

Illinois

JOHN W. MAITLAND

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

**2014
STATE PLAN**

**State of Illinois
Department of Commerce & Economic Opportunity
500 East Monroe
Springfield, Illinois 62701-1615**

August 2013

TABLE OF CONTENTS

	Page
Transmittal Letters	
I. Introduction	1
II. PY2014 Program Design	2
III. Assurances	7
IV. Distribution of Allocation	17
V. Right to Modify	18
VI. Performance Goals	19
Appendix A Direct Vendor/Cash Payment Matrices.....	A-1
Regional Assistance Map	A-5
Appendix B Directory of Energy Assistance Local Administering Agencies.....	B-1
Appendix C Annotation of Assurances.....	C-1
Attachment 1 - Public Hearings	
Attachment 2 - Certifications	
Attachment 3 - 2 Program Results	

I. INTRODUCTION

Title XXVI of the Omnibus Budget Reconciliation Act of 1981, as amended, created the “Low Income Home Energy Assistance Act of 1981”. Under this Act, the Secretary of the U.S. Department of Health and Human Services is authorized to make grants to states to assist low income households in meeting the costs of energy consumed for heating and, where medically necessary, cooling of residences. States must comply with sixteen assurances prior to receipt of funds. These assurances are designed to ensure minimum and basic continuity of program design among states. However, the Act does allow states flexibility to develop and implement Plans that meet their own diverse needs and circumstances.

The Illinois Department of Commerce & Economic Opportunity has been designated by Governor Pat Quinn as the agency to administer the Low Income Home Energy Assistance Program (LIHEAP) in the state. Within the Department, the Office of Energy Assistance has the lead role in carrying out the energy assistance program. The key contact person for the program is Larry Dawson, Deputy Director, Office of Energy Assistance, 500 E. Monroe Springfield, Illinois 62701.

The primary purpose of the LIHEAP is to assist low-income households to better afford the rising cost of energy through direct financial assistance, energy counseling, outreach and education. The program allows the State of Illinois to reach not only the vulnerable low-income population, but also to increase awareness among the general population of the needs of low-income households. It further serves as an important entry point to a variety of other needed social services for the low-income population.

II. 2014 PROGRAM DESIGN

This section of the State Plan outlines the activities that the Illinois Department of Commerce and Economic Opportunity will undertake to continue its administration of the Low Income Home Energy Assistance Program (LIHEAP) as mandated by the Low Income Home Energy Assistance Act of 1981, as amended, and the Illinois Energy Assistance Act of 1989, as amended. This application is for the 12-month period of October 1, 2012, through September 30, 2014, hereinafter referred to as “program year” (PY).

In PY2014, the LIHEAP will provide both energy assistance and weatherization assistance per the following components:

- A. Home Energy Assistance
 - 1. Heating Assistance
 - 2. Emergency Assistance
 - 3. Special LIHEAP Projects
- B. Home Weatherization
 - 1. Supplement to DOE Weatherization Program
 - 2. Special Weatherization Projects

The Illinois Department of Commerce and Economic Opportunity will expand the scope and benefits of the Home Energy Assistance and Home Weatherization Assistance Components by leveraging the following nonfederal resources in Illinois, such as:

- A. State Supplemental Low Income Energy Assistance

As an amendment to the Energy Assistance Act of 1989, Public Act 90-561 provides for a state-generated energy assistance fund to be used in conjunction with, coordinated by, and administered by the Low Income Home Energy Assistance Program. These funds are used to provide energy assistance and weatherization to LIHEAP-eligible households who participate in the generation of the funds by having the Supplemental Energy Assistance charge included in their energy bills.

- B. Cash Donations

Cash donations from Illinois towns, churches, organized charities, cities and townships are used by Local Administering Agencies (LAAs) to expand the effect of LIHEAP by maximizing the use of LIHEAP benefits for low income populations.

- C. Discounts and Waivers on Delivery and Reconnection Fees

Discounts and waivers on delivery and reconnection fees from unregulated utilities are negotiated up front with LAAs and are reported to the LAA when LIHEAP benefits are paid on behalf of a LIHEAP client. This expands the effect of LIHEAP by lowering the overall energy burden to the household.

D. Add-A-Dollar Programs, Utility Discounts, Waivers, Grants, and Pilot Programs

Regulated utilities participate in leveraging additional energy assistance to low income families with the coordination and integration of Add-A-Dollar Programs, utility discounts, waivers, grants and pilot programs developed in cooperation with the Illinois LIHEAP. These initiatives are negotiated up front and ultimately expand the effect of LIHEAP to thousands of Illinois residents.

E. Good Samaritan Energy Trust Fund

Created by the Good Samaritan Energy Plan Act, Public Act 93-0285 provides for solicitation of voluntary contributions to the fund to be used for energy assistance in conjunction with, coordinated by, and administered by the Low Income Home Energy Assistance Program. These funds are used to provide energy assistance for LIHEAP eligible clients to enable them to pay gas or electric bill arrearages in order to have household gas or electric utility service connected.

The following describes the assistance that will be provided to eligible households under the 2014 Plan:

A. HOME ENERGY ASSISTANCE

1. Heating Assistance

The Illinois Energy Assistance Act of 1989, as amended, established a low income energy assistance policy and program that incorporates fuel assistance, home weatherization, and other measures designed to more effectively assist eligible households to meet the costs of home energy. The program described herein will be operated in accordance with this Act, as amended, and in accordance with the federal act.

Households that meet the income eligibility standards of the program will be eligible to receive assistance once per year under this Plan in the following manner. Income-eligible households will be provided with financial assistance and non-financial benefits including energy counseling, education, and related materials. Eligible households include those directly responsible for their heating expenses; those who pay energy costs as an undesignated portion of their rent; and in cases of publicly subsidized housing, those tenants whose lease contains a "subject to surcharge" clause or whose rent is subject to increases due to the rising energy costs.

Two priority groups will be established under the 2014 Plan:

- 1- Priority I- includes seniors and disabled applicants
- 2- Priority II- includes families with children under the age of 5 years

The program will start September 1, 2013 and will be available for the Priority I applicants. Priority II applicants will be served starting October 1, 2013. The program will continue to be available until May 31, 2014 or until funding is exhausted.

The regular application period will begin on November 1, 2013 for all other eligible households.

To ensure that households that have the lowest income receive an appropriate portion of the statewide overall funding, an amount not less than 33% of the total LIHEAP funds allocated for benefits will be used to serve those households that with incomes at or below 50% of the poverty level.

The minimum heating assistance benefit will be \$100 and will be provided to households in two forms: direct cash assistance and payments made to vendors on behalf of the eligible household as follows:

- a. Applicant households that do not have a heat-related energy source, indirectly purchase energy as an undesignated portion of rent, or public housing authority tenants whose lease contains a "subject to surcharge" clause will be eligible to receive assistance in the form of a one-time cash payment made directly to the household if the applicant's rental expenses are greater than 30% of the household's income. The Payment Matrices contained in Appendix A will be used to determine assistance levels. These payments will vary by the household's size, income and geographic location within the state.
- b. Applicant households that purchase energy directly from vendors will be eligible to receive winter energy assistance benefits in the form of a one-time payment representing a percentage of the average primary and secondary bills for the winter months - November through May. The Payment Matrix contained in Appendix A is based on a percentage of average energy costs. This matrix will be used to determine assistance levels. These payments will vary by the household's income, fuel type, family size, and geographic location within the state. Benefits to these households will be split. The utility providing the primary source of heat will receive approximately two-thirds (67%) of the total amount allowed; and one-third (33%) will be paid to the utility providing the heat-related secondary source of energy. The vendor must have agreed to abide by the Illinois Administrative Code 47, Part 100. If a particular household's vendor does not agree to the provisions of the vendor agreement, the Local Administering Agency will attempt to find an alternate vendor. In those cases where another vendor cannot be found to service the household, assistance will be provided directly to the household.

The state will use local community action agencies, other community-based organizations or units of local government as LAAs to implement the LIHEAP at the local level (see Appendix B). These agencies will be responsible for the provision of outreach, referral, energy-related counseling and educational materials, taking applications, verifying eligibility information and issuing assistance payments to energy vendors. Local agencies will be required to notify applicants of their eligibility status within 30 days of the date the client application is complete (all required client documentation has been submitted).

2. Emergency Assistance

The Illinois Department of Commerce and Economic Opportunity must set aside a portion of the State's allocation for use in emergency situations. Under this component, funds may be used for either weather or supply emergencies that affect the entire eligible population or for emergency related situations that affect an individual household to the extent funds are available.

In the event of a weather-related natural disaster or extreme weather conditions, the Illinois Department of Commerce and Economic Opportunity will develop an appropriate response designed to eliminate the threat to life and health. Under such condition, the Department may utilize a portion of 2014 LIHEAP funding to provide emergency (crisis) assistance to low-income households affected by the extreme weather condition. This assistance will be limited to energy-related crisis activities, such as pledges of payment to utilities, replacement of fuel tanks, heating system, purchase of fans, operation or support of local cooling centers,

coordination with local social service agencies, air conditioners (where medically necessary), etc.

Emergency assistance will be provided only after a household has actually been disconnected by the utility from its primary heat source, its cooling source if medical conditions require cooling, or any secondary energy source that is heat-related, or when disconnection of the heat or cooling source in such cases is imminent. Disconnection will be considered imminent when disconnection would occur within seven days without the provision of emergency assistance. Emergency service funds may also be used to prevent disconnection where the household has a documented life-threatening medical condition.

During emergency periods declared by the Department due to extreme weather conditions, Emergency assistance will be provided within 48 hours from the date the client application is complete (all client documentation has been submitted), or within 18 hours in the event of a life-threatening situation affecting an individual household. If the Department has not declared an emergency period or the Department has announced that the emergency period is no longer in effect, Emergency assistance may be provided, although it may not be provided within 48 hours.

Emergency assistance will not be made on behalf of a household unless the household makes a good-faith effort to pay its home energy bills. If payment history does not demonstrate good faith, the applicant will be required to pay an additional \$75 to the utility or utilities that would receive the LIHEAP payment(s). The \$75 must be paid in cash or money order at an authorized payment center within 15 days of the GFE notice. During the emergency period, special attention will be placed on households with extreme hardships that would not be able to pay the GFE amount. Local agencies may waive or contact local resources such as Catholic Charities, Salvation Army and other local fund sources to arrange for GFE payment.

Furnace assistance will be provided to households that qualify for emergency assistance, but do not have an operating furnace or heating supply for their residence. Furnace benefits, which include tune-up, repair, or replacement will be utilized to restore a vital heat supply to the home. The furnace assistance component will be operated by LAAs' weatherization program listed in Appendix B, which are uniquely situated to define and develop individualized responses to energy-related emergencies.

The emergency application period will begin on October 1 for disconnected households and will continue to be available until May or until funding is exhausted. At the discretion of the Local Administering Agencies, disconnected households may be served earlier than October. Households will be eligible for Emergency assistance during their priority period, with the exception of non-priority households. Non-priority households who are disconnected will be eligible to apply for Emergency assistance on October 1.

3. Special LIHEAP Projects

The Department may set aside a portion of funds to develop and implement new innovative approaches to LIHEAP through pilot programs. Projects may include but are not limited to arrearage reduction, percentage of income payment program, prepay incentive projects, energy education, technology development

initiatives and other similar efforts. The Department will continue administering a percentage of income payment program in Program Year 2014 utilizing State funds only. The Illinois Human Services and Healthcare Framework Project is being developed to allow low income households to have a universal application process that provides eligibility determination across multiple programs. The stakeholder engagement process where the various programs discuss their structure and rules is in progress currently. Ultimately, the Framework may provide a streamlined application process for LIHEAP customers.

B. WEATHERIZATION

The Illinois Department of Commerce and Economic Opportunity may use an amount not to exceed 25%, which is the maximum amount allowed by the Act, to operate a residential weatherization or energy-related home repair component.

If the Department intends to exceed 15% of Block Grant funding to be used for weatherization, prior approval (waiver) will be obtained from the U.S. Department of Health and Human Services (HHS). This component is designed to decrease the amount of energy consumed by low-income households and thereby, reduces the financial strain on the resources of such households.

1. Supplement to DOE Program

Energy assistance funds will be used to supplement the Illinois Home Weatherization Assistance Program that is federally funded by the Department of Energy (DOE) (10 CFR Part 440) and the State of Illinois from the Supplemental Low Income Energy Assistance Fund. The DOE weatherization guidelines (10 CFR Part 440) may be used for LIHEAP weatherization. Funds will be awarded to LAAs that have proven their effectiveness in delivering weatherization programs.

2. Special Projects

The Department may set aside a portion of the funds to develop and implement low cost approaches and technologies for residential energy conservation. Projects in the energy conservation field may include energy-related repair, energy education, alternative energy use, heating system retrofits and repair, and technology development.

III. ASSURANCES

As required by the Omnibus Budget Reconciliation Act of 1981, as amended, the Governor of the State of Illinois, by submission of this Plan, agrees to the provision of assurances contained in subsection 2605(b) of the Act. In addition, this Plan describes how the Illinois Department of Commerce and Economic Opportunity will implement the provisions of the Illinois Energy Assistance Act, as amended.

The following describes how the State of Illinois will carry out the above-mentioned assurances in implementing this Plan. Unless otherwise noted, the assurances apply to the provision of heating, cooling, emergency assistance, and supplemental assistance.

A. USE OF FUNDS (ASSURANCE 1)

The State of Illinois agrees to use the funds available under this Title for the purposes described in Section 2602(a) and otherwise in accordance with the requirements of this Title, and agrees not to use such funds for any payments other than payments specified in this section.

The purpose of the LIHEAP is to assist eligible low-income households in meeting the costs of home energy. Home energy is defined as a source of heat or electricity related to the heating system utilized in residential dwellings. The Illinois Plan will accomplish this by providing assistance to households through:

1. Payments to home energy vendors on behalf of eligible households that pay for energy costs directly;
2. Assistance in the form of cash payments made directly to eligible households should those households purchase home energy as an undesignated portion of rent; or in the case of public housing authority tenants, have a "subject to surcharge" clause in the lease; the applicant, however, must have rental expenses for housing greater than 30% of income;
3. Provision of emergency services to eligible households in energy related life-or-health threatening situations.
4. Provision of residential weatherization or energy related home repair assistance.

B. ELIGIBILITY (ASSURANCES 2 AND 14)

LIHEAP will make payments under this Title only with respect to:

1. Income Eligibility

Under the home energy assistance portion of this Plan, assistance will be provided to households with incomes that do not exceed an amount equal to the maximum allowable income levels by family size as follows:

2014 INCOME GUIDELINES

Family Size	150% 30 Day Income	150% Annual Income
1	\$1,436	\$17,235
2	\$1,939	\$23,265
3	\$2,441	\$29,295
4	\$2,944	\$35,325
5	\$3,446	\$41,355
6	\$3,949	\$47,385
7	\$4,451	\$53,415
8	\$4,954	\$59,445
9	\$5,456	\$65,475
10	\$5,959	\$71,505
11	\$6,461	\$77,535
12	\$6,964	\$83,565
13	\$7,466	\$89,595
14	\$7,969	\$95,625
15	\$8,471	\$101,655
16	\$8,974	\$107,685
17	\$9,476	\$113,715
18	\$9,979	\$119,745

For families with more than 18 persons, add \$502.5 30 Day Income and \$6,030 Annual Income

These figures are based on the 2013 Federal Poverty Guidelines published in the US Department of Health and Human Services in the Federal Register/Volume 78/Number 16/January 24, 2013. The state reserves the right to adjust these levels based on the availability of federal appropriations.

2. Energy Costs Eligibility

- a. Under the energy assistance component, assistance will be provided if the household has heat energy costs: either directly, or where the rent takes energy costs into account, or where the LIHEAP applicant resides in publicly subsidized housing and his/her lease contains a "subject to surcharge" clause. The applicant, however, must have monthly rent costs greater than 30% of the household income. If a LIHEAP applicant resides in federally subsidized housing and the housing authority pays for all the heat utilities and his/her lease does not contain a "subject to surcharge" clause, the applicant is not eligible for the heat energy payment. If a LIHEAP applicant claims zero income, the client's income will be considered to be equal to their monthly housing cost (i.e. one month's rent).

- b. Under the weatherization component of this Plan, assistance will be provided if the household is income eligible for home energy assistance or contains a member who has received cash assistance payments under Title IV or XVI of the Social Security Act or is at 150% of the 2013 federal poverty level, which is used for the Department of Energy-funded weatherization program operated under 10 CFR 440.

C. OUTREACH/EDUCATION (ASSURANCES 3, 14, 15, AND 16)

The State of Illinois will conduct outreach/education activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals or both, are made aware of the different types of federal assistance available under this Title, Part A of Title IV of the Social Security Act, and any similar energy-related assistance under subtitle B of Title VI (relating to Community Services Block Grant program) or under any other provision of law that carries out programs that were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act. A priority period will be established two months before the official start of the program to allow elderly and/or disabled individuals to apply for LIHEAP. In addition, outreach activities will be conducted to assure that the entire low-income population is aware of state and local energy-related programs.

For many years, the State of Illinois has operated a successful outreach component designed to emphasize and further the participation of both the elderly and persons with disabilities' population. It is our intention to continue targeting these groups during the administration of the energy assistance program. To achieve this, we will work closely with the Department on Aging, the Department of Human Services and, the Social Security Administration to develop specialized outreach and referral mechanisms that emphasize the utilization of existing service networks.

The overall objective of the education effort is to provide a non-financial benefit designed to help low-income households increase their ability to utilize their limited resources in the most effective manner regarding energy-related issues.

Outreach will be coordinated statewide by the Illinois Department of Commerce and Economic Opportunity in cooperation with our statewide network of LAAs and community-based organizations. Outreach specifics will include, but not be limited to press releases; public service announcements on radio and television; informational brochures and web pages; paid advertising; public speaking appearances by staff; direct mailings; translations/interpretations; counseling; referrals; and energy-related mediation and advocacy.

Coordination will include a supportive relationship with the Illinois Home Weatherization Assistance Program that is funded in part by the Department of Energy. It is also anticipated that utility vendors will actively promote the program again this year along with the efforts of the Illinois Department of Commerce and Economic Opportunity and other agencies and the network of LAAs.

In addition to the outreach/education activities, the Department will conduct LIHEAP client education and counseling during the program and at the time of application. This counseling will encourage and enable LIHEAP households to reduce the cost of their home energy through energy conservation and energy lifestyle (behavioral) modifications. This will potentially lower the household's energy cost and reduce the need for energy assistance.

D. COORDINATION (ASSURANCES 4 AND 15)

The State of Illinois will coordinate its activities under this Title with similar and related programs administered by the federal government and the state, particularly low income energy-related programs under subtitle B of Title VI (relating to Community Services Block Grant programs), under the Supplemental Security Income program, under Part A of Title IV of the Social Security Act, under Title XX of the Social Security Act, under the Low Income Weatherization Assistance Program, under Title IV of the Energy Conservation and Production Act, under any other provision of law that carries out programs that were administered under the Economic Opportunity Act of 1964 before the date of the enactment of the Act, or under the Energy Assistance Act of 1989, as amended (Public Act 90-561).

Using its established network of LAAs, the Illinois Department of Commerce and Economic Opportunity will make every effort to ensure that the coordination of federal and state energy-related programs also occur at the local level. In addition to providing the types of financial assistance allowed under this grant, the Department will, for example, make low income households aware of methods of lowering energy consumption and thereby reducing costs to households.

In our efforts to coordinate the provision of energy related assistance to eligible households, we will contact all known public and private providers to determine the type of assistance available and the contact points. This information will be passed along to participants in the LIHEAP. The Illinois Department of Commerce and Economic Opportunity, due to its administration of the Department of Energy Weatherization Assistance Program, is in a unique position to coordinate such an effort at the local level, thereby helping to ensure a maximum amount of energy assistance to eligible households. In addition, the provision of energy assistance will be coordinated with the Policy Advisory Council that has been established to provide guidance and direction to the Weatherization and Energy Assistance Programs.

E. PAYMENT LEVELS (ASSURANCES 5, 8 AND 14)

This section of the Plan outlines the methodology to be used to determine the assistance levels for households under the home energy assistance component of the program. The State of Illinois will provide, in a manner consistent with the efficient and timely payment of benefits, the highest level of assistance to those households that have the lowest incomes and the highest energy costs in relation to income and family size. These benefits are detailed in Appendix A.

Assistance levels under the weatherization component will in part be determined by rules and regulations promulgated by the DOE (10 CFR PART 440) and the state of Illinois. Assistance levels for emergency services will be determined on a case-by-case basis, utilizing income, energy costs and vendor policies as the primary determining factors.

In developing the LIHEAP payment levels, a number of variables were considered in an attempt to structure a payment schedule that provides the highest levels of assistance to those households experiencing the greatest need during the operation of the program. The first and foremost variable is whether or not the household makes payments directly to a vendor for home energy or whether home energy costs are included as an undesignated portion of rent. Those households that purchase home energy directly are more immediately vulnerable to energy costs and dramatic seasonal variations and are, therefore, more likely to experience the loss of energy service due to their inability to meet energy costs.

In determining benefit levels for households who are responsible for their own energy bills, the state developed a payment matrix that varies benefits according to need. Benefits will vary by climatic region, fuel type, fuel cost, household size, and income.

An analysis of climatic information provided by the U.S. Climatological Survey and energy usage information compiled from state and federal sources indicate that five climatic regions exist within Illinois. Of the five regions, only two have greater than a 20% difference in heating degree-days. Applicant households will therefore be divided into two distinct regions and individual payment matrices will be developed for each. For purposes of this Plan, we will utilize two regions. A map depicting the boundaries of these climatic regions is shown in Appendix A.

The initial step in constructing the regional benefit matrices was to determine the average regional winter energy costs for households according to fuel type and family size. The resulting matrices of winter energy costs are the basis for determining benefits. Under Illinois' program, the LIHEAP benefits are designed to pay a percentage of the average winter energy bill for similar households by fuel type and family size. Households with the lowest incomes below 50% of the maximum allowable receive a benefit that is designed to cover 60% of the average winter bill, those with incomes between 51% and 100% of the maximum receive a benefit on average of 50% of the average winter energy bill, households with incomes between 101% and 150% of the maximum receive 40% of the average winter energy bill.

The result of varying benefits by location, fuel type, family size, and income level ensures that the highest benefit payments go to households with the greatest need. Appendix A contains payment matrices that will be utilized in determining energy assistance payment levels under this Plan. The state reserves the right to modify or alter the payment matrix should changes in fuel cost occur or the amount of funds available to carry out this Plan change. The Illinois Department of Commerce and Economic Opportunity has updated the Payment Matrix for PY14. See Attachment A.

F. LOCAL ADMINISTERING AGENCIES (ASSURANCE 6)

The State of Illinois, to the extent that it is necessary to designate LAAs in order to carry out the purposes of this Title, will give special consideration, in the designation of such agencies, to any local public or private nonprofit agency that was receiving federal funds under any low income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that: (1) the state shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the state; and (2) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the state shall give special consideration in the designation of LAAs to any successor agency that is operated in substantially the same manner as the predecessor agency that did receive funds for the fiscal year preceding the fiscal year for which the determination is made.

During its administration of the previous energy assistance programs, the Illinois Department of Commerce and Economic Opportunity has developed a network of LAAs to act as local service providers in accordance with this assurance. We will continue to utilize these agencies, whenever possible, to operate a portion of the heating component and the emergency component.

The Department evaluated the past performance of each LAA in its operation of all components of the 2013 Energy Assistance Program. This evaluation, in conjunction with local government involvement, will help to provide the basis for designation of agencies for the PY2014 program.

G. PAYMENT TO ENERGY VENDORS (ASSURANCE 7)

Whenever possible, the state will ensure that payments are made directly to home energy providers and has established procedures to: (1) notify each participating household of the amount of assistance paid on its behalf; (2) assure that the home energy supplier will charge the eligible household, in the normal billing process, no more than the difference between the actual cost of the home energy and the amount of the payment made by the state under this Plan; (3) assure that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this Title will be treated adversely because of such assistance under applicable provisions of state law or public regulatory requirements; (4) assure that any home energy supplier receiving direct payments agrees not to discriminate, either in the cost of the goods supplied or the services provided, against the eligible household on whose behalf payments are made; and (5) assure that in the case of emergency service, reconnection will be provided within 48 hours from the date the client application is complete (all client documentation has been submitted and client is determined eligible); 18 hours if the energy crisis is life threatening.

LAAs will have the responsibility of determining the heating and emergency assistance levels according to the Department of Commerce and Economic Opportunity's guidelines. Payments on behalf of eligible applicant households to a home energy vendor may be made by the LAA in accordance with established Illinois Department of Commerce and Economic Opportunity policy. These payments may be used to offset current past due bills, for reconnection fees or deposits and to establish lines of credit. Eligible households will receive written notification from the LAA as to the amount of assistance provided on their behalf to a home energy vendor.

Prior to the receipt of funds under the Plan, home energy vendors will be required to sign a written agreement that will guarantee Assurances 2 through 5 above. The Department will periodically monitor the agreements signed by ICC regulated utilities and the LAA network will monitor unregulated utilities and delivered fuel vendor agreements.

If the vendor refuses to sign the agreement, the LAA will attempt to find an alternate participating vendor for the household. If this is impossible or no alternate vendor is available, the energy assistance payment will be made directly to the household.

In the weatherization component, no payments are made to energy vendors.

H. OWNER-RENTER EQUITY (ASSURANCE 8)

The state assures that it will treat owners and renters equitably in all components under this Plan including the weatherization component. In the home energy component, the question of equity between households that pay for home energy directly and those who purchase energy as an undesignated portion of rent is described in detail under Section III.E of this Plan. In summary, payment levels for eligible households that purchase energy as an undesignated portion of rent will vary by household size, income and climatic region. Assistance levels for households that purchase heat-related energy directly from vendors will have payments varied by income, climatic region, fuel type, fuel cost, and household size.

I. ADMINISTRATIVE COSTS (ASSURANCE 9)

The State of Illinois assures that it will use an amount not to exceed 10% of the funds under this Title for planning and administration. Administration funds will not be transferred pursuant to Section 2604(f) for use under another block grant. The state will pay the remaining costs of planning and administering the program assisted under this Title from nonfederal sources and will not use federal funds for such remaining costs.

J. FISCAL ACCOUNTABILITY AND AUDIT (ASSURANCE 10)

The State of Illinois will ensure that fiscal control and fund accounting procedures will be established as may be necessary to assure the proper dispersal of and accounting for federal funds paid to the state. This will include procedures for regularly monitoring the assistance provided under this Title and providing that the state shall prepare a simple audit according to OMB circular A-133 of its expenditure of amounts received under this Title and amounts transferred to carry out the purposes of this Title.

The fiscal management systems of all local agencies will be an integrated accounting system that provides for accountability of public funds and meets the requirements of OMB Circulars A-110, Common Rule, A-87, A-133, and A-122 as applicable. In addition to the ongoing financial evaluation, the Illinois Department of Commerce and Economic Opportunity grants management staff will closely monitor the programmatic activities of any local agency or other entity carrying out the energy assistance, emergency assistance, and weatherization components of this Plan.

The Department's Financial Accounting staff is available to provide extensive training and technical assistance to the agencies in the structuring and implementation of their fiscal management systems. This includes ongoing help in establishing integrated accounting and cost allocation systems.

The state will prepare an annual audit that will be conducted in accordance with generally accepted auditing standards by an entity independent of the agency administering any activities under this Plan. Within 30 days of the completion of this audit, a copy of the audit will be submitted simultaneously to the Secretary of the Department of Health and Human Services and to the State Legislature.

K. FEDERAL INVESTIGATIONS (ASSURANCE 11)

The state will permit and cooperate with any federal investigations undertaken in accordance with Section 2608.

L. PUBLIC PARTICIPATION (ASSURANCE 12)

The State of Illinois continues to provide for public participation in the development of the Plan. A legal notice of availability for public inspection and comment was published in the official state newspaper and two other newspapers of major circulation. Copies of the Plan were made available for public inspection at the offices of the Illinois Department of Commerce and Economic Opportunity in Springfield and Chicago. In addition, two public hearings were held to gain public comment and reaction to the Plan. Hearings were held on August 14, 2013 in Chicago and Springfield.

The Illinois Department of Commerce and Economic Opportunity LIHEAP Policy Advisory Council have assisted in the structuring of this Plan. The Council consists of representatives from major state agencies, fuel vendors, legal aid groups, local service providers, community groups, and others.

The Illinois Department of Commerce and Economic Opportunity LIHEAP Policy Advisory Council has the following responsibilities:

1. Review and guide the Illinois Department of Commerce and Economic Opportunity on all grant applications and Plans, and any amendments thereto to be submitted to the federal funding sources for the Weatherization Assistance and Low Income Energy Assistance Programs;
2. Review and advice on the preparation of administrative rules to the General Assembly, and any proposed changes thereto on programs operated by the Office of Energy Assistance;
3. Offer comment from time to time, as may be appropriate, on Illinois Department of Commerce and Economic Opportunity programmatic, administrative, policy, and technical procedures manuals;
4. Review, discuss, and make recommendations to the Illinois Department of Commerce and Economic Opportunity on any special projects as may be appropriate;
5. Review from time to time programmatic status reports of programs operated by the Office of Energy Assistance against planned goals and offer suggestions and recommendations;
6. Monitor the administration of the LIHEAP to ensure effective, efficient, and coordinated program development and implementation;
7. Advise the Department on the proper level of support required for effective administration of the Energy Assistance Act of 1989, as amended;
8. Provide a written opinion concerning any regulation proposed pursuant to the Energy Assistance Act of 1989, as amended, and review and comment on any energy assistance or related Plan required to be prepared by the Department.

The State of Illinois will publish a legal notice and conduct a public hearing on any proposed substantive modifications to this Plan. Modifications will also be presented to the Policy Advisory Council for review and comment prior to submission.

M. APPEALS (ASSURANCE 13)

The Illinois Department of Commerce and Economic Opportunity (“Department”) developed a system that provides an opportunity for a fair resolution process to households, whose claims for assistance under this Plan (including claims for weatherization assistance) are denied or are not acted upon with reasonable time . The resolution process includes three levels of review: The informal conference process conducted at the Local Administering Agency (“LAA”) level; Review of the LAA decision at the State/Department’s programmatic level review; and, the f formal administrative hearing through the Department’s administrative hearing rules (56 Ill Adm. Code 2605).

Informal Conference Review Process

The LAA shall designate a hearing officer to conduct the informal conference. The informal conference is designed to ensure the claimant understands the actions taken or the reason for delay. At the end of the informal conference, the LAA will give the claimant a written. In the event the claimant is not satisfied with the informal conference determination, the claimant may request a review at the Department’s programmatic level by filing a Request for State Review with the Department within thirty (30) days of the informal conference determination. All informal conference determinations will contain a Request for State Review form attached to the determination.

State/Department Programmatic Level Review

The Department shall designate a staff person to conduct the programmatic level review. During this process, the Department will review the claimant's file and the informal conference review determination. Upon review, the Department will issue a determination, which will be sent to the claimant within fifteen (15) business days from the date of the request for review. If the claimant is not satisfied with this determination, he/she have thirty (30) days to submit a petition for hearing to the Department's Office of General Counsel in accordance with the Department's administrative hearing rules found at 56 Ill Adm. Code 2605. The administrative hearing rules can be obtained from the ilga.gov website or upon request to the Department.

Formal Administrative Hearing

If the claimant is not satisfied with the Department's programmatic level determination, the claimant must follow the Department administrative hearing rules set forth at 56 Ill Adm. Code 2605 and file a petition for hearing within thirty (30) days of the State/Department's determination.

N. NONDISCRIMINATION (ASSURANCE 14)

The State of Illinois will ensure that no person shall, on the grounds of race, color, national origin, sex or age, be excluded from participation, denied benefits or be subject to discrimination under any component of this Plan. Any prohibition against discrimination on the basis of age under the Age Discrimination Act of 1975 or with respect to an otherwise qualified person with disabilities as provided in Section 504 of the Rehabilitation Act of 1973 also shall apply to activities under any component of this Plan.

The state assures that it will comply with:

1. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) and the regulations issued pursuant thereto (24 CFR Part I), which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program activity for which the applicant receives federal financial assistance and will immediately take any measures necessary to effectuate this assurance;
2. Title VII of the Civil Rights Act of 1968 (P.L. 90-824) as amended, administering all programs and activities relating to housing and community development in a manner to affirmatively further fair housing; and will take action to affirmatively further fair housing and the provision of brokerage services within the applicant's jurisdiction;
3. Title I and Title II of the Americans with Disabilities Act (ADA) (42 U.S.C. 12101 et seq) (1990) regarding employment, program accessibility, and services;

The State of Illinois assures that it will require all LAAs receiving funds under this Plan to submit an equal employment opportunity/ affirmative action plan that provides for provision of service as well as employment practices.

O. COLLECTION OF DATA (ASSURANCE 14)

The State of Illinois will provide for the collection of data including: (1) information concerning home energy consumption; (2) the cost and type of fuels used; (3) the type of fuel used by various income groups; (4) the number and income levels of households assisted by this Title and (5) any other information that is determined to be reasonably necessary to carry out the provisions of this Title. The State of Illinois will report to the Secretary concerning the impact of program service activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

DRAFT

IV. DISTRIBUTION OF ALLOCATION

(ASSURANCES 14 AND 16)

The following is an estimate of the relative distribution of available funds to each of the main components of the Plan:

Component	Estimated Allocation
1. Funds to be expended on home energy assistance according to the provisions of this Plan not less than	70%
a. Heating Assistance	
b. Emergency Assistance	
2. Funds to be expended on assistance for weatherization or energy-related home repair not more than	15%
3. Funds to be used for the cost of planning and administering the provisions of this Plan not more than	10%
4. Funds to be used to provide program services that encourage households to participate in the program and enable them to reduce their home energy needs. Activities include, but are not limited to, outreach, assistance in applying, needs assessments, counseling, and assistance with energy vendors not more than	5%

V. RIGHT TO MODIFY

The State of Illinois reserves the right to modify any of the provisions of this Plan should changes in the federal or state allocation level occur or if such changes are deemed necessary and in the best interest of the people of Illinois. Any modifications to this Plan will be made in accordance with the Illinois Department of Commerce and Economic Opportunity's established public participation procedures and will be furnished to the Secretary of the Department Health and Human Services.

DRAFT

VI. PERFORMANCE GOALS

2013 LIHEAP Performance Goals & Results

The following information reflects the State of Illinois' eleventh year at establishing performance goals. The eligible population figures are based on estimates provided by the U. S. Department of Health and Human Services FY2010 LIHEAP Home Energy Notebook. The results include client eligibility at 150% of poverty guidelines.

2013 LIHEAP Performance Goals & Results

Target Populations

Category	Eligible Population		Service Target		2013 Results	
	#	%	#	%	#	%
Eligible households	924,152	100	323,453	35	393,761	43%
Containing elderly members	312,608	33.8	109,413	35	153,086	49%
Containing members with disability	99,115	10.7	34,690	35	102,222	100%
Containing a child under age 5	197,594	21.4	69,158	35	93,323	96%

We will establish goals for the 2014 LIHEAP in keeping with our continuing efforts to serve the most vulnerable groups within Illinois. The target groups are the elderly population, clients age 60 years of age and older, the disabled, and households with young children under the age of 5. The goal of the LIHEAP is to serve a representative percentage of the total eligible population of these groups in Illinois with a combination of federal and state funds.

2014 LIHEAP Performance Goals & Results

Performance goals for the program year 2014 will be monitored throughout the year, and if adjustments appear necessary to reach our target populations or benefit levels, appropriate measures will be undertaken.

Target Populations

Category	Eligible Population		Service Target		2014 Results	
	#	%	#	%	#	%
Eligible households	926,470	100	324,265	35%		
Containing elderly members	307,724	33	107,703	35%		
Containing members with disability	314,737	34	110,158	35%		
Containing a child under age 5	199,807	22	69,932	35%		



APPENDIX A

Direct Vendor/Cash Payment Matrices A-1

Regional Assistance Map A-4

DRAFT

DIRECT VENDOR/CASH PAYMENTS

NORTH

LIHEAP INCOME GUIDELINES AT 0% - 50%		
FAMILY SIZE	0% 30 DAY INCOME From	50% 30 DAY INCOME To
1	\$0	\$479
2	\$0	\$646
3	\$0	\$814
4	\$0	\$981
5	\$0	\$1,149
6	\$0	\$1,316
7	\$0	\$1,484
8	\$0	\$1,651
9	\$0	\$1,819
10	\$0	\$1,986

2014 PAYMENT MATRIX — NORTH #1 0% - 50%							
FUEL TYPE	DVP	HOUSEHOLD SIZE					
		1	2	3	4	5	6 or more
Natural Gas/ Other	Primary	\$509	\$509	\$529	\$569	\$582	\$602
	Secondary	\$240	\$240	\$274	\$307	\$333	\$358
	TOTAL	\$749	\$749	\$803	\$876	\$915	\$960
All Electric	TOTAL	\$628	\$628	\$690	\$757	\$806	\$861
Propane	Primary	\$621	\$621	\$645	\$695	\$710	\$734
	Secondary	\$358	\$358	\$429	\$495	\$534	\$589
	TOTAL	\$979	\$979	\$1,074	\$1,190	\$1,244	\$1,323
Fuel Oil	Primary	\$621	\$621	\$645	\$695	\$710	\$734
	Secondary	\$358	\$358	\$429	\$495	\$534	\$589
	TOTAL	\$979	\$979	\$1,074	\$1,190	\$1,244	\$1,323
	CASH	\$130	\$130	\$140	\$150	\$160	\$170

LIHEAP INCOME GUIDELINES AT 51% - 100%		
FAMILY SIZE	51% 30 DAY INCOME From	100% 30 DAY INCOME To
1	\$480	\$958
2	\$647	\$1,293
3	\$815	\$1,628
4	\$982	\$1,963
5	\$1,150	\$2,298
6	\$1,317	\$2,633
7	\$1,485	\$2,968
8	\$1,652	\$3,303
9	\$1,820	\$3,638
10	\$1,987	\$3,973

2014 PAYMENT MATRIX — NORTH #2 51% - 100%							
		HOUSEHOLD SIZE					
FUEL TYPE	DVP	1	2	3	4	5	6 or more
Natural Gas/ Other	Primary	\$407	\$407	\$423	\$456	\$466	\$482
	Secondary	\$192	\$192	\$219	\$246	\$267	\$286
	TOTAL	\$599	\$599	\$642	\$702	\$733	\$768
All Electric	TOTAL	\$502	\$502	\$553	\$606	\$645	\$688
Propane	Primary	\$497	\$497	\$515	\$556	\$568	\$588
	Secondary	\$286	\$286	\$343	\$396	\$427	\$471
	TOTAL	\$783	\$783	\$858	\$952	\$995	\$1,059
Fuel Oil	Primary	\$497	\$497	\$515	\$556	\$568	\$588
	Secondary	\$286	\$286	\$343	\$396	\$427	\$471
	TOTAL	\$783	\$783	\$858	\$952	\$995	\$1,059
	CASH	\$104	\$104	\$112	\$120	\$128	\$136

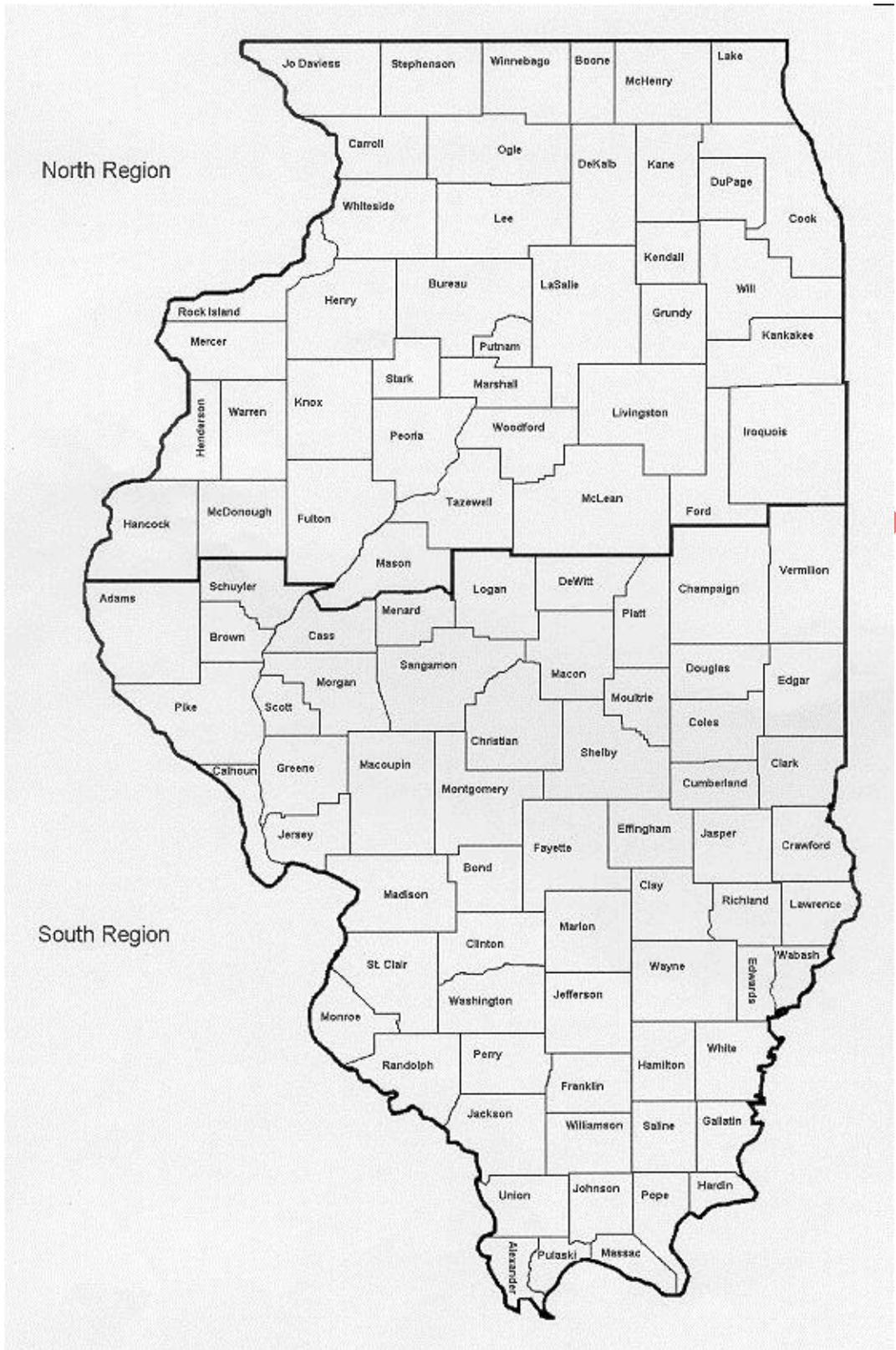
**A3
SOUTH**

LIHEAP INCOME GUIDELINES AT 0% - 50%		
FAMILY SIZE	0% 30 DAY INCOME From	50% 30 DAY INCOME To
1	\$0	\$479
2	\$0	\$646
3	\$0	\$814
4	\$0	\$981
5	\$0	\$1,149
6	\$0	\$1,316
7	\$0	\$1,484
8	\$0	\$1,651
9	\$0	\$1,819
10	\$0	\$1,986

2014 PAYMENT MATRIX - SOUTH #1 0% - 50%							
		HOUSEHOLD SIZE					
FUEL TYPE	DVP	1	2	3	4	5	6 or more
Natural Gas/ Other	Primary	\$444	\$444	\$463	\$499	\$512	\$530
	Secondary	\$202	\$202	\$232	\$261	\$283	\$304
	TOTAL	\$646	\$646	\$695	\$760	\$795	\$834
All Electric	TOTAL	\$522	\$522	\$577	\$637	\$678	\$726
Propane	Primary	\$542	\$542	\$565	\$609	\$624	\$646
	Secondary	\$307	\$307	\$372	\$427	\$463	\$510
	TOTAL	\$849	\$849	\$937	\$1,036	\$1,087	\$1,156
Fuel Oil	Primary	\$542	\$542	\$565	\$609	\$624	\$646
	Secondary	\$307	\$307	\$372	\$427	\$463	\$510
	TOTAL	\$849	\$849	\$937	\$1,036	\$1,087	\$1,156
CASH		\$110	\$110	\$115	\$125	\$135	\$140

LIHEAP INCOME GUIDELINES AT 51% - 100%		
FAMILY SIZE	51% 30 DAY INCOME From	100% 30 DAY INCOME To
1	\$480	\$958
2	\$647	\$1,293
3	\$815	\$1,628
4	\$982	\$1,963
5	\$1,150	\$2,298
6	\$1,317	\$2,633
7	\$1,485	\$2,968
8	\$1,652	\$3,303
9	\$1,820	\$3,638
10	\$1,987	\$3,973

2014 PAYMENT MATRIX — SOUTH #2 51% - 100%							
		HOUSEHOLD SIZE					
FUEL TYPE	DVP	1	2	3	4	5	6 or more
Natural Gas/ Other	Primary	\$355	\$355	\$370	\$400	\$409	\$423
	Secondary	\$162	\$162	\$186	\$208	\$226	\$243
	TOTAL	\$517	\$517	\$556	\$608	\$635	\$666
All Electric	TOTAL	\$417	\$417	\$462	\$510	\$541	\$580
Propane	Primary	\$433	\$433	\$452	\$488	\$499	\$517
	Secondary	\$246	\$246	\$297	\$342	\$370	\$408
	TOTAL	\$679	\$679	\$749	\$830	\$869	\$925
Fuel Oil	Primary	\$433	\$433	\$452	\$488	\$499	\$517
	Secondary	\$246	\$246	\$297	\$342	\$370	\$408
	TOTAL	\$679	\$679	\$749	\$830	\$869	\$925
	CASH	\$100	\$100	\$100	\$100	\$108	\$112



APPENDIX B

Directory of Energy and Weatherization Assistance
Local Administering Agencies B-1, B-2

DRAFT

DIRECTORY OF ENERGY AND WEATHERIZATION ASSISTANCE LOCAL ADMINISTERING AGENCIES

BCMW Community Services, Inc.
909 E. Rexford Street
PO Box 729
Centralia, IL 62801-0729
Counties Served: Bond, Clinton, Marion & Washington
618/532-7388

Carver Community Action Agency
311 E. Main Street, Ste. 700
PO Box 28
Galesburg, IL 61402-0028
County Served: Knox
309/342-0158

CEFS Economic Opportunity Corporation
1805 S. Banker Street
PO Box 928
Effingham, IL 62401-0928
Counties Served: Christian, Clay, Effingham, Fayette,
Montgomery, Moultrie & Shelby
217/342-2193

Community Action Partnership of Central Illinois
1800 Fifth Street
P O Box 791
Lincoln, IL 62656-9117
Counties Served: DeWitt, Logan, Mason, Menard & Piatt
217/732-2159

Champaign County RPC
1776 E. Washington Street
P.O. Box 17760
Urbana, Illinois 61802-7760
Counties served: Champaign
217/328-3313

Community & Economic Development
Association of Cook County, Inc.
208 S. LaSalle Street, Suite 1900 (LIHEAP Suite 2010)
Chicago, IL 60604-1001
Counties Served: City of Chicago and
Suburban Cook County
800/571-2332

Community Contacts, Inc.
100 S. Hawthorne Street
Elgin, IL 60123
Counties Served: DeKalb & Kane
847/697-8800 (Kane)
815/758-3835 (DeKalb)

Crosswalk Community Action Agency
410 W. Main Street
West Frankfort, IL 62896-2259
Counties Served: Franklin, Jefferson & Williamson
618/937-3581

Decatur-Macon County Opportunities Corp.
1122 East Marietta Street
Decatur, IL 62521-1324
Counties Served: Macon
217/428-0155

DuPage County Dept. of Community Services
421 N. County Farm Road
Wheaton, IL 60187-3978
Counties Served: DuPage
630/407-6500

East Central IL Community Action Program
56 N. Vermilion Street
PO Box 1335
Danville, IL 61834-1335
Counties Served: Ford, Iroquois & Vermilion
217/443-2705

Embarrass River Basin Agency, Inc.
400 West Pleasant Street
PO Box 307
Greenup, IL 62428-0307
Counties Served: Clark, Coles, Crawford, Cumberland, Douglas,
Edgar, Jasper, Lawrence & Richland
217/923-3113

Fulton County Health Department
700 E. Oak Street
Canton, IL 61520-3157
Counties Served: Fulton
309/647-1134

Illinois Valley Economic Development Corp.
223 S. Macoupin Street
PO Box 88
Gillespie, IL 62033-0088
Counties Served: Calhoun, Greene, Jersey &
Macoupin
217/839-4431

Kankakee County Community Services, Inc.
657 E. Court Street, Ste. 207
Kankakee, IL 60901-1316
Counties Served: Kankakee
815/933-7883

Kendall-Grundy Community Action
811 John Street
Yorkville, IL 60560-1063
Counties Served: Grundy & Kendall
630/553-9100

Community Action Partnership of Lake County
P.O. Box 9059
Waukegan, IL 60079-9059
Counties Served: Lake
847/249-4330

Madison County Community Development
130 Hillsboro Avenue, Suite 100
Edwardsville, IL 62025-1636
Counties Served: Madison
618/692-8940

McHenry County Housing Authority
1108 N. Seminary Avenue
PO Box 1109
Woodstock, IL 60098-1109
Counties Served: McHenry
815/338-7752

MCS Community Services
345 W State Street
Jacksonville, IL 62650-2093
Counties Served: Cass, Morgan & Scott
217/243-9404

Mid Central Community Action, Inc.
1301 W. Washington Street
Bloomington, IL 61701-4201
Counties Served: Livingston & McLean
309/829-0691 (McLean)
815/844-3201 (Livingston)

Northwestern IL Community Action Agency
103-109 N. Chicago Avenue
Freeport, IL 61032-4100
Counties Served: JoDaviess & Stephenson
815/232-3141

Peoria Citizens Committee for Economic Opp.
711 W. McBean Street
Peoria, IL 61605-2254
Counties Served: Peoria
309/671-3900

Project NOW Inc.
418 19th Street
PO Box 3970
Rock Island, IL 61204-3970
Counties Served: Henry, Mercer & Rock Island
309/793-6391

Rockford Human Services Department
612 N. Church Street
Rockford, IL 61102-2908
Counties Served: Boone & Winnebago
815/987-5782

St. Clair County Community Action Agency
19 Public Square, Suite 200
Belleville, IL 62220-1624
Counties Served: St. Clair
618/ 277-6790

Sangamon Co. Dept. of Comm. Resources
2833 South Grand Ave. East, Suite C100

Springfield, IL 62703
Counties Served: Sangamon
217/535-3120

Shawnee Development Council, Inc.
530 W. Washington
P.O. Box 298
Karnak, IL 62956-0298
Counties Served: Alexander, Hardin, Johnson, Massac, Pope,
Pulaski & Union
618/634-2201

Tazwood Community Services, Inc.
Field Shopping Center
2109 S. Main Street
Morton, IL 61550-2915
Counties Served: Tazewell & Woodford
309/266-9941

Tri-County Opportunities Council
405 Emmons Avenue
PO Box 610
Rock Falls, IL 61071-0610
Counties Served: Bureau, Carroll, LaSalle, Lee, Marshall, Ogle,
Putnam, Stark & Whiteside
815/625-7830 or 800/323-5434 (TDD Accessible)

Two Rivers Regional Council of Public Officials
1125 Hampshire
Quincy, IL 62301-2731
Counties Served: Adams, Brown, Pike and Schuyler
217/224-8171

Wabash Area Development, Inc.
110 Latham Street
PO Box 70
Enfield, IL 62835-0070
Counties Served: Edwards, Gallatin, Hamilton, Saline, Wabash,
Wayne & White
618/963-2387

Western Egyptian Economic Opp. Council
1 Industrial Park
PO Box 7
Steeleville, IL 62288-0007
Counties Served: Jackson, Monroe, Perry and Randolph
618/965-3458

Western IL Regional Council
223 S. Randolph Street
Macomb, IL 61455-2209
Counties Served: Hancock, Henderson, McDonough & Warren
309/837-2997

Will County Center for Community Concerns
304 N. Scott Street
Joliet, Illinois 60432-4035
Counties Served: Will
815/722-0722

APPENDIX C

Annotation of Assurances C-1

DRAFT

ASSURANCES

Assurances	Section Number	Page(s)
1. Use of Funds	III.A	7
2. Eligibility	III.B	8
3. Outreach	III.C	9
4. Coordination	III.D	10
5. Payment Levels	III.E	10, 11
6. Local Administering Agencies	III.F	11
7. Energy Vendor Payments	III.G	12
8. Owner-Renter Equity	III.E, III.H	10, 11
9. Administrative Cost	III.I	13
10. Fiscal Accountability and Audit	III.J	13
11. Federal Investigations	III.K	13
12. Public Participation	III.L	13, 14
13. Appeals	III.M	14, 15
14. Nondiscrimination	III.B, III.C, III.N	8, 9, 15
14. Allocation Distribution	III.A, III.B, IV	7, 8, 17
14. Energy Usage	III.E	10, 11
14. Collection of Data	III.O	16
15. Statewide Outreach on Intake Functions	III.C, III.D	9, 10
16. 5% Service Limit on Energy Reduction	III.C, III.O, IV	9, 16, 18

ATTACHMENT 1

Public Hearings for the
2014 State Plan

DRAFT

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

PUBLIC HEARINGS

August 14, 2013
10:00 a.m. - 12:00 p.m.
DCEO Office - Springfield, Illinois

Hearing Officer: Maria Gallardo, Springfield

This is the public hearing for the LIHEAP program. We prepared a draft state plan for application for these funds and will take public comments on the draft plan today. We anticipate submitting the final plan to HHS by August 31. Notification of the hearing was published in three newspapers: The Chicago Sun-Times, The Springfield State Journal-Register, and the official state newspaper – Breeze Courier. Notifications were also mailed to local administering agencies currently operating our program and others in the community at large. Copies of the plan were made available for public inspection at the Illinois Department of Commerce and Economic Opportunity offices in Chicago and Springfield and on the web at: <http://www2.illinois.gov>, <http://www.illinoisbiz.biz/dceo/> and, <http://liheapillinois.com>. We will be taping all testimony. In our notices, we requested that persons wishing to testify contact the Department to schedule a time to present their testimony. At this time, we will take comments from the audience.

DRAFT

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM (LIHEAP)

PUBLIC HEARINGS

August 14, 2013
10:00 a.m. - 12:00 p.m.
DCEO Office - Chicago, Illinois

Hearing Officer: Maria Gallardo, Chicago

This is the public hearing for the LIHEAP program. We prepared a draft state plan for application for these funds and will take public comments on the draft plan today. We anticipate submitting the final plan to HHS by August 31. Notification of the hearing was published in three newspapers: The Chicago Sun-Times, The Springfield State Journal-Register, and the official state newspaper – Breeze Courier. Notifications were also mailed to local administering agencies currently operating our program and others in the community at large. Copies of the plan were made available for public inspection at the Illinois Department of Commerce and Economic Opportunity offices in Chicago and Springfield and on the web at: <http://www2.illinois.gov>, <http://www.illinoisbiz.biz/dceo/> and, <http://liheapillinois.com>. We will be taping all testimony. In our notices, we requested that persons wishing to testify contact the Department to schedule a time to present their testimony. At this time, we will take comments from the audience.

ATTACHMENT 2

Certifications

DRAFT

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

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

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

Statement for Loan Guarantees and Loan Insurance

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

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

Signature

Deputy Director

Title

Illinois Department of Commerce and Economic Opportunity

Organization

CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER RESPONSIBILITY MATTERS

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

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.

2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.

6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and

Nonprocurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

DRAFT

CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

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

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

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

Controlled substance means a controlled substance in Schedules I through V of the Controlled

Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

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

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

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

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

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

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about --
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within 10 calendar after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted

employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or

(2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

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

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

100 West Randolph Street, Suite 3-400; Chicago, IL 60601

500 East Monroe Street, Springfield, IL 62701

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

ATTACHMENT 5

SAMPLE PROGRAM INTEGRITY ASSESSMENT SUPPLEMENT TEMPLATE
 Low Income Home Energy Assistance Program (LIHEAP)

ABSTRACT:

HHS is requiring further detail from Grantees on their FY2014 plans for preventing and detecting fraud, abuse, and improper payments. HHS is also requiring that Grantees highlight and describe all elements of this FY2014 plan which represent improvements or changes to the Grantees' FY2014 plan for preventing and detecting fraud, abuse and improper payment prevention.

Instructions: *Please provide full descriptions of the Grantee's plans and strategy for each area, and attach/reference excerpts from relevant policy documents for each question/column. Responses must explicitly explain whether any changes are planned for the new FY.*

State, Tribe or Territory (and grant official):		Illinois Department of Commerce and Economic Opportunity		Date/Fiscal Year: FY2014
RECENT AUDIT FINDINGS				
Describe any audit findings of material weaknesses and reportable conditions, questioned costs and other findings cited in FY2014 or the prior three years, in annual audits, Grantee monitoring assessments, Inspector General reviews, or other Government Agency reviews of LIHEAP agency finances.	Please describe whether the cited audit findings or relevant operations have been resolved or corrected. If not, please describe the plan and timeline for doing so in FY2014.	If there is no plan in place, please explain why not.	Necessary outcomes from these systems and strategies	
The most recent Illinois Statewide Single Audit was for fiscal year 2012 and can be found at the following link: http://www.auditor.illinois.gov/Audit-Reports/Performance-Special-Multi/Statewide-Single-Audit/FY12-Single-Audit-Full.pdf Please see findings 12-62 pertaining to LIHEAP.	This finding associated with LIHEAP in the FY12 Statewide Single Audit has been corrected. DCEO submitted a corrective action plan to the Illinois Office of the Auditor General indicating the corrective action steps implemented to resolve the finding."	N/A	<i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i>	

ATTACHMENT 5

According to the Paperwork Reduction Act Of 1995 (Pub. L. 104-13), public reporting burden for this collection of information is estimated to average 1 hours per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information.

An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

COMPLIANCE MONITORING			
Describe the Grantee's FY 2014 strategies that will continue in FY 2014 for monitoring compliance with State and Federal LIHEAP policies and procedures by the Grantee and local administering agencies.	Please highlight any strategies for compliance monitoring from your plan which will be newly implemented as of FY 2014.	If you don't have a firm compliance monitoring system in place for FY 2014, please describe how the State is verifying that LIHEAP policy and procedures are being followed.	Necessary outcomes from these systems and strategies
<p>Programmatic Monitoring visits generally occur twice per year (Initial and Annual). Training and/or Technical Assistance visits are conducted on an as-need-basis.</p> <p>The purpose of the monitoring visit is to: evaluate the overall administration and management of the program, verify the security of records and access to the state's database system called LIHEAP.net, verify the local agency's assurance 16, outreach, coordination, and customer service efforts in accordance with the Implementation Plan and the LIHEAP Procedure Manual, observe selected invoices for fiscal management such as the most recent bank reconciliation, and randomly selected Program Support costs, review randomly selected LIHEAP applicant files and, recommend, if applicable, any operational improvements to the agency's LIHEAP.</p> <p>Weatherization programmatic monitoring occurs at least twice per Program Year per local Weatherization agency. A minimum of 5% of the client files and 5% of the completed homes are reviewed for program compliance to the Operations Manual and Weatherization work</p>	<p>Programmatic Monitoring visits have been an on-going activity for many years.</p>	<p>The State currently has a compliance monitoring system.</p>	<p><i>A sound methodology, with a schedule for regular monitoring and a more effective monitoring tool to gather information.</i></p>

ATTACHMENT 5

<p>Standards. The monitoring results are recorded in OEA’s SharePoint monitoring system.</p> <p>Vendor agreements and the verification of the utility Federal Employer Identification Number (FEIN) are also included as part of the monitoring activities.</p>			
-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--	--	--

FRAUD REPORTING MECHANISMS			
<p>For FY 2013 activities continuing in FY 2014, please describe all (a) mechanisms available to the public for reporting cases of suspected LIHEAP fraud, waste or abuse [These may include telephone hotlines, websites, email addresses, etc.]; (b) strategies for advertising these resources.</p>	<p>Please highlight any tools or mechanisms from your plan which will be newly implemented in FY 2014, and the timeline for that implementation.</p>	<p>If you don't have any tools or mechanisms available to the public to prevent fraud or improper payments, please describe your plan for involving all citizens and stakeholders involved with your program in detecting fraud.</p>	<p>Necessary outcomes of these strategies and systems</p>
<p>To report cases of suspected LIHEAP fraud or abuse, the public can contact our office via mail.</p> <p>In addition, LIHEAP applicants can submit complaints to the Attorney General office.</p> <p>The State includes the address information on the LIHEAP application.</p>	<p>N/A</p>	<p>The State currently has mechanisms available to the public to report cases of suspected fraud, waste and abuse.</p>	<p><i>Clear lines of communication for citizens, grantees, clients, and employees to use in pointing out potential cases of fraud or improper payments to State administrators.</i></p>

ATTACHMENT 5

VERIFYING APPLICANT IDENTITIES			
Describe all FY 2013 Grantee policies continuing in FY2014 for how identities of applicants and household members are verified.	Please highlight any policy or strategy from your plan which will be newly implemented in FY 2014.	If you don't have a system in place for verifying applicant's identities, please explain why and how the Grantee is ensuring that only authentic and eligible applicants are receiving benefits.	Necessary outcomes from these systems and strategies
<p>All LIHEAP applicants over the age of one year must provide a valid Social Security Number by way of hard copy proof from the social security card itself, a letter or print out from the Social Security Administration Local Agency, or any other form of government-issued identification that shows both name and social. In addition, all applicants must provide income information and a copy of the most recent energy bill.</p> <p>Applicants with questionable social security numbers are required to provide a print-out of the social security number issued by the Social Security Administration local agency.</p>	<p>The State's policy for the identification and verification of applicants will remain the same for FY 2014.</p>	<p>The State currently verifies the identity of LIHEAP applicants.</p>	<p><i>Income and energy supplier data that allow program benefits to be provided to eligible individuals.</i></p>
SOCIAL SECURITY NUMBER REQUESTS			
Describe the Grantee's FY 2014 policy in regards to requiring Social Security Numbers from applicants and/or household members applying for LIHEAP benefits.	Please describe whether the State's policy for requiring or not requiring Social Security numbers is new as of FY2014, or remaining the same.	If the Grantee is not requiring Social Security Numbers of LIHEAP applicants and/or household members, please explain what supplementary measures are being employed to prevent fraud.	Necessary outcomes from these systems and strategies
<p>All LIHEAP applicants over the age of one year must provide a valid Social Security Number by way of hard copy proof from the social security card itself, a letter or print out from the Social Security Administration Local Agency, or any other form of government-issued identification that shows both name and social security number.</p>	<p>The State's policy for requiring social security numbers of LIHEAP applicants is remaining the same from previous years.</p>	<p>The State currently requires social security numbers of LIHEAP applicants.</p>	<p><i>All valid household members are reported for correct benefit determination.</i></p>

CROSS-CHECKING SOCIAL SECURITY NUMBERS AGAINST GOVERNMENT SYSTEMS/DATABASES			
Describe if and how the Grantee used existing government systems and databases to verify applicant or household member identities in FY 2013 and continuing in FY 2014. (Social Security Administration Enumeration Verification System, prisoner databases, Government death records, etc.)	Please highlight which, if any, policies or strategies for using existing government databases will be newly implemented in FY 2014.	If the Grantee won't be cross checking Social Security Numbers and ID information with existing government databases, please describe how the Grantee will supplement this fraud prevention strategy.	Necessary outcomes from these systems and strategies
<p>The State LIHEAP office has an interagency agreement with the Illinois Department of Human Services for investigative and eligibility verification purposes, such as 1) identify fraudulent use of SSNs through comparison, 2) investigate intake staff errors and make the appropriate corrections and determine if errors exist by comparing household information between the DHS database and the Illinois LIHEAP database.</p>	<p>The State has an inter-agency agreement with the Social Security Administration for access to their Enumeration Verification System. The State plans to give direct access to the local agencies so applicant information can be verified at the point of intake. The State encourages Local Administering Agencies to check the Illinois Department of Correction website for current inmate data for identity verification.</p>	<p>LIHEAP.Net tracks and retains all household membership information. The system does not allow duplication in any program year for a specific household member to be entered as a new application. In addition, duplicate benefits are prevented at both an individual member and vendor/account combination level.</p>	<p><i>Use of all available database systems to make sound eligibility determination.</i></p>
VERIFYING APPLICANT INCOME			
Describe how the Grantee or designee used State Directories of new hires or similar systems to confirm income eligibility in FY 2013 and continuing in FY 2014.	Please highlight any policies or strategies for using new hire directories which will be newly implemented in FY 2014.	If the Grantee won't be using new hire directories to verify applicant and household member incomes how will the Grantee be verifying the that information?	Necessary outcomes from these systems and strategies

ATTACHMENT 5

<p>The State currently has no access to State Directories of new hires to confirm income eligibility.</p>	<p>The State is researching available choices to confirm income eligibility during the time of intake.</p>	<p>Since no database system is currently used to verify applicant’s income, sub-grantees contact employers to verify income, as necessary.</p>	<p><i>Effective income determination achieved through coordination across program lines.</i></p>
-----------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------------------------------------

Attachment – page 4

<p>PRIVACY-PROTECTION AND CONFIDENTIALITY</p>			
<p>Describe the financial and operating controls in place in FY 2013 that will continue in FY 2014 to protect client information against improper use or disclosure.</p>	<p>Please highlight any controls or strategies from your plan which will be newly implemented as of FY 2014.</p>	<p>If you don't have relevant physical or operational controls in place to ensure the security and confidentiality of private information disclosed by applicants, please explain why.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>Employee and Customer Identity Policy In the performance of its legislatively mandated duties, the Department collects and utilizes a large quantity of sensitive information concerning the identities of employees, vendors, and agency customers. “Identity information” for employees includes, but is not limited to: name, address, phone number, social security number, and date of birth. Additionally, “identity information” for vendors includes, but is not limited to: name, address, phone number, Federal Employer Identification Number, and social security number. It is the policy of the Department that all employees, vendors, and customers’ “identity information” shall only be used for the purpose of conducting official state business. In no case shall Department employees, vendors, or customers use “identity information” for personal profit or entertainment. <u>Identity Theft</u> – Employees, vendors, and customers with access to “identity</p>	<p>The State continues to require local administering agencies to respond on the annual implementation plan how they ensure privacy-protection and confidentiality of all LIHEAP clients. In addition, LIHEAP client’s whose data has been compromised will be contacted by DCEO.</p>	<p>The State has fiscal and operational controls in place to ensure the security and confidentiality of private information disclosed by LIHEAP applicants.</p>	<p><i>Clear and secure methods that maintain confidentiality and safeguard the private information of applicants.</i></p>

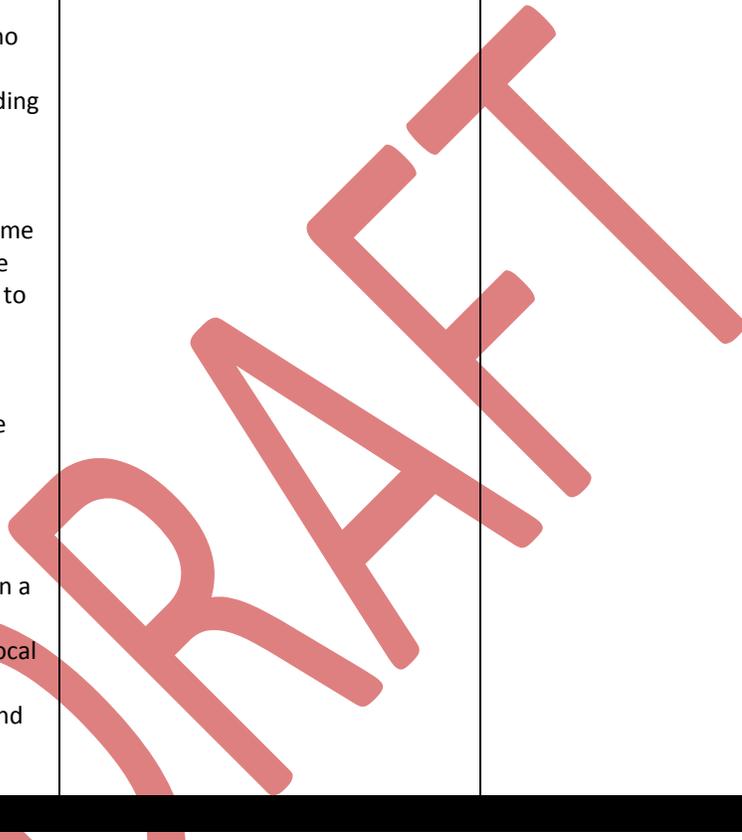
information” are explicitly prohibited from disseminating such data if the intentional or unintentional result of their activity is “identity theft”.

Appropriate Stewardship or Identity Information – Documents and electronic media which contain “identity information” must be stored, transported, and disposed of in a secure manner.

Disciplinary Action – Employees who violate this policy are subject to disciplinary action, up to and including discharge.

Local agencies may not release the client’s name, phone number, income information, etc. Nor may it release lists of client names and addresses to other entities including service agencies even with the best intentions. In order to protect the applicant's private information, the agencies should institute proper measures to handle sensitive information.

Electronic client data is protected in a limited access database. Local agencies can only view their own local information. Client data is further protected by limited level access and user ID and password protection.



LIHEAP BENEFITS POLICY

<p>Describe FY 2013 Grantee policies continuing in FY 2014 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.</p>	<p>Please highlight any fraud prevention efforts relating to making payments or providing benefits which will be newly implemented in FY 2014.</p>	<p>If the Grantee doesn't have policy in place to protect against improper payments when making payments or providing benefits on behalf of clients, what supplementary steps is the Grantee taking to ensure program integrity.</p>	<p>Necessary outcomes from these systems and strategies</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	--------------------------------------------------------------------

ATTACHMENT 5

All LIHEAP vendors must first sign a vendor agreement. A vendor agreement is signed with regulated utilities before the heating season starts. A list of these vendors is provided to each agency. LIHEAP.net verifies the utility Federal Employer Identification Number (FEIN) through regular verification transactions.

At intake, documentation required for the program is the most current utility bill where the applicant's address is listed. Agencies are required to enter the application data in real time. The vendors confirm the applicant's service address through LIHEAP.net system. Verifiers at the local agency verify the data that has been entered in the system and compares it against the documentation provided by the client. Every approved LIHEAP client receives an approval letter indicating the benefit amount that will be applied to the energy provider(s).

The same policies will be implemented during FY 2014 for protecting against fraud when making payments, or providing benefits to energy vendors on behalf of clients.

In addition, a new coordination of payments among similar programs will be implemented in FY2014 through a joint intake system that serves LIHEAP, Weatherization and CSBG programs.

The State currently has policies in place to protect against improper payments when making payments or providing benefits on behalf of clients.

Authorized energy vendors are receiving payments on behalf of LIHEAP eligible clients.

ATTACHMENT 5

PROCEDURES FOR UNREGULATED ENERGY VENDORS			
Describe the Grantee's FY 2013 procedures continuing in FY 2014 for averting fraud and improper payments when dealing with bulk fuel dealers of heating oil, propane, wood and other un-regulated energy utilities.	Please highlight any strategies policy in this area which will be newly implemented in FY 2014.	If you don't have a firm plan for averting fraud when dealing with unregulated energy vendors, please describe how the Grantee is ensuring program integrity.	Necessary outcomes from these systems and strategies
<p>A non- regulated vendor agreement is signed by the local agency with each unregulated utility before the heating season begins.</p> <p>LIHEAP.net does not allow users to provide benefits on behalf of an eligible client before a vendor is added to the database system. The actual creation of the account is restricted to the Office of Energy Assistance (OEA) staff. If a new vendor signs the agreement or a change in vendor information occurs, the local agency completes the Vendor Identification Form and sends it to OEA.</p>	<p>The same policies will be implemented during FY 2014 for averting fraud and improper payments when dealing with unregulated vendors.</p>	<p>The State currently has policies in place to avert fraud when dealing with unregulated vendors.</p>	<p><i>Participating vendors are thoroughly researched and inspected before benefits are issued.</i></p>
VERIFYING THE AUTHENTICITY OF ENERGY VENDORS			
Describe Grantee FY 2013 policies continuing in FY 2014 for verifying the authenticity of energy vendors being paid under LIHEAP, as part of the Grantee's procedure for averting fraud.	Please highlight any policies for verifying vendor authenticity which will be newly implemented in FY 2014.	If you don't have a system in place for verifying vendor authenticity, please describe how the Grantee can ensure that funds are being distributed through valid intermediaries?	Necessary outcomes from these systems and strategies
<p>All new regulated and unregulated utilities must provide a Federal Employer Identification Number (FEIN). If a new vendor signs the agreement or a change in vendor information occurs, the local agency completes the Vendor Identification Form and sends it to OEA.</p> <p>LIHEAP.net verifies the utility Federal Employer Identification Number (FEIN) number through regular verification transactions with regulated vendors.</p>	<p>The same policies will be implemented during FY 2014 for verifying the authenticity of energy vendors.</p>	<p>The State has policies in place for verifying the authenticity of energy vendors.</p>	<p><i>An effective process that effectively confirms the existence of entities receiving federal funds.</i></p>

ATTACHMENT 5

<p>Local agencies also verify energy vendor's information on the internet as another source of information.</p>			
-----------------------------------------------------------------------------------------------------------------	--	--	--

Attachment – page 6

TRAINING AND TECHNICAL ASSISTANCE			
<p>In regards to fraud prevention, please describe elements of your FY 2013 plan continuing in FY 2014 for training and providing technical assistance to (a) employees, (b) non-governmental staff involved in the eligibility process, (c) clients, and (d) energy vendors.</p>	<p>Please highlight specific elements of your training regiment and technical assistance resources from your plan which will represent newly implemented in FY 2014.</p>	<p>If you don't have a system in place for anti-fraud training or technical assistance for employees, clients or energy vendors, please describe your strategy for ensuring all employees understand what is expected of them and what tactics they are permitted to employ.</p>	<p>Necessary outcomes from these systems and strategies</p>
<p>The Department will continue to provide training to state LIHEAP employees on using the DHS database to identify fraudulent use of social security numbers and inadvertent data input errors for correction.</p> <p>Separation of duties at local agencies is an effective mechanism that prevents fraud. In addition, follow-up through technical assistance and peer-to-peer assistance is conducted by DCEO and the Illinois Association of Community Action Agencies in cases where an irregularity has been identified.</p> <p>A web-based ethics training for both state employees and Policy Advisory Council members is required to be completed each year.</p>	<p>DCEO plans to provide additional program integrity related training to local agencies on use of the SSA database once access is provided.</p>	<p>The State plans to include workshops on fraud prevention in our Annual Energy Assistance Conference.</p>	<p><i>The timely and thorough resolution of weaknesses or reportable conditions as revealed by the audit.</i></p>

ATTACHMENT 5

AUDITS OF LOCAL ADMINISTERING AGENCIES

Please describe the annual audit requirements in place for local administering agencies in FY 2013 that will continue into FY 2014.	Please describe new policies or strategies to be implemented in FY 2014.	If you don't have specific audit requirements for local administering agencies, please explain how the Grantee will ensure that LIHEAP funds are properly audited under the Single Audit Act requirements.	Necessary outcomes from these systems and strategies
Local administering agencies are required to submit an annual audit of their agency under OMB Circular A-133.	This has been an ongoing requirement of local agencies for many years. Illinois also has fiscal monitoring staff that review the financial data and processes of local agencies, and has had for many years	The State has annual audit requirements for local administering agencies.	<i>Reduce improper payments, maintain local agency integrity, and benefits awarded to eligible households.</i>

Additional Information

Please attach further information that describes the Grantee's Program Integrity Policies, including supporting documentation from program manuals, including pages/sections from established LIHEAP policies and procedures.