



Division of Community Assistance and Development

Community Action Programs

Consolidated Policy Manual

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PORTAL PROGRAMS



Subject: Low Income Home Energy Assistance Program
Process Owner: Division of Community Assistance and Development
Effective Date: 9/13/23
Revision Number: 4

Low Income Home Energy Assistance Program

I. POLICY STATEMENT

The Low Income Home Energy Assistance Program (LIHEAP or Program) assists households with low incomes in meeting their immediate home energy needs, particularly those with the lowest incomes that pay a high proportion of household income for home energy. The U.S. Department of Health and Human Services, Administration for Children and Families, administers LIHEAP at the federal level. LIHEAP is a federal block grant funded program, giving states broad latitude to develop programs that assist low income households to meet their energy needs in accordance with LIHEAP guidance. The Arizona Department of Economic Security (DES), Division of Community Assistance and Development (DCAD), administers LIHEAP for the state of Arizona in accordance with applicable federal guidance, the Arizona LIHEAP State Plan, and this Policy. Arizona utilizes a direct-service, Navigator model for distribution of LIHEAP benefits. Community Navigators, which work through state-designated Community Action Agencies (CAA) or other community partners, perform outreach and assist Applicants in understanding LIHEAP and completing applications. DES contracts with CAAs and community partners, receives and adjudicates applications, and disperses LIHEAP benefits. A LIHEAP applicant may apply online, using a paper application, or telephonically with the assistance of a Community Navigator or directly to DES.

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III. **APPLICABILITY**

This policy applies to all DES Employees, including contractors who are involved with administration of LIHEAP.

IV. **AUTHORITY**

[42 U.S.C. § 8621-8630](#)

Low Income Home Energy Assistance

[45 CFR 96](#)

Block Grants, parts A-F, H

[45 CFR 75](#)

Administration of Health and Human Services Awards

[LIHEAP IM 2023-01](#)

Federal Poverty Guidelines for Optional Use in FFY 2023 and Mandatory Use in FFY 2024

[LIHEAP IM 2023-02](#)

State Median Income Estimates for Optional Use in FFY 2023 and Mandatory Use in FFY 2024

[LIHEAP IM 2014-07](#)

HHS Guidance on the Use of Social Security Numbers (SSNs) and Citizenship Status Verification

[LIHEAP State Plan, FFY 2022-2023](#)

Detailed Model Plan (LIHEAP), Rev. 2

V. **DEFINITIONS**

Applicant: A person who is 18 years or older requesting LIHEAP benefits. An Applicant may either be an Eligible Household Member, or an ineligible household member acting on behalf of their Eligible Household Member child.

Arrearages: An unpaid, past due bill for energy or utilities.

Benefit Matrix: A point system that outlines the LIHEAP benefit amount available to different households based on required factors including household income, household size, household vulnerability composition, and energy burden.

Community Navigator: Local, partner agencies that provide Applicants with assistance in understanding available benefits, completing LIHEAP applications, and providing Applicants with certain specific benefits. Applicants may, but are not required to apply for LIHEAP assistance through a Community Navigator.

Crisis: An urgent situation that requires more immediate heating and cooling intervention. A crisis benefit cannot exceed \$1,000. An Applicant may receive only one Crisis benefit in a 12-month period. There are two types of Crisis Assistance; Regular or Life-Threatening Crisis Assistance

Eligible Household Member: A member of a Household that is a U.S. citizen or Qualified Noncitizen.

Eligibility Period: The 12-month period for which an Applicant is eligible for an annual Standard and Crisis LIHEAP benefit. The Eligibility Period begins on the date the Applicant's Standard LIHEAP benefit is approved, and extends for 12-months (365 days) from the approval date.

Employee: Any full-time or part-time worker, or temporary paid or unpaid worker, who is employed directly by DES.

Federal Poverty Level (FPL): Federal income guidelines used to determine income eligibility for Households exceeding 8 members.

Gross Income: The total Household income for all Household members before taxes and other deductions.

Household: Any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent.

Low Income Home Energy Assistance Program (LIHEAP or Program): The DES Program, administered by the Division of Community Assistance and Development (DCAD or Division) that provides heating and cooling energy assistance to eligible Arizona Households.

Mixed-Status Household: A Household in which one or more individuals are Eligible Household Members and one or more individuals are not.

Portable Fuel: Energy that is derived from propane, wood, coal, fuel for gas generators, and/or pellets.

Qualified Noncitizen: A "qualified alien" as defined by the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* ([Pub. L. 104-193](#), [8 U.S.C. § 1641\(b\)](#)), see also, [LIHEAP IM 1998-25 on Interpretation of "Federal Public Benefits" Under the Welfare Reform Law](#)), who is not a citizen of the United States but is eligible for state and local public benefits programs

based upon enumerated criteria. Qualified Non Citizens may fall into any of the following categories: Lawful/legal permanent residents; asylees; refugees; noncitizens paroled in the U.S. for at least one year; noncitizens whose deportations are being withheld; noncitizens granted conditional entry (prior to April 1, 1980), battered noncitizen spouses, battered noncitizen children, the noncitizen parents of battered children, and children of battered parents who fit certain criteria; Cuban/Haitian entrants; or victims of a severe form of trafficking.

Standard LIHEAP: Assistance that requires basic eligibility requirements be met and calculated based on the Benefit Matrix. This assistance is distinct from Crisis assistance.

State Median Income (SMI): Guideline used to determine income eligibility for Households of 8 or fewer members.

Vendor: A company who delivers fuel in bulk or sells portable energy, such as oil, liquid gas, wood, pellet, etc., or provides electricity or natural gas continuously via wire or pipes.

Welfare Fraud: As defined by A.R.S. § 46-215(A), “A person commits Welfare Fraud if the person knowingly obtains by means of a false statement or representation, by impersonation or by other fraudulent device any of the following:

1. Assistance or service to which the person is not entitled.
2. Assistance or service greater than that to which the person is entitled.
3. Payment of any forfeited installment grant, or aids and abets in buying or in any way disposing of the property of a recipient of assistance or service without the consent of the department.”

VI. STANDARDS

A. Eligibility for LIHEAP

1. An Applicant must require assistance with payment of energy related expenses. Expenses include:
 - a. Approved electric, gas, or Portable Fuel heating or cooling fees and costs, including:
 - i. Energy utility bills;
 - ii. Utility deposits and connection fees;
 - iii. Arrearages; and
 - iv. Restoration of energy services (including payment of reconnection charges, fees, and penalties).

- b. Temporary Emergency Shelter if necessary due to a county declared energy related crisis.
 - i. Regular LIHEAP eligibility requirements and required documentation is not required to provide Temporary Emergency Shelter assistance.
 - c. Water bills related to evaporative cooling for bills incurred for the period of May 1 through October 31.
 - 2. An Applicant living in subsidized housing, and receiving a utility allowance or reimbursement greater than or equal to their monthly utility cost, is not eligible for LIHEAP assistance.
 - 3. An Applicant, or the Applicant's child, must be an Eligible Household Member. The *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* limits eligibility for benefits to citizens and Qualified Noncitizens, and prohibits benefits to other noncitizens, including nonimmigrants (or temporary residents) or undocumented immigrants.
 - 4. The Applicant and Household must reside within Arizona at the time of application.
 - 5. Members of tribal nations are eligible to apply for LIHEAP assistance if they have first applied and been denied benefits by the tribal nation.
 - a. If verification of the denied tribal nation LIHEAP assistance application is not available to the Applicant, the EAP-1004A Applicant Statement of Tribal LIHEAP Denial form may be used.
 - 6. The Household's income must meet specific requirements:
 - a. Gross Income is at or below:
 - i. 60% of the SMI for Households of 8 or fewer; or
 - ii. 150% of the FPL for Households exceeding 8 people.

Note: See Appendix 1 for current SMI and FPL calculations.
 - b. In Mixed-Status Households:
 - i. Only Eligible Household Members will be considered as part of the Household size; and

- ii. Income from all Household members aged 18 and older - regardless of eligibility - is considered Household income.
- c. Countable Income for the purpose of determining eligibility for LIHEAP:
 - i. Earned income from employment, including self-employment (includes wages, salaries, tips, etc.) as evidenced by a 1099 tax form, pay stubs, Schedule C (Form 1040);
 - ii. Unearned income, including SSA benefits, alimony, child support, gambling profits, retirement income;
 - iii. Income from Unemployment Insurance, including Pandemic Unemployment Assistance and Pandemic Unemployment Compensation; and
 - iv. Consistent income received from other sources.
 - v. Income from Household members under the age of 18 is not considered Countable Income.
 - vi. For the full list of earned and unearned, countable and uncountable income, please refer to section 1.9 of the [Arizona LIHEAP State Plan](#).
- b. Verification of Terminated Income
 - i. When job termination is reported in the prior 30 days from the date of the application, verify the following:
 - A) The date of termination;
 - B) All gross income received in the prior 30 days; and
 - C) The last payday and the gross amount paid.
- 7. A Household may not receive LIHEAP benefits for costs already paid by any other assistance program.
- 8. An Applicant may also be eligible for Crisis Assistance and receive additional, expedited benefits under certain urgent circumstances. Crisis Assistance is limited to one payment per 12 months. Applicants approved for LIHEAP Crisis Assistance will receive a

single benefit of \$100 to \$1,000, based upon Household need. Crisis Assistance can be categorized as either a Regular or Life-Threatening Crisis.

- a. Regular Crisis Assistance may be provided if the Applicant meets all standard eligibility criteria and one of the following conditions:
 - i. The Household has received a utility shut-off or delinquency notice;
 - ii. The Standard LIHEAP benefit does not pay the full amount of the Applicant's bill;
 - iii. The Household has received an eviction notice, if utilities are included in the rent; or
 - iv. The Household utilizes portable fuel or pre-pay utility service and has seven days or less of energy available.
- b. Life-Threatening Crisis Assistance may be provided if the Applicant meets all standard eligibility criteria and one of the following conditions:
 - i. The termination of power or exposure to heat or cold would be dangerous to the health of a Household member, as evidenced by a statement from a licensed medical physician; or
 - ii. Life supporting equipment used in the home is dependent upon utility service for operation of such equipment.

B. LIHEAP Benefits

1. Standard LIHEAP Assistance

Payments will be calculated using the LIHEAP Heating/Cooling Benefit Matrix as set by the current LIHEAP State Plan. An Applicant's benefit will be based on the Household's:

- a. Income;
- b. Size;
- c. Energy burden; and
- d. Whether any one or more of the following Household members are:

- i. Aged 6 and under;
 - ii. Aged 60 and over;
 - iii. A veteran; or
 - iv. A person with a disability.
2. Regular Crisis Assistance and Life-Threatening Crisis Assistance

Payments will be calculated based upon the requested need, up to the maximum crisis benefit available as set by the current LIHEAP State Plan. Standard LIHEAP assistance must be exhausted for Applicants to receive Crisis Assistance.
3. Use of Funds

LIHEAP funds will be distributed in accordance with federal law and the Arizona LIHEAP State Plan, Sections 2-5. LIHEAP recipients may only utilize LIHEAP benefits for their approved purposes; fraud and improper use of funds may result in denial benefits, LIHEAP disqualification, or criminal prosecution.

C. Prudent Decision-Making Principles

1. The policies and procedures included in this LIHEAP Policy compile and prescribe guidance for determining eligibility, delivering benefits, and administering the Program. Employees and Community Navigators will use reason and apply good judgment in making decisions when addressing specific needs or scenarios of an Applicant or Household not specifically addressed by this Policy or referenced Authority. Decision-making by Employees based on the best information available, program knowledge, experience and expertise is referred to as the Prudent Decision-Making Principle. Prudence may also include seeking DCAD or DES guidance on specific Program or policy interpretation. Employees should document their rationale used to make decisions not contemplated by this Policy or Authority, and cite any applicable references.

D. Policy Administration

1. Updates and/or amendments to this Policy will be issued as complete numbered revisions, superseding this Policy, in conjunction with any relevant Policy Memorandum summarizing changes.
2. Minor clarification to this Policy may be issued in the form of Policy Memoranda, providing interim guidance between revisions.

3. Questions or requests for clarification regarding this policy should be submitted via email to:

dcadcaps@azdes.gov, and
dcadpolicy@azdes.gov

Subject: LIHEAP Policy Questions & Clarifications

Please include your name, a contact phone number, and details regarding your inquiry.

VII. PROCEDURES

A. Application Process

1. Application Requirements

An application must contain the following information for DES to make an eligibility determination. The Applicant has the primary responsibility for providing all required information:

a. Proof of Arizona Residency

- i. An Applicant must submit documentation demonstrating Arizona residency. Forms of documentation include:

- A) A utility bill;
- B) Lease agreement;
- C) Mortgage statement;
- D) Driver's license or state-issued identification; or
- E) Any other documentation that demonstrates an Arizona address.

- ii. An Employee must handle Address Confidentiality Program (ACP) participant information according to *Address Confidentiality Program Policy and Procedures* (DES 1-01-45, DES 1-01-45-01), and [DCAD Address Confidentiality Program Policy](#).

b. Verification of Income

An Applicant must submit verification of income for all Household members ages 18 and older.

- i. Income includes all earned and unearned income of any Household member, including but not limited to:

- A) Employment payments as indicated on a W2, 1099, tax documents, or pay stubs;
- B) Profit or loss documentation from self-employment or sole-proprietorship, as indicated on a Schedule C (Form 1040);
- C) Unemployment Insurance benefits;
- D) Social Security, Veterans Administration, or retirement benefits;

Note: Medicare Part B premiums should be subtracted when determining gross income.

- E) Alimony, spousal maintenance, child support, or other such income; or
- F) Other monies coming into the Household.

ii. Documentation showing that the Household's income is less than 60% of the SMI (for Households of up to 8) or 150% of the FPL. Documentation may include:

- A) The most recent pay stubs from 30 calendar days from the date of the LIHEAP application;
- B) Tax Documents for the previous calendar year; or
- C) Award Letters (e.g., SNAP, TANF, SSI, or Social Security).

iii. If an Applicant does not have the most recent pay stubs for all members of the Household, the Applicant shall provide other evidence of income amounts.

iv. If any Household members have no income, the Applicant shall provide a self-attestation of no income for each Household member by completing and signing the EAP-1007A Applicant Statement of No Income form. If further verification is required, an Applicant shall provide additional evidence of no income for each Household member. Evidence may include:

- A) The last date of employment;
- B) The last date of income received;

- C) All other sources of income; and
 - D) Any documentation or information pertaining to a Household's member's current financial situation and employment status.
- c. Bill(s), invoice(s), shut-off notice, or other evidence of the energy account status in the Applicant's name or a member of the Household.
 - i. If an Applicant or Household member's name is not listed on the Household utility bill, additional verification of the Applicant's obligation to pay for the utilities may be required.
 - ii. For Households utilizing and seeking Portable Fuel assistance, an Applicant may provide self-certification using the EAP-1006A LIHEAP Portable Fuel Certification form, solely to evidence Portable Fuel requirements. Self-certification for Portable Fuel will require the following information:
 - A) Total requested Portable Fuel and estimated cost;
 - B) Type(s) of heating/cooling generation source(s) using Portable Fuel (specifying size, make/model as applicable);
 - C) Specific type(s) of Portable Fuel required (e.g. propane, wood, gasoline);
 - D) Estimated monthly Portable Fuel use per type;
 - E) Estimated cost of Portable Fuel per unit (e.g., per sold gallon, weight). The cheapest available Portable Fuel of its type will be used, absent specific justification; and
 - F) Amount of any Portable Fuels currently owned and available for use by the Household.
- d. Proof of Veteran status (if applicable), as evidenced by a copy of any of the following:
 - i. DD-214;
 - ii. Military or veteran identification card;
 - iii. Veteran Health Identification Card; or

- iv. Department of Veterans Affairs Discharge Certification Letter.
- e. Self-Certification of the following:
 - i. Household did not receive any other assistance for the same energy cost;
 - ii. U.S. citizenship or Qualified Non Citizen status of Eligible Household Members. Any Households which do not provide self-certification for all Household members will be treated as a Mixed-Status Household, and those Household members without a self-certification of U.S. citizenship or Qualified Non Citizen status will be treated as ineligible Household members;
 - iii. Disability status (if applicable); and
 - iv. Statement of Tribal LIHEAP Denial (if applicable).
- f. Crisis Assistance (as applicable):
 - i. Proof that Standard LIHEAP benefits have been exhausted; and
 - ii. Proof of Regular Crisis or Life-Threatening Crisis, evidenced by:
 - A) For Regular Crisis:
 - 1) A utility shut-off or delinquency notice;
 - 2) An eviction notice, if utilities are included in the rent;
 - 3) Collateral contact with energy Vendor to verify crisis status;
 - 4) Documentation showing that the Household has less than seven days of prepaid utility services left; or
 - 5) Self-certification that the Household has less than seven days of Portable Fuel.
 - B) For Life-Threatening Crisis:
 - 1) A statement from a licensed medical physician stating that termination of

power or exposure to heat or cold would be dangerous to the health of a Household member; or

- 2) Self-certification stating that life supporting equipment is used in the home and the equipment is dependent upon utility service for operation.

g. Data Collection. Certain information is required to be collected per federal guidelines, including:

- i. Demographic information of the primary Applicant, including race, ethnicity, veteran status, and gender. There is a “choose not to answer” option for all demographic data collection elements.
- ii. LIHEAP Performance Measures information, including vendor information, household size, fuel type, primary heating type, and annual household income. See performance measures guideline [LIHEAP Performance Measures Data Collection Guide](#).

2. Application Submission and Verification of Identity

Applicants seeking Standard LIHEAP assistance and/or Crisis Assistance may apply for LIHEAP through any of the following methods. To prevent fraud, an Applicant must verify their identity.

- a. By completing an application online through the LIHEAP Portal at <https://era.azdes.gov/>;
 - i. When applying online, an Applicant must verify their identity through ID.me at <https://www.id.me/>. Use of ID.me will require a Social Security Number (SSN) or Taxpayer Identification Number (TIN).
 - A) An Applicant’s disclosure of their SSN or TIN is optional and is used to verify the Applicant’s identity and assist in the timely processing of the application.
 - B) If an Applicant wishes not to disclose their SSN or is otherwise unable to verify through ID.me, they may submit a paper or phone-based application and provide identity documents. This method may lengthen processing time.

- b. By providing a paper application to, or completing an online application with a Community Navigator;
 - i. When applying with assistance from a Community Navigator, an Applicant is required to provide identification documents. Identification documents may include:
 - A) State issued ID;
 - B) Driver's license;
 - C) Birth Certificate;
 - D) Passport; or
 - E) Any other documentation that can demonstrate a person's identity.
- c. By telephone, by calling 1-866-494-1981; or
 - i. An oral acknowledgement of the application will be deemed a signature for the purposes of a telephonic application.
- d. By printing an application and returning it to DES via:
 - i. Fax to (602) 612-8282;
 - ii. Delivering the application to a local DES office or Community Navigator; or
 - iii. Mailing the application to:
 - Department of Economic Security
 - Low-Income Home Energy Assistance Program
 - PO Box 19130
 - Phoenix, AZ 85009-9998

3. Recertification

- a. Senior Utility Assistance Program (SUAP)

Eligible senior Applicants may apply for SUAP when recertifying for LIHEAP benefits. SUAP recipients are eligible to receive the maximum Standard LIHEAP benefit.

 - i. To be eligible to recertify under SUAP:

1. All adult Household members must be 60 years of age or older or 17 years of age or younger; and
 2. One Household member must either:
 - a. Be the current recipient of Federal or State benefits;
 - b. Have expenses related to Medicare; or
 - c. Receive Social Security or Social Security Disability income.
- b. SUAP Applicants
- i. Nine (9) months from the approval date, eligible SUAP Applicants will be notified of:
 1. Eligibility for SUAP; and
 2. Eligibility to apply to recertify 11 months from the approval date of their application.
- c. All LIHEAP Applicants (Including SUAP)
- i. Applicants are eligible to apply to recertify for LIHEAP 11 months from the approval date of their LIHEAP Standard application.
 1. Applicants will be notified by email of eligibility, and how to apply.
- d. Recertification applications will automatically carry over all prior Applicant Household information for the purposes of the application. The applicant must:
- i. Verify that all information is current and accurate;
 - ii. Provide the current cost of utilities (this information will not be carried over from a prior application);
 - iii. Provide any documentation required for the application; and
 - iv. Sign and submit the application.
- e. All Application Requirements, and Application Submission and Verification of Identity provisions apply for recertification applications, except that recertifications must be submitted:
- i. By completing an application online through the LIHEAP Portal at <https://era.azdes.gov/>; or

- ii. By completing an online application with a Community Navigator.
- 4. Application Processing
 - a. Adjudication Timelines
 - i. Standard LIHEAP applications will be processed by DES within three (3) business days, from the date an application is received online, by mail, or by phone by DES until a decision is issued.

Note: This time does not include any days during which an incomplete application was returned to an Applicant for processing.
 - ii. Crisis LIHEAP applications will be processed as soon as possible, but no later than 48 hours for Regular Crisis applications and no later than 18 hours Life-Threatening Crisis LIHEAP Applications, from the time an application is received by DES until a payment is issued.
 - b. Community Navigators
 - i. Provide integral support to the LIHEAP program to ensure applicants have an option for local, in-person LIHEAP resources. Further, Community Navigators enhance the availability of LIHEAP, and improve the quality of applications to streamline DES adjudication.
 - ii. Work through state-designated Community Action Agencies (CAA) or other community partners to perform outreach in accordance with contractual agreements.
 - iii. Perform appointments with Applicants for services as soon as practicable and in accordance with contractual requirements. Navigators must screen for crisis circumstances and priority will be given to Crisis Assistance Applicants.
 - iv. Receive applications and requests for application services from Applicants. Specifically, Community Navigators:

1. Ensure an application complies with the requirements of this policy, including necessary documentation to make an eligibility determination;
 2. Assist the Applicant in locating and submitting an application and/or related application document(s); and
 3. Comply with all applicable Community Navigator and DES training, contractual agreements, law, and regulations in providing services.
- v. Submit complete LIHEAP applications to DES within one (1) business day.
 - vi. Conduct initial screening and reporting of potential Welfare Fraud.
 1. For additional guidance on Welfare Fraud, please refer to Section VII, Subsection E of this policy.
- c. DES, DCAD
- i. Contracts with CAAs and community partners for navigator and outreach services.
 - ii. Receives and adjudicates applications in accordance with applicable law, the Arizona LIHEAP State Plan, and this Policy.
 1. Applications may be received online, on paper, or telephonically; any form of application type may be submitted directly to DCAD, or through or in coordination with a Community Navigator.
 - iii. Notifies Applicants of adjudication decisions, and disperses approved Applicant benefits to Vendors or Applicants (see para. VII(B)(3)).
 - iv. Notifies applicants of eligibility to recertify for LIHEAP benefits:
 1. Applicants eligible for SUAP will be notified of their eligibility for SUAP nine (9) months from the approval date of their application.

2. All applicants will be notified of their eligibility to recertify for LIHEAP benefits 11 months from the approval date of their application.

d. Incomplete Applications

- i. When received or reviewed by a Community Navigator, the Community Navigator will make best attempts to resolve incomplete applications with the Applicant prior to submission of the application to DES and within prescribed timelines.
 - A) For example, the Community Navigator may request any missing information or assist the applicant in locating missing documentation.
- ii. When incomplete applications are received by DES, DCAD via online portal, fax, or mail, and as a result an eligibility determination is unable to be made, the application will be placed in a 'needs information' status. An email notice will be sent to the Applicant explaining the information or documentation that is required to complete the application for an eligibility determination to be made.
 - A) Incomplete applications cannot be acted upon by DES until Applicants provide required information/documentation to complete their application.
 - B) After an application is placed in 'needs information' status and Applicant is notified of missing information/documentation, the Applicant will be provided 45 days to complete the application.
 - C) Applications that remain in a 'needs information' status for more than 45 days will be denied as incomplete and/or missing required documentation. The Applicant may reapply.

e. Conflicts of Interest

An Employee or Community Navigator may not process a LIHEAP application submitted by any person, or which

pertains to a Household member, that the Employee or Community Navigator knows or otherwise has a personal relationship, including a friend, neighbor, relative, or other individual. Any such relationship, which may raise a question of the Employee or Community Navigator's impartiality, must be avoided.

- i. Any Employee who identifies a Conflict of Interest in an application (e.g. with an Applicant, member of the Applicant's Household, or other information) will notify their immediate supervisor and take no action on the Applicant's case. The supervisor will then transfer the application to another Employee within one business day for continued processing.

B. Authorization of Benefits

1. Benefit Calculations

- a. Standard LIHEAP benefits will be calculated using the LIHEAP Heating/Cooling Benefit Matrix as set by the current LIHEAP State Plan. The Department may authorize up to \$1,200 for a standard LIHEAP payment.
 - i. This payment may be provided to approved Applicants one time within the Eligibility Period (For example, see "Benefit Limits" below). The payment may be used to:
 - A) Pay energy utility bills;
 - B) Pay utility deposits and connection fees;
 - C) Pay Arrearages; and
 - D) Restore energy services (including payment of reconnection charges, fees, and penalties).
- b. The Department may authorize up to an additional \$1,000 for a Crisis Assistance payment.
 - i. Crisis Benefit Calculation
 - A) Crisis Assistance payments start at a minimum \$100 benefit.
 - B) Any additional Crisis Assistance benefit is based upon Household need.

- ii. This payment may be provided one time within the Eligibility Period, and
- iii. The applicant has exhausted their standard LIHEAP benefit. A Standard LIHEAP benefit is exhausted when:
 - A) The Standard LIHEAP benefit is not enough to cover the outstanding amount due at time of approval (in this case, Crisis LIHEAP payment may be made at the same time as an approved Standard LIHEAP payment); or
 - B) The Applicant was previously approved for, and has since exhausted their full standard LIHEAP benefit.
- c. LIHEAP assistance payments are not considered Household income.
- d. A Household's participation in LIHEAP must not adversely impact the Household's eligibility for other public assistance programs provided by DES.

2. Decision Notices

- a. DES will issue decision notices to Applicants via email through the LIHEAP Portal.
 - i. Approval Notices. Approval notices will be issued when the decision is made to grant benefits. An approval notice will include the application approval date and the amount of the benefit.
 - ii. Denial Notices. Denial notices will be issued when the decision is made to deny benefits due to ineligibility, missing documentation, or another reason. A denial notice will include:
 - A) the date of the decision;
 - B) the basis for the denial;
 - C) the Applicant's right to request reconsideration of the decision; and
 - D) the Applicant's right to appeal.

- iii. Updated Notices. If a subsequent DES decision is made affecting an Applicant's existing benefits eligibility or amount, an updated notice will be provided. Updated notices will include the same information as denial notices.

3. Payment Issuance

- a. The Department will:
 - i. Issue a LIHEAP payment directly to an energy Vendor via Electronic Fund Transfer (EFT) or check.
 - ii. Issue a payment directly to the Applicant when:
 - A) Payment cannot be made directly to the energy Vendor.
 - B) An Applicant's energy utilities are included in their rent.
 - iii. Issue a Notice of Payment Letter directly to an energy Vendor or Applicant for a Crisis within 48 hours.
- b. Any payment made to a bank account or to a mailing address outside the United States is subject to an additional review before processing.
- c. Any LIHEAP payment received by the energy Vendor under this section will be used to satisfy all or a portion of the Household's energy bill.

4. Benefit Limits

- a. An eligible Household will not receive Standard LIHEAP payments in excess of \$1,200 per every 12 months from the eligibility date.
- b. An eligible Household will not receive Crisis LIHEAP payments in excess of \$1,000 per every 12 months from the Standard LIHEAP eligibility date.
- c. Eligible SUAP participants will qualify to receive the maximum standard LIHEAP benefit of \$1,200.
- d. A Household approved for LIHEAP benefits:
 - i. Is eligible to recertify for LIHEAP benefits under a new eligibility period 11 months from the approval date of

their previous application with reduced documentation; and

- ii. Is eligible to receive benefits under a new eligibility period 12 months from the approval date of their previous application.
- e. Example. Applicant A applies for LIHEAP benefits on November 1, 2022, and their application is approved on November 4, 2022. Applicant A's 12-month Eligibility Period begins on November 4, 2022, and they may recertify for Standard LIHEAP on October 4, 2023 after 11 months. Applicant A is eligible to receive a new period of LIHEAP benefits beginning November 4, 2023

C. Grievances

- 1. Applicant grievances will be processed in accordance with the DCAD Grievances Policy.

D. Program Monitoring

- 1. Program monitoring generally consists of evaluations of internal processes and procedures for compliance with all requirements of federal, state and local laws, LIHEAP contracts, and this Policy.
 - a. Community Action Agencies (CAA). CAAs will be monitored a minimum of once every three (3) years, focusing on program, fiscal, policy, general contract, and navigator model compliance. Monitoring will be performed in accordance with the LIHEAP State Plan, Section 10.
 - b. DES will complete internal case audits on a monthly basis to ensure accurate determinations are made.
 - i. LIHEAP adjudicators will complete initial monthly case audits.
 - ii. Second-level audits will also be completed to ensure quality and accuracy of the monthly audit process. Second-level audits will be completed on no less than a quarterly basis, by a LIHEAP employee with adjudicator supervisory authority.
 - c. Arizona Auditor General's Office. Audits LIHEAP in its audit of program expenditures in accordance with the Single Audit Act of 1984.

E. Welfare Fraud Prevention and Penalty

1. Employees will take multiple steps to detect and prevent instances of Welfare Fraud. Specifically, Employees will review the energy bill and other associated documents and evidence for signs of fraud.
2. Applicants are required to attest they are not receiving benefits under LIHEAP for energy or utility expenses already paid by any other assistance program. Providing false statements may be punishable by law and/or result in denial or disqualification from LIHEAP benefits.
3. In cases where potential Welfare Fraud is detected, Employees will document the suspected nature of the fraud, any relevant information (e.g., known facts, statements, witnesses, or other knowledge possessed by the employee regarding the matter) and refer the matter to the Office of the Inspector General for investigation.
4. When Welfare Fraud is detected, external parties shall:
 - a. Call the DES Fraud Hotline at (800) 251-2436; or
 - b. Complete the online form at <https://fraudreferralexternal.azdes.gov/>.
5. If DES determines that an Applicant has committed an intentional program violation or defrauded LIHEAP, the Applicant will be subject to denial of LIHEAP benefits, disqualification from the Program, and criminal prosecution.
 - a. Applicants are subject to 12-month disqualification for a 1st violation, 24-month disqualification for a 2nd violation, and permanent disqualification for a 3rd violation.

F. Confidentiality

1. Information collected by the Program and during an appeal is confidential under A.R.S. § 41-1959 unless such confidentiality is waived.
2. The U.S. Treasury Office of Inspector General, U.S. Department of Health and Human Services, and the U.S. Government Accountability Office, or authorized representatives of either, shall have the right of access to confidential records to conduct audits or investigations.

G. Records Retention

1. DES and Community Action Agencies shall maintain a copy of all records for at least five years, according to *Records Management and Reports Policy* (DES 1-37-12) and associated procedures (DES 1-37-12-01), after all funds allocated to the state have been expended.
2. DES shall maintain records including financial documents and documents pertaining to eligibility determinations.

APPENDIX 1 - Income Eligibility by Household Size

Household size	Monthly Gross Income Limit
1	\$2,403
2	\$3,143
3	\$3,883
4	\$4,622
5	\$5,362
6	\$6,101
7	\$6,240
8	\$6,379
9	\$6,962
10	\$7,605
11	\$8,247
12	\$8,890
13	\$9,532
14	\$10,175
15	\$10,817
16	\$11,460
17	\$12,102
EACH ADDL OVER 17	EACH ADDL
	\$642



Subject: Arizona Rental Assistance Policy
Process Owner: Division of Community Assistance and Development
Effective Date: 10/15/2023
Revision Number: 0

Arizona Rental Assistance Policy

I. POLICY STATEMENT

Arizona Rental Assistance (the Program) alleviates housing instability for eligible low income seniors and families with children. The Program is administered by the Arizona Department of Economic Security (DES), Division of Community Assistance and Development (DCAD), and funded by discretionary, state-allocated Coronavirus State and Local Fiscal Recovery Funds (SLFRF) provided under the American Rescue Plan Act of 2021 (ARPA) and administered federally by the U.S. Department of the Treasury. SLFRF provides support to State, territorial, local, and Tribal governments in responding to the economic and public health impacts of COVID-19 and in their efforts to contain impacts on their communities, residents, and businesses. DES accordingly designed and administers the Program per ARPA, SLFRF, and Treasury guidance to support the vulnerable impacted Arizona communities. DES utilizes a direct-service model for distribution of Program benefits. Community Navigators, which work through state-designated Community Action Agencies (CAA) and other community partners, perform outreach and assist Applicants in understanding the Program and completing applications. DES contracts with CAAs and community partners; receives and adjudicates applications; and disburses Program benefits. An applicant may apply online, using a paper application, or telephonically with the assistance of a Community Navigator or directly to DES. Arizona Rental Assistance is not associated with the Emergency Rental Assistance Program (ERAP).

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III. **APPLICABILITY**

This policy applies to all DES Employees, including contractors who are involved with administration of the Program.

IV. **AUTHORITY**

[Pub. L. 117-2, Sec. 9901](#)

American Rescue Plan Act of 2021, State and Local Recovery Funds

[31 Fed. Reg. 4338 \(January 27, 2022\)](#)

Department of the Treasury, Final Rule, Effective April 1, 2022, Coronavirus State and Local Fiscal Recovery Funds

V. **DEFINITIONS**

Applicant: A person that requests Program benefits in accordance with this policy. A person must be 18 years or older to qualify as an Applicant.

Area Median Income (AMI): The midpoint of a region's income distribution.

Arizona Rental Assistance (the Program): The DES Program, administered through the Division of Community Assistance and Development (DCAD), that provides housing stability services in the form of rental assistance to eligible Arizona children, seniors, and their families.

Employee: Any full-time or part-time worker, or temporary paid or unpaid worker, who is employed directly by DES.

Full-time Employment: Employment of at least 30 hours of service per week, or 130 hours of service per month.

Gross Income: The total Household Income for all Household members before taxes and other deductions.

Household: Any individual or group of individuals who are living together as one economic unit for whom a Residential Dwelling is customarily used and purchased in common, subject to a Housing Agreement. For purposes of this policy, at least one person in the Household shall be obligated by a Housing Agreement to pay rent. Temporary visitors or guests who do not maintain the dwelling as their primary residence are not considered household members.

Housing Agreement: A lease or written rental agreement between a Tenant and a Landlord.

Income: Taxable Income as defined by the Internal Revenue Service.

Landlord: A person who owns a residential unit or otherwise has lawful permission to collect rent on a residential unit. A person who is listed as a Tenant in the Housing Agreement cannot also be considered a Landlord. Any 'Landlord' sublessor must have legal authority to sublease the property and is subject to tax reporting requirements.

Qualifying Child: A child listed on the Program application who is under the age of 18, who resides in the Household and is in the care and physical custody of a parent or non-parent relative or Legal Permanent Guardian adult that also resides in the Household, thereby qualifying the Household for Program benefits.

Qualifying Senior: An adult listed on the Program application who is 60 years of age or older and resides in the Household, thereby qualifying the Household for Program benefits.

Related Adult: The adult listed on the Program application who is over the age of 18, resides in the Household, and has physical custody or guardianship of a Qualifying Child.

Residential Dwelling: The property that is lawfully rented by the Tenant. This property could be a house, unit within an apartment building, unit within a duplex, hotel/motel room, or other residential space.

Sublessee: The individual to whom a property is legally subleased.

Tenant: The person or persons listed as a leaseholder in a Housing Agreement at the time of application for the Program.

VI. STANDARDS

A. Eligibility for Rental Assistance

1. The Applicant's Household must be experiencing housing insecurity or risk of eviction due to financial instability.
 - a. Eligible households that have been served an eviction notice may be given priority application processing.
2. The Household income must be at or below 80 percent of the current Fiscal Year (FY) Area Median Income (AMI).
3. One or more Qualifying Children or Qualifying Seniors must reside in the Household's Residential Dwelling:
 - a. A Qualifying Child is any child:
 - i. Under the age of 18 years old;

- ii. Who resides and is present within the Residential Dwelling; and
 - iii. Is in the care and physical custody of a parent, non-parent relative or Legal Permanent Guardian who maintains the Residential Dwelling as their primary residence and actually resides and is present within the residential dwelling.
- b. A Qualifying Senior is any adult:
 - i. 60 years of age or older; and
 - ii. Who maintains the Residential Dwelling as their primary residence, and actually resides and is present within the Residential Dwelling.
- c. The Applicant, or an adult member of the Household must:
 - i. Have current Full-time Employment;
 - ii. Currently be the qualifying recipient of one of the following benefits:
 - A) Unemployment;
 - B) Workers compensation; or
 - C) Disability.

Note: An Applicant with a pending application for unemployment, workers compensation, or disability benefits, which is not reasonably expected to be processed by the responsible agency within 30 days of the application date, may qualify as a 'recipient' upon (1) the request of the Applicant and (2) providing proof of pending benefits application.
 - iii. Immediately be available for Full-time Employment, **and** any one of the following:
 - A) Have a history of Full-time Employment in the last 4 months prior to the application month and reasonably anticipate being gainfully employed;

- B) Have successfully completed an educational, vocational, or job training program in the last 6 months prior to the application month; or
 - C) Have a job offer for Full-time Employment that begins within 3 months of the application approval date.
 - iv. Exception: If all adults in the Household are 60 years of age or older, the requirement of this section (3)(c) is waived.
- 4. The Applicant must be:
 - a. A Tenant;
 - i. A Sublessee who resides in a specific property for which the the Sublessee has a written sublet agreement may be eligible for Program assistance provided:
 - A) The Sublessee provides both a valid sublet agreement or Housing Agreement, and a Housing Agreement between the sublessor and the Landlord. The Housing Agreement between the sublessor and Landlord must specifically permit subletting.
 - B) The Program benefit amount shall not exceed the rental amount listed in the Housing Agreement between the Sublessor and the Landlord.
 - b. Obligated by a Housing Agreement to pay rent on their Residential Dwelling; and
 - c. Residing within Arizona in an eligible jurisdiction, including:
 - i. Apache, Cochise, Coconino, Gila, Graham, Greenlee, La Paz, Maricopa (City of Phoenix or Mesa only), Mohave, Navajo, Pinal, Santa Cruz, Yavapai, and Yuma Counties;
 - ii. Officially-designated Tribal lands; and
 - iii. Any other jurisdictions that may later be designated.

5. An Applicant is not eligible for Program benefits
 - a. If the Applicant or Household previously received rental assistance from ERAP in any jurisdiction;
 - i. This restriction does not apply to Applicants who previously received *only* ERAP Utility-Only Assistance.
 - b. For any portion of rent which is paid or otherwise covered by another rent, housing, or other public assistance program.
6. DES funding for the Program must be available for the Applicant to be eligible to receive a benefit.

B. Program Benefits

1. An eligible Household approved for Program assistance may receive a benefit equal to three (3) times the Household's monthly rent, not to exceed a total benefit of \$10,500.
2. Program benefits may be used to cover the following for the Housing Agreement and Residential Address approved in the application:
 - a. Rental Arrears;
 - b. Future rent; and
 - c. Rent late fees and penalties.

C. Prudent Decision-Making Principles

1. The policies and procedures included in this Policy compile and prescribe guidance for determining eligibility, delivering benefits, and administering the Program. Employees and Community Navigators will use reason and apply good judgment in making decisions when addressing specific needs or scenarios of an Applicant or Household not specifically addressed by this Policy or referenced Authority. Decision-making by Employees based on the best information available, program knowledge, experience and expertise is referred to as the Prudent Decision-Making Principle. Prudence may also include seeking DCAD or DES guidance on specific Program or policy interpretation. Employees should document their rationale used to make decisions not contemplated by this Policy or Authority, and cite any applicable references.

D. Policy Administration

1. Updates and/or amendments to this Policy will be issued as complete numbered revisions, superseding this Policy, in conjunction with any relevant Policy Memorandum summarizing changes.
2. Minor clarification to this Policy may be issued in the form of Policy Memoranda, providing interim guidance between revisions.
3. Questions or requests for clarification regarding this policy should be submitted via email to:

erapquestions@azdes.gov, and
dcadpolicy@azdes.gov

Subject: ARA Policy Questions & Clarifications

Please include your name, a contact phone number, and details regarding your inquiry.

VII. Procedures

A. Application Submission

1. Submission Types
 - a. An Applicant must submit a Program application online. Applicants who are unable to submit an application and require an accommodation may complete an application by telephone, mail/fax, or by visiting a DES Navigator. Submissions by mail/fax may result in increased processing times.
 - i. Online Applications. An Applicant may complete an application online at the Rental and Utility Assistance Portal <https://era.azdes.gov/>.
 - ii. DES Navigator Application Assistance. An Applicant may provide a paper application to, or complete an application with the assistance of a DES Community Navigator;
 - A) Community Navigator assistance may be received by visiting the nearest [Community Action Agency](#). Applicants are encouraged to call ahead for current information on hours, specific program assistance, and appointment scheduling/availability.

- B) Documentation Requirements will need to be met to complete an application, and required documents should be brought to this appointment.
- iii. Telephone Applications. Call 1-(833)-912-0878 to apply via telephone. For a telephone application, oral acknowledgment of the application will be deemed a signature; or
- iv. Mail/Fax Applications. Print or obtain a copy of an application from the Program webpage or local CAA.
 - A) An Applicant shall complete all required portions of the printed application and attach copies of appropriate documents; and
 - B) Return the completed application to DES by:
 - 1) Faxing the application to (602) 612-8282;
 - 2) Submitting the application through their local community action agency; or
 - 3) Mailing the application to:
Department of Economic Security
Arizona Rental Assistance
PO Box 19130
Phoenix, AZ 85009-9998
 - 4) Mail applications are considered received on the date postmarked. Faxed applications are considered received on the date received (as annotated on the fax cover letter).

2. Documentation Requirements

- a. Proof of increased housing insecurity or risk of eviction due to financial instability;
 - i. The Applicant must demonstrate that one or more members of their Household are experiencing increased housing insecurity or a risk of eviction due to financial instability. This may be demonstrated through either of the following:

- A) An eviction notice (for failure to pay rent obligations only), current within 15 days:
 - 1) Eligible households that have been served an eviction notice may be given priority application processing; or
- B) Past due rent notice, current within 30 days.

b. Proof of income

- i. Must be provided for all Household members ages 18 and older, and 16-17 years of age if not a full-time high school student or equivalent.
- ii. Income for the Household is defined as Gross Income, including self-employment, earned, and unearned income, before taxes and deductions, for each individual as outlined in this policy.
- iii. Documentation of earned income may include any of the following, which may also satisfy verification of employment:
 - A) Paystub current within the last 60 days
 - B) Employment verification or signed/dated letter from employer including:
 - 1) Name, address, phone number of employer;
 - 2) Frequency of pay periods;
 - 3) Gross pay amount (hourly, salary, etc.) and number of hours worked; and
 - 4) Day of week, or other cadence, when employee receives payroll disbursement.

Note: An employment verification letter should not be used when it may jeopardize the employment of the applicant.

- C) A letter from an agency providing government-sponsored training;

- D) An offer letter from current employer when employee has not yet received first wage payment;
- E) Self-employment accounting records;
- F) Bank statements or records; or
- G) A client's statement, when all other proofs are unavailable and all attempts have been made to secure verification, with an explanation why the proofs are unavailable.

iv. Documentation of unearned income may include:

- A) Assistance payment records
- B) Social Security Administration (SSA) award letters or Supplemental Security Income (SSI) records;
- C) Department of Veterans Affairs (VA) award letters or disability benefit records;
- D) Other benefit agency or payer records or award letters;
- E) Bank records;
- F) Court records or court orders (e.g., child support or alimony);
 - 1) If there is no other source of verification of child support or alimony payments, request a statement from the absent parent.
- G) Arizona State benefit award letters, receipts, or other documentation;
- H) Federal government award letters, receipts, or other documentation;
- I) Federal or state tax forms;
- J) Insurance policies;
- K) Sales contracts; or
- L) Unemployment insurance records.

- c. Proof of Educational, Vocational, or Job Training Program (if applicable)
 - i. The Applicant must provide a copy of certificate or other official verification of completion of the educational, vocational, or job training program, containing:
 - A) The Applicant or subject Household member's full name;
 - B) The awarding institution;
 - C) The program, certification, degree, or other program completed;
 - D) Date of completion; and
 - E) Signature or seal of awarding institution or representative.
 - d. Proof of current rent obligation
 - i. The Applicant must demonstrate a current Housing Agreement exists, and obligation to pay rental arrears and/or future rent by providing:
 - A) A Housing Agreement that matches the Applicant's name and current rental address; and
 - B) A Landlord's Ledger, or equivalent document subject to Program verification, indicating the Household's arrears balance, if applicable.
 - ii. If a Household is the recipient of any other rental, housing, or other public benefit which pays or otherwise subsidizes any portion of the Household's rent obligation, the Household must provide documentation of the assistance.
 - A) A household may only receive Program assistance for the portion of rent for which the Household is responsible for paying, and which

is not otherwise paid or covered by any other public assistance program.

e. Proof of residence

- i. To prevent fraud and validate Household residents that will receive Program benefits, an Applicant must:
 - A) Verify the Applicant's residence;
 - B) Verify the residence of any Qualifying Senior; and
 - C) For Qualifying Child(ren), verify the residence of the Related Adult (if different from Applicant).
- ii. Proof of residence may include any of the following with the subject Household member's name and current Residential Dwelling address:
 - A) Utility bill or utility company records, current within the last 60 days;
 - B) Driver's license or other official Arizona Department of Transportation, Motor Vehicle Division documents;
 - C) State issued identification;
 - D) Tax office records;
 - E) School records;
 - F) Rent receipt;
 - G) City Directory;
 - H) Church records;
 - I) Housing Agreement; or
 - J) Statement from any of the following, including a signature and phone number:
 - 1) Non-relative employer;
 - 2) Non-relative landlord; or
 - 3) Other non-relative.

- f. Verification of Identity
 - i. To prevent fraud and ensure that qualifying households experiencing housing instability or risk of eviction (for failure to pay rent obligations) receive eligible Program benefits, an Applicant must:
 - A) Verify the Applicant's identity;
 - B) Verify the identity of one or more Qualifying Children, or one or more Qualifying Seniors (if Applicant is not 60 years of age or older); and
 - C) For Qualifying Child(ren), verify the identity of the Related Adult (if different from Applicant).
 - ii. Identity/Age verification documents include any of the following containing the subject Household member's full name and date of birth:
 - A) Adoption records*
 - B) Birth certificate*
 - C) Hospital or public records of birth*
 - D) Citizenship and immigration documents
 - E) Custody agreement*
 - F) Court records*
 - G) Driver's license
 - H) Census records* / family census card*
 - I) ID card or records from health benefits or another assistance or social service program*
 - J) Military records*
 - K) School records* / identification
 - L) Tribal records*

- M) Wage stubs
- N) Work ID
- O) Voter registration card
- P) Social Security Card

*Denotes records which also satisfy Relationship Verification requirements. Provided document must contain the full name of the Qualifying Child and Related Adult household member. See *Relationship Verification Documents* below for additional document options.

iii. To qualify a household for potential benefits, a Qualifying Child must reside with a Related Adult in the Household, who is either:

- A) A natural or adoptive parent,
- B) A non-parent relative; or
 - 1) May include the following:
 - i) stepmother or stepfather;
 - ii) grandparent(s);
 - iii) blood or adoptive: brother, sister, uncle, aunt, first cousin, nephew, niece; and
 - iv) preceding generation persons with prefixes: grand or great or any multiple of these prefixes;
 - v) first cousins once-removed; or
 - vi) a spouse of any individual named above, even if death or divorce has terminated the marriage.

C) A Legal Permanent Guardian (LPG).

- 1) May be unrelated by blood or marriage with legal custody awarded by a Court of competent jurisdiction.

iv. Relationship Verification Documents

A) A parent, non-parent relative or legal permanent guardian may certify and attest to the relationship to the Qualifying Child in the Household. Additional documentation may be required to verify relationship and prevent fraud if:

- 1) Identity Verification Documents of the Qualifying Child and Related Adult are provided that do not also provide Relationship Verification; and
- 2) The provided Identity Verification Documents does not reasonably establish a parental, custodial, non-parent or legal permanent guardian relationship between the child and Related Adult.

B) Relationship verification documents, in addition to *Identity Verification Documents above, can include any of the following containing the full name of the Qualifying Child and Related Adult:

- 1) Artificial insemination records;
- 2) Baptismal records;
- 3) Bio data sheets provided by refugees;
- 4) Bureau of Vital Statistics records;
- 5) Correspondence (letters, email, etc.) from a person to the child, or to others

about the child, referring to the child as the person's own;

- 6) Church records, including a statement from a member of the clergy;
- 7) Genetic testing results;
- 8) Insurance policies;
- 9) Marriage licenses and certificates;
- 10) Outpatient care records maintained by a hospital, clinic, or doctor;
- 11) Paternity records.;
- 12) When any other documented verification cannot be obtained, the following may be used to verify relationship:
 - i) Collateral contact verification.
The name and contract phone number of a collateral contact who may be contacted to verify the relationship must be provided.

v. Duplication of Eligibility Prohibited

- A) An Applicant or Household may only qualify for a single benefit for the lifetime of this Program, and may not qualify for multiple benefits based upon different Qualifying Children or Qualifying Seniors.
- B) Qualification is based upon:
 - 1) Where the Qualifying Child's parent, custodian, or legal permanent guardian actually resides and maintains primary residence; or

- i) A Qualifying Child may provide eligibility for no more than two (2) households.
 - 2) Where the Qualifying Senior actually resides and maintains primary residence.
 - i) A Qualifying Senior may provide eligibility for no more than one (1) household.

g. Minor Parents

- i. In Households where minor parents seek benefits on behalf of them and their children, special processing considerations apply:

- A) When a minor parent lives in a Household with an adult parent, non-parent relative or Legal Permanent Guardian:

- 1) The minor parent is considered a child for the purposes of the application; and
 - 2) An adult Household member must complete the Program application on behalf of the Household.

- B) When a minor parent does not live in a Household with an adult parent, non-parent relative or Legal Permanent Guardian, the minor parent may apply for benefits as an exception to the 18 years of age Applicant requirement, providing that the minor parent is emancipated, as demonstrated by:

- 1) Court order;
 - 2) Arizona Drivers License marked "emancipated minor"; or

- 3) Marriage certificate (See A.R.S. 25-503(Q)(1), "For the purposes of this chapter [Family Support Duties], a child is emancipated: 1) On the date of the Child's marriage"):
 - i) This provision applies to those who are married, widowed, divorced, or separated; and
 - ii) To be eligible based upon marriage certificate, an adult spouse must otherwise be unable or unavailable to apply on behalf of the Household.

h. Direct Deposit Payment Information

- i. Applicant will provide as part of a complete application:
 - A) Applicant's bank account and routing number; and
 - B) Landlord's current contact information, if not included on Housing Agreement.
- ii. To be eligible for payment:
 - A) The Applicant must be an account holder, authorized user, or equivalent named on the direct deposit account;
 - 1) An Applicant is liable for use of funds due to failure to provide an account to which they have lawful authority and access, or providing an account to which a third party has access.
 - B) The Account must be a checking or savings account (or equivalent), that is eligible to receive direct, electronic deposit (ACH deposit).
 - 1) Prepaid accounts are not eligible for direct deposit.

- i. Certification of Understanding
 - i. Applicants will certify and attest:
 - A) Understanding that Program benefits may only be used for the authorized purpose(s) for which the benefits were applied and approved, and as provided by this Policy.
 - B) Understanding that they have reviewed their application information, and that all information provided in the application is true, accurate, and complete.
 - C) Understanding that misuse of Program funds, or intentionally misrepresenting or providing false information is a violation of Program rules; violations of these, or other program rules may subject Applicants to denial of benefits, disqualification from the Program (12 months for first violation, 24 months for second violation, permanently for third violation), recoupment of benefits, and/or criminal prosecution.
 - j. Applicant Survey
 - i. Applicants may complete a voluntary survey in conjunction with their Program application to assess any Household needs in service areas offered beyond rental assistance.
 - ii. This survey is used by the Department to:
 - A) Collect data on the needs of Households for improvement of program services;
 - B) Refer Applicants to services for which they may have needs or qualify;
 - C) Increase awareness of services offered by the Department and other service agencies.
 - iii. Survey participation is optional, and any information submitted by Applicants is voluntary.
 - iv. Applicants may be referred to programs or services which offer assistance in areas of need. Referral to

any program or service is not an eligibility determination nor any guarantee of approval.

- v. Applicant participation in any survey, or answers provided as part of any survey, shall have no effect on the Program application or Applicant's eligibility.

B. Application Processing

1. Adjudication Timelines

a. Standard Applications

- i. Will be processed by DES within 30 business days, from the date an application is received online, by mail, or by phone by DES until a decision is issued. Applications are processed in the order received.

b. Priority Applications

- i. Applicants that have received an eviction notice may receive expedited processing to ensure prompt adjudication and disbursement of benefits, and mitigate the risk of eviction.
- ii. DES will attempt to process priority applications within 5 business days from the date a completed application is received online, by mail, or by phone by DES until a decision is issued. Applications are processed in the order received.

Note: Application processing time does not include any days during which an incomplete application was in 'needs information status' (see (VII)(B)(3) Incomplete Applications below).

2. Community Navigators

- a. Provide integral support to the Program to ensure applicants have an option for local, in-person Program resources. Further, Community Navigators enhance the availability of the Program, and improve the quality of applications to streamline DES adjudication.

- b. Work through state-designated Community Action Agencies (CAA) or other community partners to perform outreach in accordance with contractual agreements.
 - c. Perform appointments with Applicants for services as soon as practicable and in accordance with contractual requirements. Navigators must screen for crisis and/or priority circumstances, and priority will be given to these Applicants when practicable.
 - d. Receive applications and requests for application services from Applicants. Specifically, Community Navigators:
 - i. Ensure an application complies with the requirements of this Policy, including necessary documentation needed for DES to make an eligibility determination;
 - ii. Assist the Applicant in applying through the online portal, uploading documents, or in the case of a needed accommodation, locating and submitting an application and/or related application document(s); and
 - iii. Comply with all applicable Community Navigator and DES training, contractual agreements, law, and regulations in providing services.
 - e. Submit complete Program applications to DES within one (1) business day.
 - f. Conduct initial screening and reporting of potential Welfare Fraud.
 - i. For additional guidance on Welfare Fraud, please refer to Section VII(F) of this policy.
3. Incomplete Applications
- a. When received or reviewed by a Community Navigator, the Community Navigator will make best attempts to resolve incomplete applications with the Applicant prior to submission of the application to DES and within prescribed timelines.
 - i. For example, the Community Navigator may request any missing information or assist the applicant in locating missing documentation.

- b. When incomplete applications are received by DES, DCAD via online portal, phone, fax, or mail, and as a result an eligibility determination is unable to be made, the application will be placed in a 'needs information' status. An email notice will be sent to the Applicant explaining the information or documentation that is required to complete the application for an eligibility determination to be made. The Applicant may login to their portal application at any time to review messages and adjudication status.
 - i. Incomplete applications cannot be acted upon by DES until Applicants provide required information/documentation to complete their application.
 - ii. After an application is placed in 'needs information' status and and Applicant is notified of missing information/ documentation, the Applicant will be provided 45 days to complete the application.
 - iii. Applications that remain in a 'needs information' status for more than 45 days will be denied as incomplete and/or missing required documentation. The Applicant may reapply if otherwise eligible.

C. Authorization of Benefits

- 1. Benefit Amounts and Limits
 - a. An eligible Household approved for Program assistance may receive a benefit not to exceed three (3) times the Household's monthly rent obligation:
 - i. The Household's monthly rent is the monthly cost of rent as provided by the Lease Agreement; and
 - A) Non-rent costs and expenses that are separately itemized and billed are not considered part of the monthly rent.
 - B) If any portion of the Household's monthly rent is paid or covered by any other rent, housing, or public assistance program, that portion will be subtracted from the Household's monthly rent, to determine the Household's month's

rent obligation for the purposes of benefits calculation.

ii. The Household's monthly rent obligation is multiplied by three (3) to calculate the Household's total benefit amount.

iii. Formula: Benefit Amount = (Monthly Rent - Other Public Rent Benefits, If any) x 3

A) Example: A Household's rent is \$1,400 per month. The Household receives a \$300 Housing voucher. The Household's total monthly rent obligation is \$1,100, and multiplied by 3, the total benefit is \$3,300.

b. Program benefits may be used to cover the following for the Residential Dwelling on the Housing Agreement:

i. Rental arrears;

ii. Future rent; and

iii. Rent late fees and penalties.

Note: Benefits may not be transferred to a different address that was not approved by the Program.

2. Decision Notices

a. DES will issue decision notices to Applicants via email through the Housing Stability and Utility Assistance Portal.

i. Approval Notices. Approval notices will be issued when the decision is made to grant benefits. An approval notice will include:

A) The application approval date;

B) The amount of the benefit;

C) The applicant's right to request reconsideration of the decision; and

D) The applicant's right to appeal.

ii. Denial Notices. Denial notices will be issued when the decision is made to deny benefits due to ineligibility, missing documentation, or another reason. A denial notice will include:

- A) the date of the decision;
 - B) the basis for the denial;
 - C) the Applicant's right to request reconsideration of the decision; and
 - D) the Applicant's right to appeal.
 - iii. Updated Notices. If a subsequent DES decision is made affecting an Applicant's existing benefits eligibility or amount, an updated notice will be provided. Updated notices will include the same information as denial notices.
- 3. Payment Issuance
 - a. The Department will:
 - i. Issue a Program payment to the Landlord on the Eligible Household's behalf electronically via Direct Deposit.
 - A) Make 3 attempts to contact the Landlord within 5 calendar days after the Tenant application is approved if the Department receives a Tenant application without a corresponding Landlord application.
 - ii. Issue a Program payment for rental assistance to the Tenant if the following conditions are met:
 - A) The Tenant application has been approved without a corresponding Landlord application;
 - B) The Department has made 3 attempts to contact the Landlord within 5 calendar days of the Tenant's application approval; and
 - C) The Landlord is non-responsive or indicates that they do not wish to participate in the Program.
 - iii. Provide an Eligible Household with proof of payment, via the Client portal, disbursed to the Landlord or Tenant.
 - iv. Perform additional review of any payment data to be submitted to a bank account or mailed to an address

outside the United States before processing the payment.

- b. When a Program payment is received by the Landlord under this section, the Landlord must use the payment to satisfy the Tenant's rent, rental arrears, and rent late fees and penalties to the Landlord.
 - i. Landlords must apply benefits payments to rent arrears and rent late fees and penalties prior to applying benefits to future rent.
- c. Any disputes arising out of the Landlord Release of Tenant Liability must be resolved in an Arizona court of competent jurisdiction according to Arizona law, and not as a small claims lawsuit without the Tenant's consent.
- d. When a Program payment is received by a Tenant, the Tenant may be required to provide documentation showing that the Program payment was used to pay rent when:
 - i. The payment was automatically paid to the Applicant as part of a Priority application; or
 - ii. The Department
 - A) Has reason to believe that the Tenant has not used the payment for rent; or
 - B) Suspects fraud.
 - iii. The following documents could be used to demonstrate that a Tenant used a Program payment for rent:
 - A) Bank statements;
 - B) Canceled checks; or
 - C) Landlord Ledger.
- e. Exhaustion of Program funding
 - i. Arizona Rental Assistance benefits are subject to the availability of funding.
 - ii. Unobligated benefits funds, equal to or exceeding the Applicant's eligible benefit, must be available for the Applicant to be eligible to receive a benefit under the program.

- iii. If unobligated funds are not available, the Applicant is not eligible.
 - A) The application will be denied as “Funding unavailable. Please monitor <https://des.az.gov/ERAP> for updates on if future funds become available and applications reopen.”

D. Grievances

- 1. Applicant grievances will be processed in accordance with the DCAD Grievances Policy.

E. Program Monitoring

- 1. Program monitoring generally consists of evaluations of internal processes and procedures for compliance with all requirements of applicable law, Program contracts, and this Policy.
 - a. Community Action Agencies (CAA). CAAs will be monitored a minimum of once every three (3) years, focusing on program, fiscal, policy, general contract, and Navigator model compliance. Monitoring will be performed in accordance with Division monitoring protocols and this Policy.
 - b. DES will complete internal case audits on a monthly basis to ensure accurate determinations are made.
 - i. Program adjudicators will complete initial monthly case audits.
 - ii. Second-level audits will also be completed to ensure quality and accuracy of the monthly audit process. Second-level audits will be completed on no less than a quarterly basis, by a Program employee with adjudicator supervisory authority.
 - c. Arizona Auditor General’s Office. Audits the Program in its audit of program expenditures in accordance with the Single Audit Act of 1984.

F. Welfare Fraud Prevention and Penalty

- 1. Employees will take multiple steps to detect and prevent instances of Welfare Fraud. Specifically, Employees will review applications,

identification documents, lease agreements, and other associated materials for signs of fraud.

2. Applicants are required to attest that the information they are providing is true and accurate, and may be required to certify certain eligibility information in the absence of other available documentation. Providing false statements may be punishable by law and/or result in denial or disqualification from Program benefits.
3. In cases where potential Welfare Fraud is detected, Employees will document the suspected nature of the fraud, any relevant information (e.g., known facts, statements, witnesses, or other knowledge possessed by the employee regarding the matter) and refer the matter to the Office of the Inspector General for investigation.
4. When Welfare Fraud is detected, external parties shall:
 - a. Call the DES Fraud Hotline at (800) 251-2436; or
 - b. Complete the online form at <https://fraudreferralexternal.azdes.gov/>.
5. If DES determines that an Applicant may have committed an intentional program violation or defrauded LIHEAP, the Applicant will be subject to denial of Program benefits, disqualification from the Program, and criminal prosecution.
 - a. Applicants are subject to 12-month disqualification for a 1st violation, 24-month disqualification for a 2nd violation, and permanent disqualification for a 3rd violation.

G. Confidentiality

1. Information collected by the Program and during an appeal is confidential under [A.R.S. § 41-1959](#), unless such confidentiality is waived.
2. The U.S. Treasury Office of Inspector General, the U.S. Government Accountability Office, the Arizona State Auditor General, or their authorized representatives, have the right of access to confidential records to conduct audits or investigations.

H. Records Retention

1. All records and financial documents, including those pertaining to eligibility determinations, shall be maintained by the Department.
2. DES shall maintain Program records for at least five years after all funds allocated to the State have been expended, according to *Records Management and Reports Policy* (DES 1-37-12) and associated procedures (DES 1-37-12-01).

Appendix 1 - 80% of AMI by Household Size and County

Rental Assistance Program - Maximum Household Income Allowed (80% AMI)* - FFY 23								
County	Household Size (Persons)							
	1	2	3	4	5	6	7	8 or more
Apache	\$32,850	\$37,550	\$42,250	\$46,900	\$50,700	\$54,450	\$58,200	\$61,950
Cochise	\$38,300	\$43,750	\$49,200	\$54,650	\$59,050	\$63,400	\$67,800	\$72,150
Coconino	\$50,900	\$58,200	\$65,450	\$72,700	\$78,550	\$84,350	\$90,150	\$96,000
Gila	\$35,700	\$40,800	\$45,900	\$50,950	\$55,050	\$59,150	\$63,200	\$67,300
Graham	\$39,200	\$44,800	\$50,400	\$56,000	\$60,500	\$65,000	\$69,450	\$73,950
Greenlee	\$42,500	\$48,600	\$54,650	\$60,700	\$65,600	\$70,450	\$75,300	\$80,150
La Paz	\$34,800	\$39,800	\$44,750	\$49,700	\$53,700	\$57,700	\$61,650	\$65,650
Maricopa	\$52,400	\$59,850	\$67,350	\$74,800	\$80,800	\$86,800	\$92,800	\$98,750
Mohave	\$36,800	\$42,050	\$47,300	\$52,550	\$56,800	\$61,000	\$65,200	\$69,400
Navajo	\$32,850	\$37,550	\$42,250	\$46,900	\$50,700	\$54,450	\$58,200	\$61,950
Pima	\$45,500	\$52,000	\$58,500	\$64,950	\$70,150	\$75,350	\$80,550	\$85,750
Pinal	\$52,400	\$59,850	\$67,350	\$74,800	\$80,800	\$86,800	\$92,800	\$98,750
Santa Cruz	\$32,850	\$37,550	\$42,250	\$46,900	\$50,700	\$54,450	\$58,200	\$61,950
Yavapai	\$42,300	\$48,350	\$54,400	\$60,400	\$65,250	\$70,100	\$74,900	\$79,750
Yuma	\$33,900	\$38,750	\$43,600	\$48,400	\$52,300	\$56,150	\$60,050	\$63,900
*AMI determined by the Secretary of Housing and Urban Development (HUD) in accordance with Consolidated Appropriations Act, 2021, section 501(k)(1). See HUD User Office of Policy Development and Research Dataset, Income Limits								

Appendix 2 - Glossary of Program Forms, Information

- Arizona Rental Assistance Program Manual Application, English (ARA-1000A) - <https://des.az.gov/sites/default/files/dl/ARA-1000A.pdf>
- Arizona Rental Assistance Program Manual Application, English Large Print (ARA-1000A-LP) - <https://des.az.gov/sites/default/files/dl/ARA-1000A-LP.pdf>
- Arizona Rental Assistance Program Manual Application, Spanish (ARA-1000A-S) - <https://des.az.gov/sites/default/files/dl/ARA-1000A-S.pdf>
- Arizona Rental Assistance Program Manual Application, Spanish Large Print (ARA-1000A-SLP) - <https://des.az.gov/sites/default/files/dl/ARA-1000A-SLP.pdf>
- [Housing Stability and Utility Assistance Portal](#) - Online application portal for Arizona Rental Assistance (ARA) and Low Income Household Energy Assistance Program (LIHEAP)
- <https://des.az.gov/erap> - Arizona Rental Assistance by DES Webpage and FAQ's

CAA ADMINISTERED PROGRAMS



Subject: Arizona Diaper Program
Process Owner: Division of Community Assistance and Development
Effective Date: TBD
Revision Number: 0

Arizona Diaper Program Policy and Procedures

I. POLICY STATEMENT

The Arizona Diaper Program (ADP), administered by the Arizona Department of Economic Security (DES or Department), assists low-income Arizona residents with Diaper and Incontinence needs by providing boxes of diaper and incontinence products to eligible beneficiaries.

Funding for ADP was provided from the Arizona General Fund, under the General Appropriations Act 2023-2024 and Senate Bill 1720, giving Arizona DES broad latitude to provide diaper and incontinence assistance to help Arizonans in need of the products.

The Department of Economic Security (DES), through its Division of Community Assistance and Development (DCAD), administers the program by partnering with contracted Community Action Agencies (CAA).

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APPENDIX A - ADP Example Report

III. APPLICABILITY

This policy applies to all DES Employees, including contractors, involved with administering and delivering the program.

IV. AUTHORITY

[Senate Bill 1720](#)

Diaper and Incontinence Assistance
Appropriation - FY 2024

V. DEFINITIONS

Applicant: A person that requests Program benefits under this policy. A person must be 18 years or older to qualify as an Applicant. An applicant represents a Household, whose criteria are used to gauge eligibility.

Arizona Diaper Program (ADP, or the Program): The DES Program, administered through the Division of Community Assistance and Development (DCAD), provides diaper and incontinence products to low-income Arizona households.

Community Action Agency (CAA): A contracted, independent community non-profit organization responsible for delivering ADP benefits to eligible recipients.

Contractor: An organization outside of DES that is contracted to deliver services to the community and is monitored by DES for compliance. Tribal Nation Governments, Community Action Agencies (CAAs), subcontractors, and vendors may be contracted as part of the Program's administration.

Gross Income: The total Household Income for all Household members before taxes and other deductions.

Household: Any individual or group of individuals who are living together as one economic unit for whom a Residential Dwelling is customarily used and purchased in common. Temporary visitors or guests who do not maintain the dwelling as their primary residence are not considered Household members.

Income: Taxable Income as defined by the Internal Revenue Service. Income can be earned or unearned.

Qualifying Child: A child residing in the Household who is 6 years of age or younger, in the care and physical custody of a parent or non-parent relative or Legal Permanent Guardian adult that also resides in the Household.

Qualifying Senior: An adult in the Household who is 60 years of age or older.

Qualifying Disabled Person: A person of any age who uses child or adult diaper or incontinence products for any temporary or permanent condition that contributes to the need for such products.

VI. STANDARDS

A. Eligibility

1. The Household must contain at least one member who is a Qualifying Child, Senior, or Disabled person who uses diapers or incontinence products.
2. Income eligibility is determined according to CSBG guidelines, based on total Household income up to 200% of the Federal Poverty Level (FPL).
3. The Household must reside in Arizona.

B. Benefits

1. Eligible Households may receive up to two boxes (164 units per box) of product, per eligible individual, per month, or as deemed reasonable by the administering Community Action Agency (CAA).
2. Benefits are paid in the form of products and not in the form of money or vouchers.
3. Availability of products for beneficiaries is subject to many factors outside the control of the Program including:
 - a. funding limitations,
 - b. exhaustion of benefits, and/or
 - c. marketplace disruptions, etc.

No guarantees of product/benefit availability are made by the Program or its representatives.

4. Product distribution to beneficiaries is solely provided by contracted CAAs.

C. Arizona Diaper Program (ADP) Administration

1. ADP is administered by DES and delivered through contracted CAAs.
 - a. Contractors (CAAs) are responsible for:

- i. Making eligibility determinations according to the guidance within this policy;
 - ii. Maintaining a spreadsheet (Appendix A) of qualified beneficiaries and the benefits count (in number of boxes of diapers/products received);
 - iii. Distributing benefits (diaper/incontinence products) to eligible and approved recipients;
 - iv. Collecting data, retaining documents according to DES standards, and reporting distribution statistics according to contract and corresponding regulation; and
 - v. Providing data and documents to DES Program staff as required.
- b. DES is responsible for:
 - i. The selection of Contractors for Program Delivery;
 - ii. Contract administration and support;
 - iii. Managing and disbursing Program funds to Contractors;
 - A) Verifying invoices submitted by Contractors, and
 - B) Paying timely reimbursement;
 - iv. Administration of the Program according to applicable funding guidelines;
 - v. Program and policy development;
 - vi. Training guidance for Contractors;
 - vii. Compliance Monitoring; and
 - viii. Data collection, retention, and reporting guidance.

D. Process Development and Staff Training

- 1. ADP Contractors are required to develop and maintain program guides and training materials consistent with this policy, their Contract, and funding requirements. Specifically,
 - a. Contractor staff must be trained and monitored; and
 - b. Procedures created for Contractor staff must be documented and available for review and approval by DES.

E. Prudent Decision-Making Principles

1. The policies and procedures included in this Policy compile and prescribe guidance for determining eligibility, delivering benefits, and administering the Program. CAAs will use reason and apply good judgment in making decisions when addressing specific needs or scenarios of a Household not specifically addressed by this Policy or referenced Authority. Decision-making based on the best information available, program knowledge, experience, and expertise is referred to as the Prudent Decision-Making Principle. Prudence may also include seeking DCAD or DES guidance on specific Program or policy interpretation.

F. Document Retention Requirements

1. The State of Arizona determines document retention requirements and DES divisions may have internal program-specific retention schedules.
2. The Division appoints records liaisons to guide Programs with document retention requirements and support Program teams.
3. For specific document retention guidance, a Contractor should work with its Program liaison to determine requirements for each type of document created while a Contractor for the Department.

G. Policy Administration

1. Updates and/or amendments to this Policy will be issued as complete numbered revisions, superseding this Policy, in conjunction with any relevant Policy Memorandum summarizing changes.
2. Minor clarification of this Policy may be issued in the form of Policy Memoranda, providing interim guidance between revisions.
3. Questions or requests for clarification regarding this policy should be submitted via email to:

dcadcaps@azdes.gov, and
dcadpolicy@azdes.gov

Subject: Arizona Diaper Program Policy, Questions & Clarifications
Please include your name, a contact phone number, and details regarding your inquiry.

VII. Procedures

A. Benefits Determination Process

1. No application is required for the ADP;
2. Diaper benefits under this Program may be provided in addition to any other benefits under existing CAA programs for eligible Households;
3. Contractors and Employees are required to comply with the DCAD [Address Confidentiality Policy \(ACP\)](#);
4. CAAs must provide reasonable accommodations for Applicants upon request.

B. Benefits Distribution

1. CAAs shall disburse up to two boxes of diapers/products per Qualifying Individual, per month, to eligible Households.
2. CAAs shall maintain a log of recipients which shall include (see Appendix A):
 - i. Client/applicant name;
 - ii. Household's street address;
 - iii. The number of residents in the Household according to the definitions within this policy;
 - iv. The total income for the Household;
 - v. The qualifying category(ies) for the Household, whether:
 - A) Disabled individual of any age;
 - B) Elderly person aged 60 years or older; or
 - C) A child between 0-6 years of age;
 - vi. The type of product;
 - A) Toddler/infant diapers; or
 - B) Adult incontinence products;
 - vii. The benefit count (total number of boxes disbursed to Household); and
 - viii. Dates of all ADP diaper disbursements.

C. Conflicts of Interest

1. Conflict of Interest.
 - a. *Personal Relationship:* A Contractor's staff may not review a benefits or application relating to any person the staff member knows or otherwise has a personal relationship, including a friend, neighbor, relative, or other individual. Any such relationship, which may question the staff's impartiality, must be avoided.
 - b. *Prior Adjudication:* A member may not review a grievance relating to any person or case in which the staff made a prior adjudication decision.
2. Any Contractor's staff who identifies a Conflict of Interest in a request will notify the Supervisor of the conflict and take no action on the Applicant's case.
3. Applications submitted by a Staff member of a Contracted agency, for the benefit of their Household, must be reviewed and approved or denied by the Contractor organization's Director in writing.

APPENDIX A - ADP Example Report

Arizona Diaper Program Report (Exhibit L)

Agency Name
Report Month

[illegible]



Division of Community Assistance and Development

Policy & Procedures

Subject: Short-Term Crisis Services
Process Owner: Division of Community Assistance and Development
Effective Date: 09/01/2023
Revision Number: 1

SHORT-TERM CRISIS SERVICES POLICY

I. POLICY STATEMENT

Short-Term Crisis Services (STCS) is a Program designed to alleviate unforeseen emergency crises for households with children and temporarily assist households that are unable to use their own resources to pay necessary costs to prevent housing instability. STCS benefits can include emergency shelter, funds to secure a residence, eviction prevention assistance, utility assistance, and payment for unforeseen financial needs relating to securing or maintaining employment. The Program is administered by Arizona Department of Economic Security (DES) through its Division of Community Assistance and Development (DCAD). DCAD contracts with Community Action Agencies (CAAs), tribal governments, and other nonprofits to deliver the Program to applicants in Arizona.

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APPENDIX A - Identity and Immigration Status Verification

III. **APPLICABILITY**

This policy applies to DES Employees, in the Division of Community Assistance and Development (DCAD), that monitor the Community Action Agencies (CAAs), Counties, and Tribal Governments contracted to distribute STCS benefits on behalf of DES to approved Applicants. The policy extends to the contracted organizations, acting as DES agents, including their volunteers and employed staff.

IV. **AUTHORITY**

[A.R.S. § 46-241](#)

Short-Term Crisis Services

[42 U.S.C. § 8621-8630](#)

Low Income Home Energy Assistance

[A.R.S. Title 46](#)

Welfare

V. **DEFINITIONS**

Address Confidentiality Program (ACP): Program administered by the Secretary of State that ensures a Participant's Protected Information is confidential by using a Substitute Address and Redacting their Physical Address from electronic and hard copy Records.

Applicant (or Client): A person who applies for or receives Short Term Crisis Services, which can be stand-alone or additional utility crisis benefits, provided under this policy.

Boarder: A resident in a home which is owned by another person where a valid written lease agreement obligates the resident to pay rent to the homeowner when the boarder(s) and owner(s) live in the same residence.

Contract: The document which outlines the duties required by a CAA to administer the NHN Program, including compliance, reporting, organizational, and adjudication requirements.

Contractor: Tribal Nation Governments, Community Action Agency (CAA), subcontractors, and vendors responsible for any part of the Program's administration.

Contractor Staff: Includes direct-hire employees, the organization's Board members, and volunteers, for the purposes of this policy.

Employee: Any full-time or part-time worker, or temporary paid or unpaid worker, who is employed directly by DES.

Federal Poverty Guidelines (FPL): An amount determined by the United States Health & Human Services and published annually in the Federal Register.

Home Visit: A visit to an Applicant's home by Contractor Staff to provide application assistance or case management services.

Household Member: A person who lives in the same domicile as the Applicant, regardless of relationship to each other; except for boarders with a valid written rental agreement.

Legal Permanent Guardian (LPG): A person who has been granted legal permanent guardianship of a minor child by the courts. The Legal Permanent Guardian has the power and responsibility of a custodial parent regarding the child's support, care, and education.

Short Term Crisis Services (STCS or Program): The DES Program, administered by the Division of Community Assistance and Development (DCAD or Division) that provides various temporary benefits to eligible Arizona households with children, in order to acquire or stabilize housing or employment.

Qualified Noncitizen: A "qualified alien" as defined by the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* ([Pub. L. 104-193](#), [8 U.S.C. § 1641\(b\)](#)), see also, [LIHEAP IM 1998-25 on Interpretation of "Federal Public Benefits" Under the Welfare Reform Law](#)), who is not a citizen of the United States but is eligible for state and local public benefits programs based upon enumerated criteria. Qualified Noncitizens may fall into any of the following categories: Lawful/legal permanent residents; asylees; refugees; noncitizens paroled in the U.S. for at least one year; noncitizens whose deportations are being withheld; noncitizens granted conditional entry (prior to April 1, 1980), battered noncitizen spouses, battered noncitizen children, the noncitizen parents of battered children, and children of battered parents who fit certain criteria; Cuban/Haitian entrants; or victims of a severe form of trafficking.

Roommate: A person living in the same residence together with one or more persons where they *collectively* have a written lease agreement obligating them to pay a landlord that resides outside of the rented premises. Roommates comprise one household for purposes of this policy.

VI. STANDARDS

A. Eligibility Requirements for STCS

1. Short-term Crisis Services (STCS) are designed to benefit households with children experiencing a temporary, unforeseen emergency crisis that they are unable to overcome with their own income or resources.
 - a. Types of assistance available under STCS include:
 - i. Emergency Shelter;
 - ii. Eviction and foreclosure prevention;
 - iii. Move-in assistance for homeless households:
 - a) that meet all other eligibility criteria; and
 - b) upon acquiring housing when the housing is intended to be a permanent home for the eligible household;
 - iv. Utility Assistance; and
 - v. Work-related assistance needed to secure or maintain employment which can include:
 - a) Needs related to obtaining or securing employment, such as:
 - 1) Transportation vouchers, e.g. for:
 - i) public transportation; and/or
 - ii) a bicycle or other item a Household member would (reasonably and safely) use to commute to a workplace;
 - 2) Tools and equipment.
 - b. Total gross income for the household is measured against the current FPL.

B. STCS Program Administration

1. STCS is administered by DES and delivered through contracted partners. Partners include CAAs, local government agencies, nonprofit organizations, and Tribal governments.
 - a. Contractors are responsible for:
 - i. Application Intake procedures;

- ii. Adjudication of applications;
 - iii. Issuing approval or denial decisions based on Program guidelines;
 - iv. Providing a grievance process for Applicants;
 - v. Disbursing funds on behalf of approved benefit recipients;
 - vi. Securing services or resources for clients approved for applicable crisis assistance appropriate to the case; and
 - vii. Data collection, document retention, and reporting.
- b. DES is responsible for:
 - i. The selection of Contractors for Program Delivery;
 - ii. Contract administration and support;
 - iii. Managing and disbursing Program funds to Contractors;
 - iv. Administration of the Program according to applicable funding guidelines;
 - v. Program and policy development;
 - vi. Training guidance for Contractors;
 - vii. Timely reimbursement of program funds to Contractors;
 - viii. Compliance Monitoring; and
 - ix. Data collection, retention, and reporting guidance.

C. Process Development and Staff Training

- 1. STCS Contractors are required to develop and maintain program guides and training materials consistent with this policy, their Contract, and funding requirements. Specifically,
 - a. Contractor staff must be trained and monitored; and
 - b. Procedures created for Contractor staff must be documented and available for review and approval by DES.

D. Fingerprint Clearance Cards

- 1. CAA's are required to obtain fingerprint clearance cards for all volunteers and staff working with STCS Program Applicants.

2. DES 1-01-17, *Fingerprint Clearance Card Policy*, outlines the procedures necessary to obtain the Level 1 fingerprint clearance. A copy can be made available to the CAA at any time, and it is mandatory that the DES policy is incorporated into the CAA procedures.

E. Prudent Decision-Making Principles

1. The policies and procedures included in this Policy compile and prescribe guidance for determining eligibility, delivering benefits, and administering the Program. Employees and Community Navigators will use reason and apply good judgment in making decisions when addressing specific needs or scenarios of an Applicant or Household not specifically addressed by this Policy or referenced Authority. Decision-making by Employees based on the best information available, program knowledge, experience and expertise is referred to as the Prudent Decision-Making Principle. Prudence may also include seeking DCAD or DES guidance on specific Program or policy interpretation. Employees should document their rationale used to make decisions not contemplated by this Policy or Authority, and cite any applicable references.

F. Document Retention Requirements

1. Document retention requirements are determined by the State of Arizona and DES divisions may have internal program-specific retention schedules.
2. The Division appoints records liaisons to guide Programs with document retention requirements and provide support to Program teams.
3. For specific document retention guidance, a Contractor should work with its Program liaison to determine requirements for each type of document created while a Contractor for the Department.

G. Policy Administration

1. Updates and/or amendments to this Policy will be issued as complete numbered revisions, superseding this Policy, in conjunction with any relevant Policy Memorandum summarizing changes.
2. Minor clarification to this Policy may be issued in the form of Policy Memoranda, providing interim guidance between revisions.

3. Questions or requests for clarification regarding this policy should be submitted via email to:

dcadcaps@azdes.gov, and

dcadpolicy@azdes.gov

Subject: Short Term Crisis Services Policy Questions & Clarifications

Please include your name, a contact phone number, and details regarding your inquiry.

VII. PROCEDURES

A. Application Process

1. The Contractor is responsible for providing an application to a Client.
 - a. Create an application for STCS, which can be part of a single application for multiple Programs (provided all necessary items are included); and
 - b. Provide written or electronic application access to public applicants, providing reasonable accommodations for Applicants upon request.
2. Contractors must retain all documentation completed or acquired as part of the application process.
3. An application for benefits can be submitted by any household Applicant within the Contractor's geographic service area. The application must be reviewed for eligibility and a decision made to approve or deny based on Program and funding guidelines.

B. Conflicts of Interest

1. Conflict of Interest.
 - a. *Personal Relationship:* A Contractor's staff may not review a Reconsideration request relating to any person that the staff member knows or otherwise has a personal relationship, including a friend, neighbor, relative, or other individual. Any such relationship, which may raise a question of the staff's impartiality, must be avoided.
 - b. *Prior Adjudication:* A member may not review a grievance relating to any person or case in which the staff made a prior adjudication decision.

2. Any Contractor's staff who identifies a Conflict of Interest in a request will notify the Supervisor of the conflict and take no action on the Applicant's case.
3. Applications submitted by a Staff member of a Contracted agency, for the benefit of their personal household, must be reviewed and approved or denied by the Contractor Organization's Director in writing.

C. Application Requirements

1. Applicants are required to provide information to establish eligibility for STCS. Contractor staff assist Applicants with obtaining the information and completing the application on paper or electronically.
 - a. Applications must include the following information:
 - i. Name, address, and phone number (if one is available);
 - a) Contractors and Employees are required to comply with the DCAD [Address Confidentiality Policy \(ACP\)](#);
 - ii. Individual identification number, e.g. Social Security Number;
 - iii. Gender;
 - iv. Date of Birth;
 - v. Citizenship Status;
 - vi. Disability Status;
 - vii. Gross monthly income;
 - viii. Description and explanation of crisis situation;
 - ix. Earned and unearned income (defined separately in this policy), 30 days prior to and including the date of application, for:
 - a) all household members ages 18 and older
 - b) any 16 or 17 year-olds, if not full-time high school student or equivalent; and
 - x. Identification documentation for:
 - a) one or more children and

- b) one or more family members who reside in the home and have an established custodial or parental relationship with any qualifying child.
 - xi. Documented verification of the relationship of one or more children to the adult applicant. This policy separately outlines the types of relationships between a child and adult family member in a potentially eligible household.
- 2. Agencies may provide Home Visits to clients as long as there is a documented internal policy.

D. Household Eligibility

- 1. All Household Members must be listed on the application and included in the gross monthly income calculation unless exempted or excluded under this policy.
- 2. Household members include:
 - a. any family member with blood relation or relation by law residing in the home;
 - i. except with an established lease demonstrating rental payments to the owner of the house under a written lease obligation (see definition of Boarder);
 - b. minor children residing in the home; and
 - c. roommates in the same dwelling who *collectively* pay an outside landlord under a lease obligation (considered one household combined).
- 3. Boarders are residents in the household who pay the owner of the home rent under a written lease agreement.
 - a. Boarders are *not* members of the same household as the owner.
 - b. Boarders are considered separate households for application purposes when a written rental agreement exists.
 - c. Income of boarders is considered separately from the owner of the home when a written lease exists:
 - i. a boarder (or group of boarders under the same lease) may apply for benefits separately from the owner of the home, and

- ii. an owner of a home can apply for benefits without including the boarder's income as household income since the boarder is not considered a member of the homeowner's household; however:
 - a) the rent paid to the owner by a boarder (or group of boarders) is considered part of the homeowner's unearned (rental) income for an STCS application.
 - d. Boarders can be related to the owner of the home; or residents of a commercial boarding house as long as there is a written lease agreement establishing the legal relationship.
- 4. Members residing on Indian Lands of Federally Recognized Tribes are eligible for STCS unless their affiliated Tribal Nation has its own TANF and/or CSBG-funded crisis service programs for which the tribal member is eligible.
 - a. Members that live outside the boundaries of a Federally Recognized Tribal Nation may be eligible to receive STCS benefits.
 - b. A household may not receive multiple STCS benefits in the same year from the same federally-funded grant program (e.g. TANF, CSBG).
- 5. To qualify a household for potential benefits, a dependent child must be living with and in the care and physical custody of any of the below:
 - a. natural or adoptive parent(s);
 - i. majority custody (over 50%) must be established for one household in situations where both parents are not in the same household. This custody can be established by:
 - a) court order;
 - b) absent a court order, majority physical custody;
 - c) household where child attends school full-time
 - d) IRS child dependent filing arrangement
 - 1) qualify for STCS only in a year that parent can claim dependency

- e) parental written agreement for purposes of this application
 - b. a non-parent relative, which can include:
 - i. stepmother or stepfather;
 - ii. grandparent(s);
 - iii. blood or adoptive: brother, sister, uncle, aunt, first cousin, nephew, niece; and
 - iv. preceding generation persons with prefixes: grand or great or any multiple of these prefixes;
 - v. first cousins once-removed; or
 - vi. a spouse of any individual named above, even if death or divorce has terminated the marriage.
 - c. A Legal Permanent Guardian (LPG) may be unrelated by blood or marriage with legal custody awarded by a Court of competent jurisdiction.
- 6. A household may not be eligible for benefits more than once in a 12-month period;
- 7. Two households may not use the same child to qualify for benefits under this policy (although the child may overlap as a household member of multiple households, they cannot be the only eligible child for two households);
- 8. A household that has received assistance from TANF Grant Diversion is not eligible for STCS for a period of 120 days after receiving diversion assistance.

E. Verification and Documentation

- 1. Applicants are required to provide accurate and valid documentation to establish immigration compliance and family demographic eligibility. See Appendix A for a list of official verification documents.
 - a. Contractor staff shall verify U.S. Citizenship or Qualified Noncitizen status of at least one minor child in the household.
 - i. copies of documentation must be maintained in the file according to Department retention requirements.

- ii. See Appendix A for information on documents that can establish immigration status by nature of issuance.
 - b. Contractor staff shall also verify the identity of the applicant for benefits.
 - i. There must be a verifiable non-parent or LPG relationship documented in the case file.
 - ii. Immigration compliance is not an eligibility requirement for the applicant with a qualifying child in the household (see D.1.a. above).
 - c. Agencies may help applicants obtain documents needed for the application.
 - d. As a last resort, after all other efforts have been exhausted to obtain official documentation, a declaratory statement may be made by the applicant, signed, and dated. This statement must provide specific and verifiable information to establish its assertions, specifically addressing the inability to provide required documentation.
- 2. Applicant households must reside in Arizona or use STCS benefits to establish permanent residency in Arizona to qualify for benefits;
 - 3. Contractor is required to maintain copies or images of all documents, affidavits, case notes, and documentation establishing the decision to approve or deny benefits. The documents must be retained in the physical or electronic case file according to the retention guidelines specified in this policy.

F. Financial Qualification Guidelines

- 1. Income Guidelines
 - a. The total gross monthly income of the Applicant's household cannot exceed:
 - i. 125% of [the federal poverty guidelines](#) (FPL); or
 - ii. 150% of [the federal poverty guidelines](#) if the household contains someone who is elderly or has a disability.
 - b. Gross monthly income is required to be calculated for all residents of the household that are:
 - i. over 18 years old, and

- ii. 16 and 17 years old if not a full-time high-school student or equivalent.

2. Voluntary Quit or Reduction in Employment

- a. The household is ineligible for STCS if any working member for whom income is countable voluntarily quits or reduces his or her employment within 30 days of the application date without good cause:
 - i. Voluntary quit or reduction in employment includes when a household member, in the preceding 30 days before applying for benefits:
 - a) reduces workload from 30 or more hours per week to less than 30 hours; or
 - b) quits working a job, for which the member regularly worked 20 or more hours per week, without good cause.
 - ii. Voluntary quit or reduction in employment does not include the following involuntary actions:
 - a) Employer-forced quit or reduction of hours;
 - b) Seasonal employment patterns such as migrant farm work;
 - c) Employer layoff or furlough, regardless whether a return date is set;
 - d) Reduction of workforce; or
 - e) Quitting a job to accept new employment where the new employment fails to materialize or results in layoff through no fault of the employee.
 - iii. Good cause for quitting can include the following:
 - a) care of an ill or incapacitated child or adult Household Member when day care is inadequate or unavailable;
 - b) lack of adequate childcare for child(ren) under age 12;
 - c) unanticipated emergency;

- d) sudden loss of available transportation when other options are not feasible;
 - e) inability to speak or write English;
 - f) serious illness or incapacity of the working Household Member;
 - g) work conditions making employment unreasonable, such as an employer's failure to pay wages;
 - h) resignation by a Household Member under 60 whose employer has recognized as retired;
 - i) the employment is reasonably unsuitable or unsafe;
 - 1) commute more than 2 hours not counting dropoff or pickup of another individual;
 - 2) the working person is no longer able to mentally or physically perform expected normal duties of the employment;
 - 3) walking to work is unreasonable and no other transportation is available.
 - iv. CAA adjudicators should use these guidelines as a basis to determine whether the employment situation of a Household Member falls within the criteria. DES can provide guidance for any scenario not outlined here. CAA should verify with due diligence any situation falling outside standard guidelines.
 - b. The CAA Contractor must thoroughly document the case file including steps taken to verify the employment situation that led to the crisis.
3. Gross Monthly Income.
- a. Earned and Unearned Household Income are used to calculate total gross monthly income to determine eligibility based on the FPL criteria above (per VII.E.1.). Gross monthly income includes:
 - i. *Earned income*, defined as either cash or in-kind income received as compensation for wages,

salaries, commissions or profit through employment or self-employment.

- a) Earned income is counted effective as of the date it is received or made available to Household Member.

ii. *Unearned income* is income that is not received as compensation for a service or earned from sources other than employment as employee or contractor, or in-kind income.

- a) Unearned income can include:
 - 1) regular monthly entitlements including SSI/SSDI, SSA payments (RSDI), and VA benefits;
 - 2) pension or annuity income;
 - 3) welfare benefits including General and Cash Assistance;
 - 4) alimony or spousal maintenance;
 - 5) Bureau of Indian Affairs (BIA) work and cash benefits;
 - 6) work/industrial compensation less attorney fees;
 - 7) Indian gambling disbursements;
 - 8) insurance payments (when not used to repurchase items after a covered loss);
 - 9) interest, dividends, and royalties over \$50 (payments received within 30 days prior to the application are included);
 - 10) legal settlements less attorney and medical fees;
 - 11) mortgage and other sales contracts, including reverse mortgage income;
 - 12) rental income when the owner does not actively manage the property;
 - 13) retirement income sources;

- 14) unemployment insurance;
 - 15) child support; and
 - 16) partial or total lump-sum payments (except entitlement or welfare lump sums-see below).
- b) Unearned income payments are considered income as of the month the money is intended for payment, regardless of when received; e.g. SSI payment made the week prior to the month for which the benefit is intended is considered income for the intended month; and
 - c) A lump sum payment for entitlement benefits is considered income only when all or part of the payment is intended for the current month; e.g. a lump sum payment in January, representing both January and February, is only considered income for the portion of the payment intended for January.
- b. Income from certain residents in a household are exempt from the household's countable income. These residents include:
- i. boarders under a written lease agreement;
 - ii. minor children under age 16;
 - iii. earned or unearned income for minors 16 and 17 years old who are full-time high-school students or equivalent;
 - iv. certain domestic violence survivor Applicants:
 - a) in domestic violence separations, the income of the abuser is not counted when the domestic violence is the crisis reason and the abuser is no longer in the household; and
 - b) the Applicant survivor's income is not counted if it is not available to the Applicant (for example, if direct deposit income is in the account of the abuser and the survivor is not able to access the account).

- c. Certain types of income are exempt from countable income. The income sources exempt from the total household income are:
- i. insurance payments specifically meant to cover specific bill or claimed loss, such as a repair estimate, and cannot be used for other needs;
 - ii. WIC benefits;
 - iii. retirement, pension, or annuity income if it cannot be withdrawn without penalty;
 - iv. BIA work-study program including funds for education and living expenses;
 - v. Federal work-study program benefits;
 - vi. education financial aid, scholarships, or grants used for qualified education expenses;
 - vii. earned income of children under 16;
 - viii. cash gifts of \$50 or less per Household Member;
 - ix. non-cash benefits for a Household Member not paid in the Member's name to be used for the household, such as clothing or food vouchers;
 - x. loans that need to be repaid;
 - xi. money received by a Household Member for the care and maintenance of a person who is not a Household Member;
 - xii. payments/vouchers received by the household from the State for the health/well-being of a foster child residing in the household;
 - xiii. stipends from senior companion programs - VISTA, Title II, Title V;
 - xiv. earned Income Tax Credit and income tax refunds;
 - xv. reimbursements - lodging, gas, meals;
 - xvi. Agent Orange Payments;
 - xvii. Ameri-Corps Network Program payments for living allowances, earnings, and in-kind aid;

- xviii. Federal or State disaster or emergency relief assistance;
- xix. Housing and Urban Development (HUD) benefits or cash allowances when used for intended purpose;
- xx. Individual Development Account (IDA) deposits - 50% of earned income, up to a maximum of \$100, deposited into IDA;
- xxi. JobStart participation earnings;
- xxii. Workforce Investment Act (WIA) earnings; and
- xxiii. reimbursement of training related expenses from programs including Fair Labor Standards Act (FLSA) and Unpaid Work Experience (UWE) for Jobs participants.

4. Verification of income

- a. Earned income can be verified using any of the following:
 - i. paystub or check stub showing gross earnings;
 - ii. employment verification or signed/dated letter from employer;
 - a) that must include:
 - 1) name, address, phone number of employer;
 - 2) frequency of pay periods;
 - 3) gross pay amount (hourly, salary, etc.);
 - 4) day of week pay is received by employee;
 - b) and should not be used when it may jeopardize the employment of the applicant; and
 - iii. a letter from an agency providing government-sponsored training;
 - iv. an offer letter from current employer when employee has not yet received first wage payment;
 - v. self-employment accounting records;
 - vi. bank statements or records; or

- vii. a client's statement, when all other proofs are unavailable and all attempts have been made to secure verification, with an explanation why the proofs are unavailable.
- b. Unearned income can be verified using any of the following:
 - i. assistance benefits payment records;
 - ii. an award letter for entitlement programs;
 - iii. bank statements or records;
 - iv. court records, clerk of court documents;
 - v. Division of Child Support Services (DCSS) printouts;
 - vi. current check when it includes gross income (federal checks should not be photocopied);
 - vii. signed statement from the agency or payer of funds; or
 - viii. a client's statement, when all other proofs are unavailable and all attempts have been made to secure verification, with an explanation why the proofs are unavailable.

G. Income Calculations

1. The household's total gross monthly income for the 30 days prior to and including the application date will be calculated by:
 - a. Totalling gross earned and unearned income for each Household Member;
 - b. Including all pay dates falling within the 30 day period and amount of gross income; and
 - c. Comparing the total gross household income for the period to the FPL that is appropriate for the household demographics.
2. The application for STCS benefits cannot be denied due solely to lack of resources to sustain the future needs of the household.
 - a. If a household has been meeting its needs without verifiable income sources, the case manager should explore additional sources the family may be using; and

- b. An affidavit signed by the applicant can be accepted as a last resort, if all efforts to determine benefits and resources have been exhausted and unusual circumstances prevent the acquisition or verification of information.

H. Crisis Qualifications

1. An eligible household must be experiencing, or expecting to experience within 30 days from the application date, homelessness or an interruption of heating or cooling.
2. Crisis benefits can include:
 - a. Housing assistance or utility assistance benefits;
 - b. Job-related assistance may be provided as a means to help sustain the household temporarily; and
 - c. Benefits to establish a permanent residence (lease or rental agreement), if the Household:
 - i. is verifiably homeless;
 - ii. has a valid child Household member as defined above; and
 - iii. the CAA can reasonably determine that the household will be able to independently sustain the home once the move-in assistance is provided.
3. The crisis must be documented by any of the following proofs:
 - a. an eviction or foreclosure notice;
 - b. a shutoff or delinquency notice from a utility provider;
 - i. a household in arrears for more than 5 days during a shutoff moratorium may qualify for benefits;
 - ii. benefits can be paid during a moratorium period;
 - c. a statement from a mortgage holder or a landlord (e.g. 5-day notice) verifying the household is behind on their payment;
 - d. residence in a shelter, vehicle, or other evidence of homelessness; or
 - e. evidence of job-related instability and a plan to rectify the situation.

4. The crisis must have been caused by one of the following emergency conditions:
 - a. a separation of the family due to domestic violence;
 - b. a loss of income;
 - c. unforeseen circumstances that increase a household's unplanned expenditures and it is impossible to meet future budgeted expenditures without assistance;
 - d. a condition that reasonably endangers the health or safety of an applicant household or member including:
 - i. lead poisoning;
 - ii. condemned property;
 - iii. asbestos in the home, established by official testing;
 - iv. infestation by rodents, roaches, or vermin; or
 - v. verified medical condition related to the housing or utility instability;
 - e. special needs expenses necessary to secure or maintain employment, e.g. tools or equipment needed for employment and vouchers for transportation expenses.
5. It is the responsibility of the CAA to determine the legitimacy of the cause of the crisis and its relationship to the Client's current need for benefit assistance.
 - a. The caseworker will review, verify, and document any evidence supporting the crisis.
 - b. There is no time limit for when the cause of the crisis happened as long as it directly and reasonably affects the ability of the client household to meet its current or immediate future obligations. For example, the cause of the crisis could have happened four months prior, but the crisis is now imminent.

I. Benefit Limits

1. CAA must distribute benefits according to the following maximum allowances:
 - a. Temporary shelter (e.g. hotel) may not exceed 7 days or \$300;

- b. Housing assistance (other than temporary) may not exceed \$3000; and
- c. Utility assistance may not exceed \$1500 and cannot be paid for an amount greater than the outstanding balance(s) of the utility bill(s), except for payment of a utility deposit subject to this limit.

J. Deciding a Case

- 1. CAA must adjudicate an application and make a final decision to the applicant indicating approval or denial of STCS benefits within **15** business days of the application date.
- 2. CAA's should make all reasonable efforts to assist the Applicant with obtaining documentation and/or information required to receive emergency benefits with the understanding that time is of the essence in processing applications and disbursing benefits for STCS crises.
 - a. If an application is missing necessary information despite best efforts of the Contractor to adjudicate the application and confirm eligibility, such as in cases when incomplete documentation/information is provided, or communication is lost with an applicant, a timely case decision is still required.
 - b. After the 15 business day processing period has passed, the Contractor should deny the application, with a disposition such as 'Incomplete' or 'Missing Documentation'. Follow *Decision Notices to Applicants* procedures, below.
- 3. All documents obtained during the intake and application process must be retained, whether the application is completed or not.

K. Decision Notices to Applicants

- 1. Program decision notices must be issued to the applicant within one business day of the decision.
 - a. Approval Notices. Approval notices will be issued when the decision is made to grant benefits. An approval notice will include;
 - a) The date of the decision;
 - b) The amount of the benefit; and
 - c) The Applicant's grievance rights.

- b. Denial Notices. Denial notices will be issued when the decision is made to deny benefits due to ineligibility, missing documentation (e.g. 'Incomplete'), or another reason. Denial notices will include:
 - a) The date of the decision;
 - b) The basis of the denial; and
 - c) The Applicant's grievance rights.
- 2. A copy of all decision notices will be retained by the Contractor/Program in accordance with DES Records Retention Schedules.
- 3. If upon the conclusion of the application processing period, the CAA is unable to make a benefits decision due to missing documentation or incomplete information, an application will be denied (e.g. such as a disposition of 'Incomplete');
 - a. Applicants whose applications are denied as 'Incomplete' may reapply for benefits at any time and are not adversely affected by the denial.
- 4. Deciding a case provides a point of closure for all Applicants and cases, and commences a period of time for the Applicant to file a potential grievance for an unfavorable decision.

L. Disbursement of Benefits

- 1. STCS benefits can be awarded only once in a twelve consecutive month period, which begins on the eligibility date determined by the Contracted agency. Clients must meet all eligibility criteria.
- 2. Benefits must be disbursed timely after benefits are approved.
 - a. CAA is expected to maintain a payment disbursement system that includes electronic funds transfer to Utility providers and vendors, landlords, et cetera, or the ability to distribute and coordinate a voucher system; and
 - b. CAA issues direct payments and is reimbursed through the DES/DCAD contract invoice process.
 - c. Financial records are required to be maintained according to Division retention schedules.

M. Grievances

1. CAAs must have a documented grievance procedure in place, which is available to an Applicant upon request. The grievance process must allow for an Applicant to attempt to resolve complaints at the local level in an informal manner.
 - a. Applicants will first follow the CAA grievance process for grievance resolution.
 - b. If the Applicant's grievance is not resolved in full, the applicant may request review of the contractor's decision by DES.
2. Notice of an Applicant's right to file a grievance must be provided:
 - a. On any Contractor website available to the public about the Program;
 - b. In writing at the time of application; and
 - c. On all approval and denial benefit decision notices.
3. The CAA grievance processes shall, at a minimum:
 - a. Consider grievances based upon a preponderance of the evidence standard. This standard considers whether it is more likely than not that the decision made was correct. This decision must be based on Program policy guidelines, contractual requirements, and relevant Arizona statutes;
 - b. Provide the Applicant an opportunity to be heard or to provide additional evidence which supports the application as part of the grievance process;
 - c. Accept submission of Applicant grievances within no less than 10 calendar days of the date of the decision letter;
 - d. Issue a written grievance decision notice affirming or amending the original benefits adjudication decision or amount within 15 calendar days of receipt of grievance; and
 - e. Provide notice of the Applicant's right to request review of the CAA decision by DES if the grievance is not granted in full.

N. Program Monitoring and Audits

1. Program monitoring and formal audits generally consist of evaluations of internal processes and procedures for compliance

with all requirements of federal, state and local laws, CAA-Division contracts, and this Policy.

- a. CAAs will be audited a minimum of once every three (3) years, focusing on program, fiscal, policy, citizenship compliance, and general contract compliance.
- b. Ongoing monitoring will be performed in accordance with the contract/monitoring policy at the Division level.

2. Contractors and Subcontractors

- a. Contractors will ensure regular monitoring and compliance of any subcontractors which provide services on behalf of the Contractor in completion of Program services for provision to DES, which may include:
 - i. Regular site visit audits of vendors and Subcontractors;
 - ii. Established written procedures for carrying out contracted work product or the provision of resources by vendors;
 - iii. Regular reporting schedules with any subcontractors for any reports, data, or other information required to be provided to DES, so such information is available upon request; and
 - iv. Evidence of quarterly meeting cadence and regular communication efforts regarding program standards, performance, and expectations.

3. Annual Reporting

- a. An annual accounting report of all collections, expenses, and disbursements must be prepared after each Fiscal Year and:
 - i. The DES Director must submit this report to the State legislative committee by October 15 following the end of the fiscal year.
 - ii. Other information may be requested by the legislature and is due at the same time.

O. Confidentiality

1. Information collected by the Program and during any grievance is confidential under A.R.S. § 41-1959 unless such confidentiality is waived.
2. The State of Arizona DES, DCAD, Auditor General's Office, Arizona Courts, and the Office of Inspector General (OIG), or authorized representatives of either, shall have the right of access to confidential records to conduct audits or investigations.

P. Welfare Fraud Prevention and Penalty

1. Employees and Contractors will take multiple steps to detect and prevent instances of Welfare Fraud. Specifically, Employees will review the application documents for signs of fraud.
2. Applicants are required to attest they are not receiving benefits under STCS for any expenses already paid by any other assistance program. Providing false statements may be punishable by law and/or result in denial or disqualification from STCS benefits.
3. In cases where potential Welfare Fraud is detected, Employees and Contractors will document the suspected nature of the fraud, any relevant information (e.g., known facts, statements, witnesses, or other knowledge possessed by the employee regarding the matter) and refer the matter to the Office of the Inspector General for investigation.
4. When Welfare Fraud is detected, external parties shall:
 - a) Call the DES Fraud Hotline at (800) 251-2436; or
 - b) Complete the online [Fraud Reporting Form](#).
5. If DES determines that an Applicant has committed an intentional program violation or defrauded STCS, the Applicant will be subject to denial of STCS benefits, disqualification from the Program, and criminal prosecution.
 - a) Applicants are subject to 12-month disqualification for a 1st violation, 24-month disqualification for a 2nd violation, and permanent disqualification for a 3rd violation.

APPENDIX A - Identity and Immigration Status Verification

VERIFICATION OF U.S. CITIZENSHIP DOCUMENTS

Arizona Revised Statutes, Section 46-140.01, requires that local governments and agents verify the identity and citizenship and/or immigration status of persons applying to receive benefits provided with State funds.

Most federally-funded programs also require verification of identity and/or citizenship of one or more family members.

Original documents, as listed below, are compliant with immigration verification requirements and screened for compliance by the issuing agency as part of the document's application process.

Acceptable documents to verify U.S. citizenship and identity include the following documents:

- REAL ID-compliant Driver License or Identification Card issued by any State within the U.S.
- Certified birth certificate issued by a U.S., state, or local governmental bureau of vital statistics.
- Certificate of Birth issued by the Department of State (FS-545 or DS-1350).
- American Indian census record. The tribal boundaries of a federally recognized United States Native American Indian Tribe may extend into a foreign country. Treat enrolled members of that tribe born outside the United States the same as a citizen of the United States.
- Naturalization papers. Naturalized citizens have a Certificate of Naturalization (N-550 or N-570) issued by the U.S. Department of Justice.
- Report of Birth Abroad of a U.S. Citizen (FS 240) issued by the U.S. State Department.
- U.S. Department of Justice Certificate of Citizenship and United States Citizen Identification card.
- Some citizens born outside the 50 states and the District of Columbia may have a Certificate of U.S. Citizenship (N-560 or N-561) issued to them by the U.S. Department of Justice. These citizens may also have one of the following:
 - A United States Citizen Identification Card (I-97).
 - An Identification Card for Use of Resident Citizen (I-179).
- U.S. Passport
- Verification from the United States Citizenship and Immigration Services (USCIS).
- Verification from the Social Security Administration (SSA).



Subject: Neighbors Helping Neighbors
Process Owner: Division of Community Assistance and Development
Effective Date: 09/01/2023
Revision Number: 1

NEIGHBORS HELPING NEIGHBORS POLICY

I. POLICY STATEMENT

Neighbors Helping Neighbors (“NHN”) is a State-funded crisis benefits program designed to assist low-income Arizona residents with utility and weatherization expenses. It is intended to function as a supplemental funding source to existing utility assistance programs, such as LIHEAP, for households in crisis when those programs do not meet an entire household’s immediate crisis burden.

State taxpayers may voluntarily contribute to the NHN funding pool by electing to reduce tax returns or by adding a contribution amount to Arizona State tax payments in accordance with [A.R.S. 43-616](#).

The Department of Economic Security (DES), Division of Community Assistance and Development (DCAD), administers the program by partnering with contracted Community Action Agencies (CAA).

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II. **APPLICABILITY**

This policy applies to DES Employees, including contractors, navigators, volunteers, and staff involved in the administration of the NHN Program.

III. **AUTHORITY**

[A.R.S. § 46-741](#)

Neighbors Helping Neighbors

[42 U.S.C. § 8621-8630](#)

Low Income Home Energy Assistance

[42 U.S.C. § 9914](#)

CSBG Act

[A.R.S. § 46-140.01](#)

Verifying applicants for public benefits

IV. **DEFINITIONS**

Address Confidentiality Program (ACP): A program administered by the Arizona Secretary of State that ensures a participant's protected information is confidential by using a substitute address and redacting physical addresses from electronic and hard-copy records. ACP applies to home, work and school addresses.

Applicant: A person who applies for or receives benefits under this policy.

Client Advocate Team (CAT): A designated panel of DCAD Program experts that review grievances and associated case files, evidence, and statements provided by Clients, when requested.

Community Action Agency (CAA): A contracted, independent community non-profit organization responsible for administering the application process and funding for individual applicants.

Contract: The document which outlines the duties required by a Community Action Agency to deliver the NHN Program, including facility, compliance, reporting, and adjudication requirements.

Contractor: A Community Action Agency (CAA) or its subcontractors, vendors, volunteers, and staff responsible for any part of the administration of the Program that are not employed, paid or unpaid, by the Department or Division.

DCAD: The Division of Community Assistance and Development (DCAD) supports housing and energy stability in Arizona by administering benefits programs that help families in temporary crisis situations. Some of the programs are delivered directly by DES employees and others in partnership with contractors and community agencies.

Eligibility Period: The 12-month period for which an Applicant is eligible for an annual NHN benefit. The Eligibility Period begins on the date the Applicant's application is approved, and extends for 12 months (365 days) from the approval date.

Employee: Any full-time or part-time worker, or temporary paid or unpaid worker, who is employed directly by DES.

Family Assistance Administration (FAA): An agency within DES which is tasked with the citizenship verification check for purposes of this policy.

Federal Poverty Level (FPL): A level of household income determined by the United States Office of Management and Budget (OMB), reported in the *Federal Register*.

Household: One or more persons occupying a residence at the time of application.

LIHEAP: The DES program, administered by the Division that provides heating and cooling energy assistance to eligible Arizona households.

Qualified Noncitizen: A "qualified alien" as defined by the *Personal Responsibility and Work Opportunity Reconciliation Act of 1996* ([Pub. L. 104-193](#), [8 U.S.C. § 1641\(b\)](#)), see also, Federal Register notice dated August 4, 1998 ([63 FR 41657](#)), who is not a citizen of the United States but is eligible for state and local public benefits programs based upon enumerated criteria. Qualified Noncitizens may fall into any of the following categories: Lawful/legal permanent residents; asylees; refugees; noncitizens paroled in the U.S. for at least one year; noncitizens whose deportations are being withheld; noncitizens granted conditional entry (prior to April 1, 1980), battered noncitizen spouses, battered noncitizen children, the noncitizen parents of battered children, and children of battered parents who fit certain criteria; Cuban/Haitian entrants; or victims of a severe form of trafficking.

Temporary Housing: Short-term housing which can include hotel/motel, emergency shelter, or other transient housing program.

Utility: A person or company that transmits, sells, delivers, or furnishes electricity, water, gas, combustible materials for heating a home, or telecommunication services for public use.

V. STANDARDS

A. Contracted Providers

1. DES may contract with local CAA's to deliver NHN funds in accordance with U.S. Department of Health and Human Services standards.
 - a. The organizational makeup of CAA's should reflect the standards outlined in the [U.S. Department of Health & Human Services, Administration for Children & Families, Office of Community Services' CSBG IM #138, published January 26, 2015.](#)
 - b. Contracts between DES and CAA's outline Contractor's duties, which include:
 - i. Providing a physical location for applicants and potential clients that is compliant with all contractual and State of Arizona building and facility requirements;
 - ii. Application intake, processing, and case management;
 - iii. Distribution of benefits to Utility providers and vendors;
 - iv. Providing timely reports to DES; and
 - v. Compliance with all contractual expectations.
 - c. The expectations and requirements outlined in this policy and the Contract apply to any staff, volunteers, vendors, and Contractors selected by CAA to fulfill its obligations to DES. CAA is responsible for all parties' compliance with this policy and its respective Contract.

B. Eligibility for Utility Benefits

1. An Eligible Household has a total gross income determined to be at or below:
 - a. 125% of the FPL, or
 - b. 150% of the FPL when the Household contains one or more individuals that:
 - i. are 60 years of age or over; or

- ii. have a disability.
- 2. At the time of the application, the Applicant must be:
 - a. A U.S. Citizen or Qualified Noncitizen;
 - i. Citizenship or immigration status must be verified in accordance with this Policy, [A.R.S. 46-140](#) and DES 1-01-20;
 - b. A resident of the State of Arizona; and
 - i. An Applicant is not a resident while traveling through the State without regular domicile in Arizona.
 - ii. A homeless applicant/household is eligible to receive benefits to establish utility service for a permanent residence in Arizona.
 - c. Applying on behalf of a Household located within the State of Arizona.

C. Applicants Residing on Indian Lands of Federally Recognized Tribes

- 1. Applicants residing on Indian Lands of Federally Recognized Tribes are not excluded from potential eligibility for NHN benefits in Arizona.

D. Energy Burden Determination

- 1. Applicants must show proof of an obligation to pay for an energy utility burden.
 - a. The benefit amount is contingent upon the Household's total taxable income, utility burden, and household composition.
 - i. The benefit matrix used to calculate the energy burden and subsequent potential benefit is provided in Appendix A.
- 2. A Household can qualify for an NHN benefit one time for each consecutive 12-month Eligibility Period.
 - a. The Eligibility Period begins on the date the Applicant's NHN benefit is approved.
 - b. Example: Applicant A applies for NHN benefits on November 1, 2022, and their application is approved on November 4, 2022. A's 12-month Eligibility Period begins on November 4,

2022, and they may re-apply for NHN on November 4, 2023, after 12 months have passed.

E. Qualifying Benefit Types

1. Eligible benefit payments can be made for:
 - a. Utility assistance, which can include:
 - i. Energy bills/expenses for the household, regardless of the energy type (e.g. natural gas, electric, pellet, propane, etc.);
 - ii. Water bills, including sewer and wastewater expenses;
 - iii. Telecommunications bills:
 - a) phone;
 - b) internet;
 - c) satellite communications; but
 - d) does not include streaming subscriptions, entertainment packages, and cable television, etc.
 - b. Expenses that have not previously been paid by any other public, private, or charity program;
 - c. Payments to landlords when metered utility costs are included in the Household's monthly rent (excluding Government-subsidized housing); and/or
 - d. Temporary emergency shelter when the emergency is related to an energy crisis or economic situation resulting in utility instability.

F. Other Potential Eligibility Types

1. In qualifying situations, subject to all other eligibility requirements, funds may be used for Applicant Households to establish utilities when acquiring a long-term permanent residence.
 - a. A long-term permanent residence requires proof that the Applicant intends to reside in the residence for a minimum of six months.

- i. A written lease is evidence of this requirement, for example.
 - b. Eligible benefits may include deposits and costs to install, provide, or initiate energy utility services in the residence.
2. A CAA may use funds to supplement its weatherization program benefits for State residents.

G. Prudent Decision-Making Principles

1. The policies and procedures included in this Policy compile and prescribe guidance for determining eligibility, delivering benefits, and administering the Program. Employees and Community Navigators will use reason and apply good judgment in making decisions when addressing specific needs or scenarios of an Applicant or Household not specifically addressed by this Policy or referenced Authority. Decision-making by Employees based on the best information available, program knowledge, experience and expertise is referred to as the Prudent Decision-Making Principle. Prudence may also include seeking DCAD or DES guidance on specific Program or policy interpretation. Employees should document their rationale used to make decisions not contemplated by this Policy or Authority, and cite any applicable references.

H. Document Retention Requirements

1. Document retention requirements are determined by the State of Arizona and DES divisions may have internal program-specific retention schedules.
2. The Division appoints records liaisons to guide Programs with document retention requirements and provide support to Program teams.
3. For specific document retention guidance, a Contractor should work with its Program liaison to determine requirements for each type of document created while a Contractor for the Department.

I. Policy Administration

1. Updates and/or amendments to this Policy will be issued as complete numbered revisions, superseding this Policy, in conjunction with any relevant Policy Memorandum summarizing changes.

2. Minor clarification to this Policy may be issued in the form of Policy Memoranda, providing interim guidance between revisions.
3. Questions or requests for clarification regarding this policy should be submitted via email to:

dcadcaps@azdes.gov, and
dcadpolicy@azdes.gov

Subject: Neighbors Helping Neighbors Policy Questions & Clarifications

Please include your name, a contact phone number, and details regarding your inquiry.

VI. PROCEDURES

A. Program Funding

1. Individual contributions may be made by residents of the State of Arizona through voluntary elections on their State tax filing (A.R.S. 43-616).
 - a. Contributions may be made:
 - i. As a reduction from the tax return; or
 - ii. As a contribution, by adding it to the Arizona state tax payment.
 - b. Contributions are transferred to DES for deposit into the NHN fund, which is administered by the Division.

B. Contractor Administration

1. CAA's will administer the Program to Applicants in accordance with this Policy and applicable DES Contracts.
 - a. CAA's shall be organized according to the Federal Office of Community Standards (OCS) CSBG Organizational Standards for low-income service providers;
 - i. Comprehensive standards for public and private entities are available from the Center for Excellence [Community Action Partnership resources](#)
 - ii. Insurance certificates, as outlined in Contract, must be maintained, along with other building standard certifications.

- b. DES may request proof of compliance with any Contractual requirement at any time.
- c. Staff Training and Information Security
 - i. CAA's will comply with DES and contractual requirements for ensuring proper vetting, qualification, and training of staff and volunteers to ensure the safety and security of the public and applicants.
 - ii. CAA's will ensure compliance with any applicable Data Sharing Agreements, and State records retention schedules.

2. Points of Contact

- a. CAAs will liaise through a contractually established cadence (minimum) with the Program Manager(s) and DCAD Contracts Liaison(s).

C. Application Processing

1. Application Requirements

- a. Documentation of Eligibility
 - i. Document the total household income and determine whether it meets the 125% or 150% federal poverty level threshold.
 - ii. Calculate benefit types and amounts according to established matrix formulas and eligibility guidelines, as outlined in Appendix A.
 - a) A LIHEAP Eligibility worksheet should be completed and retained with the application.
 - b) A sample of this worksheet is provided in Appendix B.
 - iii. Retain a copy of the current utility bill(s) or other proof of expenses provided by the Applicant in the digital or paper file.
- b. Application and Household Information required for a CAA to adjudicate an application for NHN benefits includes:
 - i. Applicant name and address;
 - ii. A list of all Household members;

- iii. Proof of income for each member of the Household 18 years of age or older;
 - a) For Household members with no income, documentation of 'No Income' statements are required;
 - b) Proof of income may include W2, 1099, tax return, paystub, and/or self-employment records.
- iv. A determination whether or not the Household contains a member of a demographic class identified in the Benefit Matrix (Appendix A);
- v. A method to track and retain proof of compliance with the Statutory citizenship requirement of this policy (See VI(C)(2), Appendix C); and
- vi. An Affidavit of truthfulness completed by the Applicant.
- c. An application for benefits may be completed on paper or electronically, provided documentation is retained as required.

2. Citizenship and Immigration Status Verification Requirements

- a. Applicants must be eligible U.S. Citizens or Qualified Noncitizens; in accordance with Arizona Revised Statute (ARS 46-140.01) and DES Policy (1-01-20):
 - i. Self-Authenticating Identification Documents. Verify Identification of the applicant.
 - a) If the Applicant possesses an identification document listed in Appendix C, Federal citizenship and immigration verification has already been completed at issuance and further verification is not required.
 - b) Scan and retain a copy of the Applicant's identification, and retain it with Applicant's case file.
 - c) If the Applicant **does not** possess, or cannot timely acquire an identification document listed

in Appendix C, proceed to USCIS SAVE Verification (below).

- ii. USCIS SAVE Verification. When identification documents are provided that are not listed in Appendix C, Contractor shall verify through DES that the applicant is a citizen or Qualified Noncitizen of the United States in accordance with DES 1-01-20-01, *Verification of the Identity and U.S. Citizenship or Immigration Status of Application for Specified Programs Procedures*:
 - a) Complete and Submit Part II of DES-1024A Turn-around Document (TAD), *Request for Identity and Citizenship or Immigration Status Determination* and submit to the FAA with the verification documents in accordance with Form guidance.
 - 1. FAA will review the documents and conduct an immigration check in the USCIS SAVE database within two business days of receipt;
 - 2. FAA will return the completed document to the sender with immigration status updated within two business days; and
 - a. FAA will report all applicants in violation of federal immigration law in accordance with DES-1-01-20-01 and applicable law.
 - 3. The document must be retained by the CAA along with the verification and immigration documents submitted by the applicant.
 - 4. Program liaisons can assist with providing this form and guidance when the verification is needed for an application.

- b) Alternatively, the DES-1024A can be completed and forwarded to your DCAD liaison for handling:
 - 1. DCAD will route DES-1024A to the appropriate agency within one business day for processing and return completed form to CAA.
 - 2. CAA shall retain the documents accordingly.
 - b. If the Applicant does not possess a self-authenticating identification, fails the FAA SAVE check, or otherwise is unable to verify citizenship and immigration status, benefits cannot be disbursed on behalf of the Household.
- 3. Application Timelines
 - a. CAAs are obligated to perform application intake as outlined in the CAA's specific Contract, which at minimum requires a case worker to:
 - i. Acknowledge the urgency of an application's situation and potential for housing or utility instability and operate in a manner where time is of the essence and will:
 - a) Adjudicate applications and notify applicant households of result promptly;
 - b) Process payments directly to utility providers, vendors, or to the applicant (for portable fuel purchases only) as soon as practicable after an eligibility determination is made.
- 4. Accommodations
 - a. Provide application accommodations for applicants according to their specific needs, and in accordance with DES Policy and applicable law;
 - i. CAA staff and adjudicators must not discriminate against any applicant that is a member of a protected category.
 - ii. Accommodate applicants with disabilities by

- a) physically providing access to facilities and complying with life safety building regulations,
 - b) providing additional help with the application process in the form of alternate application methods, or
 - c) any other means to enhance participation for all applicants for NHN benefits.
- iii. Follow Limited English Proficiency guidelines, including use of language lines and multilingual staff; and
- iv. Comply with the [DCAD Address Confidentiality Program](#) including documenting training of staff to recognize ACP applicants and their participation in the program. An employee shall not intentionally or knowingly disclose a program participant's real home, work or school address, or telephone number unless the disclosure is permissible by law.
- b. CAA's should acknowledge that there may be technology and language barriers to accessing services and work to resolve these barriers for clients.
- c. Unusual circumstances may arise, and CAA should work with its Division liaison for policy and procedural guidance when seeking to accommodate any specific case.

D. Disbursement of Benefits by CAA

- 1. Decision Notices
 - a. Program decision notices must be issued within one business day of the decision.
 - i. Approval Notices. Approval notices will be issued when the decision is made to grant benefits. An approval notice will include;
 - a) The date of the decision;
 - b) The amount of the benefit; and
 - c) The applicant's appeal rights.
 - ii. Denial Notices. Denial notices will be issued when the decision is made to deny benefits due to

ineligibility, missing documentation, or another reason.
Denial notices will include:

- a) The date of the decision;
 - b) The basis of the denial; and
 - c) The applicant's appeal rights.
 - iii. A copy of all decision notices will be retained by the CAA.
 - a) DCAD has records liaisons that can assist with compliance with the records retention schedule.
 - b) CAA must retain and store documents according to the DCAD and DES records retention standards.
2. Benefits must be disbursed timely after benefits are approved.
- a. Utility benefits can be paid to:
 - i. Landlords when rent is combined with utilities according to written lease or contract;
 - ii. Utility and telecommunications vendors to be credited directly to consumer's account;
 - iii. A provider, or the applicant, for portable fuels such as propane, wood, coal, or pellets.
 - b. Utility assistance may also be provided for displaced households to secure utility service at a residence.
3. Vouchers may be used in some cases to assist an approved applicant.
4. CAAs are expected to maintain a payment system that includes electronic funds transfer to utility providers and vendors in order to meet client needs in the most efficient manner possible.

E. Grievances

- 1. CAAs must have a documented grievance procedure in place, which is available to an applicant upon request. The grievance process must allow for an Applicant to attempt to resolve complaints at the local level in an informal manner.

- a. Applicants will first follow the CAA grievance process for grievance resolution.
 - b. If the Applicant's grievance is not resolved in full, the applicant may request Reconsideration of the contractor's decision by DES.
- 2. Notice of an Applicant's right to file a grievance must be provided:
 - a. On any website available to the public about the Program;
 - b. In writing at the time of application; and
 - c. On all approval and denial benefit decision notices.
- 3. The CAA grievance processes shall, at a minimum:
 - a. Consider grievances based upon a preponderance of the evidence standard. This standard considers whether it is more likely than not that the decision made was correct. This decision must be based on Program policy guidelines, and relevant Arizona statutes and other applicable law;
 - b. Provide the Applicant an opportunity to be heard or to provide additional evidence which supports the application as part of the grievance process; and
 - c. Accept submission of Applicant grievances at least 10 calendar days from the date of the decision letter.
 - d. Issue a written grievance decision notice affirming or amending the original benefits adjudication decision or amount within 15 calendar days of receipt of grievance; and
 - e. Provide notice of the Applicant's right to request reconsideration of the CAA decision by DES if grievance is not granted in full.

4. Request for DES Grievance Review

Applicants may request Reconsideration by DES of any final Adverse Action or benefits determination made by a CAA. An adverse action or benefits decision is final when the Applicant has exhausted the CAA grievance process. This is an expeditious means for Applicants to seek resolution of questions or disputes regarding application decisions. A request for Reconsideration does not limit an Applicant's right to appeal; if unsatisfied with the outcome of reconsideration, an Applicant may then Appeal.

- a. A request for Reconsideration must be submitted in writing within 10 calendar days from the date of the adverse action or benefits decision is final.
 - i. The adverse action or benefits decision is final when the applicant has exhausted the CAA grievance process, starting from the date of the final grievance decision notice provided to the Applicant per CAA grievance policies and procedures.
 - ii. A request for reconsideration will be submitted to the CAA, and the Contractor will forward the request to DES within one business day.
- b. A request for reconsideration must include:
 - i. Applicant's full name and Application ID number;
 - ii. Applicant's current contact information; and
 - iii. Applicant's basis for Reconsideration, including any substantiating information.
- c. Incomplete Requests
 - i. Will be returned to the CAA for additional processing and coordination with the Applicant. DES may also contact an Applicant regarding a grievance directly. A Reconsideration request is incomplete if:
 - a) Missing sufficient identifying information to determine the application or decision seeking reconsideration; or
 - b) Lacking an articulated grievance.
 - ii. Any further ambiguity or lack of evidence or information in a Reconsideration request does not constitute an incomplete request, and shall be addressed during review.

5. Reconsideration Processing

- a. Timelines
 - i. Requests for Reconsideration will be processed within 30 calendar days, from the date a request for reconsideration is received by DES to notification of the CAT's decision.

Note: Any requested delays by the Applicant for the purposes of scheduling a conference are not counted towards processing time.

b. Designation of CAT Reviewers

i. Upon receipt of a request for reconsideration, one (1) CAT member will be designated the Primary Reviewer, and one (1) CAT member will be designated as the Secondary Reviewer

a) Primary and Secondary Reviewers will be assigned on a pseudo-random, rotating basis so that on average, each CAT member will serve as a Primary and Secondary Reviewer on an equal number of cases and at a regular cadence.

b) Primary Reviewers have full responsibility over review and analysis of the Request, and make initial determinations.

c) Secondary Reviewers do not have responsibility over Requests until the Primary Reviewer has completed review and an initial determination is made, at which time the Secondary Reviewer will complete a case review.

Note: CAT Members who have a limited program designation may only be assigned as a Primary or Secondary reviewer for cases in their designated program area(s).

ii. Conflict of Interest.

a) Personal Relationship. A CAT member may not review a Reconsideration request relating to any person that the CAT member knows or otherwise has a personal relationship, including a friend, neighbor, relative, or other individual. Any such relationship, which may raise a question of the CAT member's impartiality, must be avoided.

- b) Prior Adjudication. A CAT member may not review a Reconsideration request relating to any person or case in which the CAT member made a prior adjudication decision.
 - c) Any CAT member who identifies a Conflict of Interest in a request will notify the CAT Supervisor of the conflict and take no action on the Applicant's case.
 - c. Reconsideration Notice. Upon receipt of a Reconsideration Request and assignment of a Primary Reviewer, a Reconsideration Notice will be sent to the Applicant. A Reconsideration Notice includes:
 - i. A statement that the Applicant's reconsideration request has been received and is being processed;
 - ii. Information on how to submit additional information (in writing) or documentation to the CAT for review as part of the Reconsideration Request;
 - iii. That the Applicant has the opportunity to be heard regarding their request at a conference, and how to request a conference;
 - iv. Notice that the conference may be waived and failure to timely request a conference constitutes waiver;
 - v. Notice that any information submitted by the applicant prior to the submission deadline (or waiver, in the event of waiver) will be considered as part of the Reconsideration.
 - d. Reconsideration Conference. Applicants will be provided the opportunity to present information and evidence at a conference.
 - i. This requirement may be met by teleconference.
 - ii. An Applicant may waive or decline their opportunity to be heard.
 - e. CAT Reconsideration Review
 - i. Evidence Considered. CAT Reviewers will consider all evidence presented by the Applicant and associated

case file information. A lack of evidence may also constitute evidence.

- a) Evidence presented by the Applicant includes: Statements or evidence submitted as part of the Reconsideration request, documents referenced in such a request, and/or evidence/statements reasonably provided by the client to the CAT by any other means.
 - b) The associated case file information includes any DES documentation related to the Program to which the Reconsideration request pertains. The CAT shall review any case file documentation which is in the possession of the Program.
- ii. Factual Determinations. Any factual determinations made by the CAT will be made using the preponderance of the evidence standard, that is, whether it is more likely than not that a fact in question occurred.
- iii. Weight of Evidence. While CAT Reviewers must consider all evidence, they must also give all evidence appropriate weight based upon its believability or persuasiveness in light of the full circumstances, their expertise, and other evidence.
- iv. Consultation. CAT Reviewers may consult relevant DES subject-matter experts, and may consider and/or rely upon information provided, in conducting review.
- v. Requests for Additional Information or Evidence. CAT Reviewers may request additional information or evidence from the applicant if:
 - a) A decision cannot be made on the Reconsideration request, and the requested information or evidence is likely to aid in a decision;
 - b) The requested information or evidence cannot otherwise be located

- c) The requested information is not suspected to be related to fraud or criminal activity; and
- d) The Applicant is informed that there has not been a decision on their Reconsideration request, the requested information/documentation believed to be necessary to resolve the Reconsideration request, any information provided by the applicant is voluntary, how to provide responsive information, and that any responsive information must be provided in five (5) calendar days to be considered.

Note: Requests for information may be made verbally or in writing.

6. Decisions on Reconsideration

- a. Preliminary Decision. After a review of all evidence and holding of any conference, the Primary Reviewer will issue a preliminary decision.
 - i. Available Actions. The CAT will issue one of the following decisions:
 - a) Granted in Full. All parts of the Applicant's request are granted;
 - b) Granted in Part. Some, but not all parts of the Applicant's request are granted and the Applicant is notified of the opportunity to appeal; or
 - c) Decision Upheld. No parts of the Applicants request are able to be granted and the adjudication decision is upheld; the Applicant is notified of the opportunity to appeal.
 - ii. Expedited Preliminary Decisions. In cases where review of evidence clearly indicates that the Applicant's request will be Granted in Full, a preliminary decision - and subsequent Decision Review, Decision Notice, and Adjustment Processing - may be completed prior to a conference to expedite Applicant resolution.

- a) Applicants will be informed that after a review of the evidence and case file, the request was granted in full; though a conference was requested, additional information was not required to grant the request. The Applicant may then elect to waive the conference, or appear as scheduled to discuss the request.
 - b) Expedited preliminary decisions may not be made in cases where the action is Granted in Part or DES Decision Upheld.
- b. Decision Review. After a preliminary decision has been made, the designated Secondary Reviewer will review the preliminary determination. The Secondary Reviewer may:
 - i. Concur. The Secondary Reviewer concurs with the preliminary decision based upon a review of the case file; the decision is now final and a Decision Notice is issued.
 - ii. Non-concur. The Secondary Reviewer does not concur with the preliminary decision based upon a review of the case file; if the Primary and Secondary Reviewer do not agree on the preliminary decision after a review and discussion of the case, the case is forwarded to the CAT Supervisor.
 - a) The CAT Supervisor will then review the case, make a final decision and a Decision Notice is issued.
- c. Decision Notices. The CAT will issue decision notices to Applicants in writing. Notices will include:
 - i. The Applicant's source application information;
 - ii. The date of the decision;
 - iii. The CAT's final decision;
 - iv. A statement that the Applicant's request for Reconsideration was processed in accordance with Grievance Policy and all evidence submitted by the Applicant considered prior to issuance of the decision; and

- v. If the decision is Granted in Part or the Decision Upheld, information regarding the Applicant's rights to appeal.

F. Program Monitoring and Audits

1. Program monitoring and formal audits generally consist of evaluations of internal processes and procedures for compliance with all requirements of federal, state and local laws, CAA-Division contracts, and this Policy.
 - a. CAAs will be audited a minimum of once every three (3) years, focusing on program, fiscal, policy, citizenship compliance, and general contract compliance.
 - b. Ongoing monitoring will be performed in accordance with the contract/monitoring policy at the Division level.
2. Contractors and Subcontractors
 - a. Contractors will ensure regular monitoring and compliance of any subcontractors which provide services on behalf of the Contractor in completion of Program services for provision to DES, which may include:
 - i. Regular site visit audits of vendors and Subcontractors;
 - ii. Established written procedures for carrying out contracted work product or the provision of resources by vendors;
 - iii. Regular reporting schedules with any subcontractors for any reports, data, or other information required to be provided to DES, so such information is available upon request; and
 - iv. Evidence of quarterly meeting cadence and regular communication efforts regarding program standards, performance, and expectations.
3. Administrative Expenses. Administrative expenses cannot exceed 10% of the fund's total costs plus disbursements during each Fiscal Year, and allocated according to the below rules:
 - a. No more than 2% can be used for administrative expenses by DES.

- b. No more than 8% can be used for administrative expenses by CAA and any potential Subcontractors.
- 4. Annual Reporting.
 - a. An annual accounting report of all collections, expenses, and disbursements must be prepared after each Fiscal Year and:
 - i. The DES Director must submit this report to the State legislative committee by October 15 following the end of the fiscal year.
 - ii. Other information may be requested by the legislature and is due at the same time.

G. Confidentiality

- 1. Information collected by the Program and during an appeal is confidential under A.R.S. § 41-1959 unless such confidentiality is waived.
- 2. The State of Arizona DES, DCAD, Auditor General's Office, Arizona Courts, and the Office of Inspector General (OIG), or authorized representatives of either, shall have the right of access to confidential records to conduct audits or investigations.

H. Welfare Fraud Prevention and Penalty

- 1. Employees of both DCAD and CAA's will take multiple steps to detect and prevent instances of Welfare Fraud. Specifically, Employees will review the energy bill and other associated documents and evidence for signs of fraud.
- 2. Applicants are required to attest they are not receiving benefits under LIHEAP or NHN for energy or utility expenses already paid by any other assistance program. Providing false statements may be punishable by law and/or result in denial or disqualification from LIHEAP and NHN benefits.
- 3. In cases where potential Welfare Fraud is detected, Employees will document the suspected nature of the fraud, any relevant information (e.g., known facts, statements, witnesses, or other knowledge possessed by the employee regarding the matter) and refer the matter to the Office of the Inspector General for investigation.
- 4. When Welfare Fraud is detected, external parties shall:

- a) Call the DES Fraud Hotline at (800) 251-2436; or
 - b) Complete the online [Fraud Reporting Form](#).
- 5. If DES determines that an Applicant has committed an intentional program violation or defrauded NHN, the Applicant will be subject to denial of NHN benefits, disqualification from the Program, and criminal prosecution.
 - a) Applicants are subject to 12-month disqualification for a 1st violation, 24-month disqualification for a 2nd violation, and permanent disqualification for a 3rd violation.

APPENDIX A - Neighbors Helping Neighbors Benefit Formulas and Matrix

(Based on: LIHEAP Heating/Cooling Benefit Matrix FFY2023)

Payment guidelines are based upon the household's income and energy needs.
Households

with the lowest income and highest energy needs are eligible for higher benefits.

1. Income Eligibility:

Based on the higher of 125 percent or 150 percent (for qualifying Applicant household demographics) (125%/150%) of the Federal Poverty Level Guidelines.

Income-to-household size ratio is determined by the variance of the poverty scale:

<u>Percent of Poverty</u>	<u>Points Applied</u>
0% - 25%	5 points
26% - 50%	4 points
51% - 75%	3 points
76% - 100 %	2 points

2. Energy Burden:

Monthly Utility Cost Divided by Monthly Gross Income = % of Energy Burden

<u>Energy Burden Percentage</u>	<u>Points Applied</u>
5% or less	0 points
5% - 10%	3 points
10% - 15%	4 points
15% - 20%	5 points
20% or Over	6 points

***NOTE: Add 2 points for deliverable/portable fuel usage**

3. Energy Need:

Elderly	1 point
Disabled	1 point
Child age 6 or younger	1 point
Veteran	1 point

***NOTE: Only one point per category allowed**

APPENDIX B - LIHEAP ELIGIBILITY WORKSHEET

Effective October 1, 2022

APPLICANT NAME:

DATE:

1. INCOME ELIGIBILITY

Gross Income, Past 30 Days \$

% of Income FPL	Points
0% - 25%	5 points
25% - 50%	4 points
50% - 75%	3 points
75% - 100%	2 points

Income Points **(a)**:

2. ENERGY BURDEN

To calculate:

- A. Use one month's bill
- B. If the client does not have a copy of their bill, call the utility company for the actual cost (document collateral contact)
- C. A written client statement can be used for portable fuels when the client does not have an invoice or estimate

Electric \$ + Gas \$ + Fees \$ + Portable Fuel \$ = \$ Total Monthly Cost

Total Monthly Cost \$ ÷ 30 Days Gross Income \$ = % Energy Burden Monthly

(Total Monthly Utility Cost Divided by Monthly Gross Income = % of Energy Burden)

Energy Burden	Points
Less than 5%	0 points
5 - 9%	3 Points
10% - 14%	4 Points
15% - 19%	5 Points

20% or More	6 Points
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Deliverable fuel Points (include in Energy burden Points below):

Note: Add 2 points for portable fuels

Energy Burden Points (Total from table + Portable Fuel points) **(b)**:

3. ENERGY NEED

Elderly 1 point **(c)**:

Disabled 1 point **(d)**:

Veteran 1 point **(e)**:

Child age 6 or younger 1 point **(f)**:

(Only one point per category allowed)

4. PAYMENT MATRIX

Total Points	Payment Amount
1-4	\$ 480
5-6	\$ 640
7-8	\$ 800
9 or Over	\$ 1200

Total All Points (a+b+c+d+e+f):

Allowable Payment:

(\$1200 limit)

APPENDIX C - Proposition 200 Instructions

VERIFICATION OF U.S. CITIZENSHIP DOCUMENTS

Arizona Revised Statutes, Section 46-140.01, requires that local governments and agents verify the identity and citizenship and/or immigration status of persons applying to receive benefits provided with State funds. This statute applies to Neighbors Helping Neighbors (NHN).

Most federally-funded programs also require verification of identity and/or citizenship of one or more family members.

Original documents, as listed below, are compliant with immigration verification requirements and screened for compliance by the issuing agency as part of the document's application process. If the Applicant does not possess, or cannot timely acquire an identification document listed below, completion of DES-1024A for USCIS SAVE Verification is required.

Acceptable documents to verify U.S. citizenship and identity include the following documents:

- REAL ID-compliant Driver License or Identification Card issued by any State within the U.S.
- Certified birth certificate issued by a U.S., state, or local governmental bureau of vital statistics.
- Certificate of Birth issued by the Department of State (FS-545 or DS-1350).
- American Indian census record. The tribal boundaries of a federally recognized United States Native American Indian Tribe may extend into a foreign country. Treat enrolled members of that tribe born outside the United States the same as a citizen of the United States.
- Naturalization papers. Naturalized citizens have a Certificate of Naturalization (N-550 or N-570) issued by the U.S. Department of Justice.
- Report of Birth Abroad of a U.S. Citizen (FS 240) issued by the U.S. State Department.
- U.S. Department of Justice Certificate of Citizenship and United States Citizen Identification card.
- Some citizens born outside the 50 states and the District of Columbia may have a Certificate of U.S. Citizenship (N-560 or N-561) issued to them by the U.S. Department of Justice. These citizens may also have one of the following:
 - A United States Citizen Identification Card (I-97).
 - An Identification Card for Use of Resident Citizen (I-179).
- U.S. Passport

- Verification from the United States Citizenship and Immigration Services (USCIS).

Verification from the Social Security Administration (SSA).



Subject: Address Confidentiality Program
Process Owner: Division of Community Assistance and Development
Effective Date: 3/1/2022
Revision Number: 0

Address Confidentiality Program

I. POLICY STATEMENT

The Arizona Address Confidentiality Program (ACP) helps survivors of domestic violence, sexual offenses, and/or stalking from being located by the perpetrator through public Records. The ACP is administered by the Arizona Secretary of State's Office.

The program provides a Substitute Address and confidential mail forwarding services to individuals and families across Arizona.

II. APPLICABILITY

This policy applies to all Division of Community Assistance and Development (DCAD) Employees and contractors that administer or provide services on behalf of the programs. This policy also applies to Applicants and Clients of any DCAD program.

III. AUTHORITY

A.R.S. § 41-166
entities

Address use by state or local government

DES-1-01-45

DES Address Confidentiality Program

IV. DEFINITIONS

ACP Authorization Card: The card issued to an ACP Participant, by the Secretary of State's Office, identifying the person as an ACP Participant. The card contains the ACP Substitute Address, as well as the effective and expiration dates of the person's participation in the ACP.

ACP Contact: DES Employee who responds to the Division's ACP questions and cooperates with the DES ACP Coordinator and the Secretary of State's ACP Office on ACP matters.

Actual Address: The residential, work, or school address as specified on the individual's application to be a program Participant. The Actual Address includes the county and voting precinct number.

Address Confidentiality Program (ACP): Program administered by the Secretary of State that ensures a Participant's Protected Information is confidential by using a Substitute Address and Redacting their Physical Address from electronic and hard copy Records.

Applicant: A person who is applying for a DCAD program.

Client: A person who receives a benefit from a DCAD program.

Division: Division of Community Assistance and Development (DCAD).

Employee: Any full-time or part-time worker, contractor, or temporary paid or unpaid worker, who is employed directly by DES/DCAD.

Mail Forwarding: The process of redirecting mail addressed to one location to another address.

Participant(s): Person(s) who is enrolled in ACP.

Protected Information: A person's phone number, city, county, and home, work or school address.

Program Representatives: Designated Employee from each program who will be responsible for updating Records when notified of an ACP Participant.

Record: All systems, books, paper, emails, maps, photographs, or other documentary materials, regardless of physical form or characteristics, including prints or copies of such items produced or reproduced on film or electronic media

pursuant to A.R.S. § 41-151.16, made or received by any governmental agency in pursuance of law or in connection with the transaction of public business and preserved or appropriate for preservation by the agency or its legitimate successor as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the government, or because of the informational and historical value of the data contained therein. All forms of recorded media are included in this definition from the traditional paper forms to electronic types in use, or forms of Records not yet invented.

Redact: The process of concealing sensitive information in a document before being released to someone not authorized to see that information. Redaction is used to protect an individual's privacy or to ensure personal information is not compromised. For the purposes of this policy, Redact refers to the process to edit a document to delete or mask the Client's or Applicant's Actual Address.

Substitute Address: The address designated by the Secretary of State's ACP Office to be used instead of an Actual Address. This address is 1901 W. Madison Street, Apt. #XXX, Phoenix, AZ 85009.

V. POLICY

A. Overview

1. An Applicant or Client who participates in ACP must not be required to provide Protected Information in order to apply for programs offered through the Division, unless the Information is required to determine program eligibility.
2. Participation in ACP does not exempt an Applicant from meeting all relevant program eligibility criteria.

B. Application for a Division of Community Assistance and Development (DCAD) Program

1. In order to demonstrate ACP participation, an Applicant or Client must submit the following supporting documentation:
 - a. Proof of ACP participation
 - i. ACP Authorization Card; or
 - ii. Letter by the Secretary of State's ACP office showing that they are participating in the program.

- b. If an Applicant does not have proof of ACP participation, an Employee must contact the Secretary of State's ACP Office by calling (602) 542-1892 to verify that the person is an ACP Participant.
- 2. The Employee must document confirmation of ACP participation. Documentation may include:
 - a. A copy of the ACP Authorization Card (front and back);
 - i. If the card appears altered or fraudulent, the Employee must request the original or contact the Secretary of State's Office to confirm participation.
 - b. A copy of the ACP Letter from the Secretary of State's Office; or
 - i. If the letter appears altered or fraudulent, the Employee must request the original or contact the Secretary of State's Office to confirm participation.
 - c. Documenting the phone call made to the Secretary of State's Office.
- 3. Upon confirmation of an Applicant's ACP participation, an Employee must accept the Substitute Address in completing application materials, unless a Participant's Protected Information is needed to determine program eligibility.
- 4. If assistance is needed, contact the DCAD ACP contact.

C. Terminating ACP Participation

ACP protections to a verified ACP Participant must continue until:

- 1. The ACP Participant requests that DCAD cease providing ACP protection. The request to terminate ACP protection must be received only from the ACP Participant, or from the ACP Participant's parent or guardian when the ACP Participant is a minor or incapacitated adult; or

2. Mail sent to the ACP Participant at the Participant's Substitute Address is returned to the program as undeliverable.

VI. PROCEDURE

A. Employee Responsibilities

1. An Employee must comply with the ACP policy as detailed above.
2. An Employee must verify a person's participation in the ACP program.
3. An Employee must accept the Participant's Substitute Address, unless the Actual Address is needed for program eligibility.
4. An Employee must review all Records and make the following changes for all Records created less than 90 days prior to the date of ACP participation:
 - a. Redact the Participant's Protected Information;
 - b. Change the Actual Address to the Substitute Address in any Department Record. This includes documents that may have been provided by the Participant; and
 - c. Ensure that a City/County resident letter provided by the Secretary of State is not saved in Division Records, if applicable.
5. After the Employee has Redacted/changed the Participant's Protected Information, the Employee must send an email to acpdcad@azdes.gov within 5 business days. In the email, the Employee must provide the following information:
 - a. Participant's name;
 - b. Participant date of birth;
 - c. The name of the program/benefit that the Participant applied for;
 - d. Start Date of Participant's ACP eligibility; and
 - e. Confirmation that the Participant's Protected Information has

been changed or Redacted in all Records.

B. Program Representative Responsibilities

1. When a Program Representative is notified by the DCAD ACP Contact that a person is an ACP Participant, the Program Representative must:
 - a. Review all Records and make the appropriate changes for all Records created less than 90 days prior to the date of ACP participation, if applicable; and
 - b. Notify the DCAD ACP contact that a Records search was completed and all applicable changes have been made.

C. DCAD ACP Contact Responsibilities

1. The DCAD ACP Contact will check the acpdcad@azdes.gov twice per week.
2. If the DCAD ACP Contact is notified of any ACP Participants, the ACP Contact will send an email with a list of ACP Participants to assigned Program Representatives. The email will also include instructions on changing/Redacting a Participant's Protected Information.
3. The ACP Contact will send a follow up email within 5 business days.
4. Maintain a spreadsheet of all DCAD ACP Participants.
5. Periodically conduct trainings for DCAD staff and community partners on ACP policies and procedures.
6. Conduct an annual review to ensure ACP Participants' information has been Redacted.
7. Respond to any Employee questions on ACP.

A16 Guidelines and Best Practices

Arizona Department of Economic Security
Division of Community Assistance and Development

March 2023

What is Assurance 16?

The Low Income Home Energy Assistance Program (LIHEAP) statute requires states to adhere to 16 different requirements (or assurances). Assurance 16 (A16) allows states to spend up to 5% of their LIHEAP Block Grant funds on “services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance.” A16 also requires states to report to the Department of Health and Human Services on the impact of such activities. Arizona has elected to utilize the entire 5% of possible funds towards A16. Agencies must maintain a source document that substantiates that Assurance 16 clients are provided these services. Documentation must be kept on file by the contractor and will be reviewed independently of standard LIHEAP files during routine program evaluation.

Intentions:

Encourage and enable households to reduce their home energy needs and, as a result, the need for energy assistance, including:

- Enabling, helping, or assisting households to be more self-sufficient in their energy use.
- Helping to develop household resilience, or flexibility, in the face of energy-related and other unexpected hardships.

Values:

- Household energy security.
- Sustainable, transformative household impact.
- Balancing effectiveness, efficiency, and compliance with fairness and simplicity.

Focus:

- Enable and encourage a household’s optimal, or most desirable, energy usage.
- Increase the affordability of energy.
- Enable household access to services and opportunities that increase or improve income and/or assets.

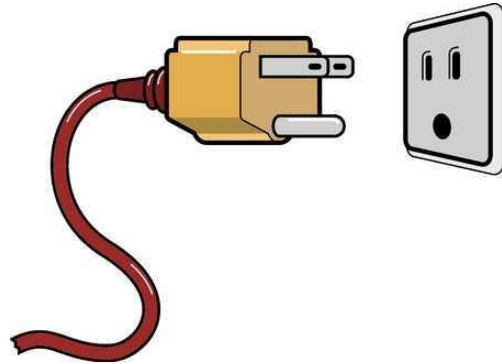
Exclusions (things not included, or not allowed, as part of A16):

- Administering other parts of LIHEAP
- Direct payments to households
- Payment of household energy bills

Funding

CAAs can spend no more than 50% of their A16 funding on Outreach activities. This reserves at least 50% of A16 funding for Energy Self-Sufficiency activities. The A16 funding limits are meant to ensure A16 activities are focused more directly on energy need reduction; they also act as a control on allowable A16 activities, which enables a substantial reduction in reporting.

A16 activities performed by case managers should be identified in the client's files in a separate section that details what A16 activities were provided to the client and what outcomes were documented over time in the standard 30, 60, and 90-day timelines. A reasonable cost allocation procedure must be in place to justify the proportion of any staff member's time which is charged to A16.



Suggested CAA A16 Projects

- CAAs can contact electric, gas, propane, and water utilities that serve their clients and request energy and water management tools and energy efficiency kits to distribute to clients. CAAs currently have utility contacts related to LIHEAP. Request at least 100 copies to start, then renew the request as needed.
- Make copies and distribute the Energy Star Join the Lorax activity book. It's free from Energy Star (https://www.energystar.gov/buildings/tools-and-resources/lorax_activity_book).
- Distribute the Touchstone Energy 101 EASY WAYS TO SAVE ENERGY AND MONEY to clients (https://www.touchstoneenergy.com/sites/tse/files/documents/101ways_final.pdf).
- Distribute links to the Energy Star Home Energy Audit to clients (<https://www.energystar.gov/campaign/home-energy-yardstick>). Clients will need access to the internet.
- Encourage clients to switch from regular electric meters to prepaid M-Power meters (where available). Clients may better manage their energy usage with a prepaid meter, versus a regular electric meter where the client pays after using the energy.
- Purchase and distribute [energy efficiency kits](#) (Example: <https://www.conservastore.com/product-category/conserve-energy/energy-saving-kits/>)



Home Energy Audit

These 8 simple low-cost actions may improve a home's energy efficiency, increase savings and enhance comfort. Some are one-time actions, some require maintenance every few months, and the rest are behavior changes or things to keep an eye on as you go about your day.

- 1) Unplug or turn off unused appliances and electronics. Appliance and miscellaneous electrical loads are taking up more and more of our monthly electric bills. One of the simplest things is to shut off electronics, appliances, and lights when not being used. Some electronics, such as televisions and cell phone chargers, can draw power even when turned "off," in what is known as phantom loads or vampire draw. Additionally, smart power strips have certain outlets that can cut power to electronics that are not in use.
- 2) Change out old incandescent light bulbs to Light-Emitting Diode (LED) bulbs. These bulbs can last 20-30 times longer than incandescents while saving more than 75 percent on energy (they are also more efficient than compact fluorescent lamps, or CFLs).
- 3) Change filters regularly. The filters in heating, ventilation, and air conditioning (HVAC) systems can help keep the air in your home clean. A clean filter also allows your HVAC system to run more efficiently. Most air filters should be changed every one to three months. They are often found in your HVAC return grill or in a slot right at the air handler, and installation is usually as simple as removing the current filter and sticking in the new one.
- 4) Setting your thermostat fan to "Auto" will ensure that it is running only when the system is heating or cooling. When the fan is "on," it is running constantly and can add up to \$50 per month. Additionally, keep your thermostat to the warmest comfortable temperature in the summer and the coolest comfortable temperature in the winter. In the summer, aim for 78 degrees, and in the winter, shoot for 68 degrees. Programmable or smart thermostats automatically set temperatures when heating or cooling is needed.
- 5) Have ductwork checked for leaks. Leaks at the return, air handler, and supply can be a major source of high bills. Mobile homes check at the grill, cross-over duct, and down flow air handler, for leaks.
- 6) Use washer/dryer and dishwasher only when the loads are full. Use cold water when possible for general clothes washing. Hot water can be saved for bedding, stained or soiled clothes. When dishwashing, try air drying instead of heat drying.
- 7) Low-flow showerheads and faucets use less water and can save money and energy by reducing water heating. Look for one with the WaterSense® label, which indicates that the product met criteria set by the EPA to reduce energy use without compromising performance.
- 8) Look for the Energy Star® label. Energy Star® is a program through the EPA and U.S. Department of Energy that promotes energy efficiency products. Energy Star® appliances and electronics have gone through testing to ensure they perform as expected and reduce energy consumption. Energy Star® products include refrigerators, ceiling fans, light bulbs, washing machines and more.