments – exclude from income
  - Cryptocurrency – include as income
  - Disaster Assistance – exclude from income
  - Executor Fees (reimbursed) – exclude from income
  - Internship – include as income
  - IRA – include as income
  - Refugee Resettlement Funds – exclude from income
  - Self-Employment Income
    - The LIHEAP Program does NOT deduct business expenses.
    - When unable to use a Federal tax return, the state-supplied Self-Employment Form must be used.
  - Social Security Benefits (SSA, SSI, SSDI)
    - When used as income documentation, a bank statement may be from up to 60 calendar days prior to the application date.
    - When a customer received an overpayment, which is being deducted from their monthly benefit, the amount received after the deduction is considered income.

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- Unemployment Compensation
  - Benefit letters should be used whenever possible.
  - Bank statements are not allowed for income documentation.
- Utility Allowance – exclude from income
- VA Service-Connected Disability Pension
  - When used as income documentation, a bank statement may be from up to 60 calendar days prior to the application date.
- VA Non-Service-Connected Disability Pension
  - When used as income documentation, a bank statement may be from up to 60 calendar days prior to the application date.
- Veterans Payments
  - When used as income documentation, a bank statement may be from up to 60 calendar days prior to the application date.
  - A veteran receiving payments due to exposure to agency orange is excluded from income.
  - A widow receiving payments due to her spouse's exposure to agency orange is excluded from income.
- Appendix D – Energy Burden Table
  - When a customer's source of heat is electricity which is obtained from solar cells, wind power, an extension cord, or a generator, there is no energy burden.
  - A college student in a dorm room does not have an energy burden.
- Appendix G – Heating System Installation Standards
  - See Section 2110 of the Weatherization Work Standards for procedures if venting through possible asbestos material.
  - In cases of existing hazardous materials such as asbestos, the agency may direct the contractor to disable and leave in place the existing.
  - Added sections regarding attic furnaces, heat pumps and air conditioners, and electric baseboard heat.